2001 HOUSE APPROPRIATIONS

HB 1012

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1012 - Overview (Cont.)

House Appropriations Committee

☐ Conference Committee

Hearing Date **January 04, 2001**

Tape Number	Side A	Side B	Meter #
Jan 4, 2001 1	x		0- 6215
-		x	0- 6217
2	x		0- 6222
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Committee Clerk Signature	L I Jacobs		

Minutes:

Chairman M. Timm: Will call the House Appropriations Committee to order and open the overview hearing on HB1012. Clerk will call the roll.

Chairman M. Timm, Vice-Chair F. Wald, Rep. Aarsvold, Rep. Boehm, Rep. Byerly, Rep. Carlisle, Rep. Delzer, Rep. Gulleson, Rep. Heuther, Rep.Kempenich, Rep. Kerzman, Rep. Kliniske, Rep. Koppleman, Rep. Martinson, Rep. Monson, Rep. Skarphol, Rep. Svedjan, Rep. Thoreson, Rep. Warner, Rep. Wentz.

David Zentner, Director of Medical Services for the Dept. Of Human Services.

David Zentner: Presented written testimony.

Rep Timm: What kind of income qualifies people to be low-income?

David Zentner: It varies, based on the classification of the individual. The bottom line is that most people who are eligible for supplemental income, normally aged, blind, or disabled individuals are generally eligible for the Medicaid program, although we have severed the relationship between the Tanf and Medicaid program, by and large 99.9 % of the individuals who are Tanf eligible are also eligible for the Medicaid program.

Rep Timm: How do people find out about this program?

David Zentner: Generally, what will happen is that people will hear about this through their providers or county offices if they have problems meeting their medical bills, we have other advocacy groups that understand the program and would refer those to the county offices.

Rep Monson: Are children who are covered by Medicaid are they also covered or eligible through CHIPS. Is there double coverage?

David Zentner: No, you cannot be eligible for both programs. When we receive an application, a screening is done to see if they are Medicaid eligible. If it looks like they are Medicaid we have to refer them.

Rep Kempenich: On this payment structure, is their any difference between large institutions or small institutions?

David Zentner: We haven't stratified that information yet, but we want to do that to find out where the problems are as far as satisfaction or dissatisfaction. In general I think I can say that for the most part pharmacies are satisfied with the process, but if you ask dentists they would say they are not satisfied.

David Zenter: Continued with written testimony.

Rep. Delzer: Is Solberg's bill in the senate? Response was yes.

Rep Monson: Getting back to this Healthy Steps, you indicated that there is $8.9 million in the request or the governors budget. Why is that such a big increase over what was spent last year?

David Zentner: Primarily because the program will be operating for a full two years in the new biennium, previously we started this program in October 1st of 99, and when you start a program you have to build on the numbers. Now we have about 2200 on the program as of today, but we anticipate that to continue to increase. So we will have a full program for the entire two years, and that was not the case when you have a startup situation. That's the primary reason.

David Zentner: Continued with written testimony.

Rep. Wald: I understand Minnesota has simplified their process, as we have 34 different rates for nursing homes in North Dakota and in a conversation recently with a nursing home administrator in my community, they complained bitterly about these 34 rate classifications and all of the time it takes to compute the various levels of payment and reimbursement, etc.; and theirs the argument between public payment and private payment. I understand that Minnesota has greatly simplified their process, and I don't know anymore about it other than what the administrator told me. I wonder if your department has looked at the Minnesota model to see if that's something that could be adopted here in North Dakota.

David Zentner: At one time we had 16 different rates. When the minimum data set came out, it was mandatory for Medicare to use that process. There was some discussion between us and the industry at the time. The industry did not want to have two different methods of calculating the payment, one from the Medicare side and one from the Medicaid, so jointly we agreed to adopt this minimum data set process which has the 34 rates. Granted, it is complicated and we could look at a different system, but the bottom line is that it isn't going to get them any more money But when we instituted this we did this with the understanding and cooperation of the industry

that this was the direction we wanted to go with this. This was something we did on a separate course, we involved the industry and they encouraged us to do this. We can certainly look at the issue again, but the 34 rates do provide a pretty good basis for determining the level of services their.

Rep Wald: As I understand his dilemma, when a person enters the nursing home they may require a higher level of skilled care, and as they progress and get better their care requirements decline , now were into a different category and its all the paper work that drives these people up the wall, and that's their concern that it triggers one of these categories.

Rep. Wald: As a follow up question, are their any federal mandates on these 34 classes or is this our own creation, or how did it come about? Did it just evolve into 34 classes?

David Zentner: This was a process in cooperation with the federal government and several states piloted this process. So it is something that has been looked at and approved by the federal government. We can do whatever we wish. We can come up with our own, as long as its acceptable by the federal government. We have to let them know what were doing and change our state plan.

Rep Wald: David, speaking for myself, I think sometimes as legislators we seem to simplify things, but it just appears to me that this is a hell of a way to run a railroad when you have 34 different classes that these people have to plug into to that level of service in order to come up with the final bill at the end of the month, and that is basically what were doing here as I understand it.

David Zentner That is correct, but I want to emphasis that the nursing homes administration was with us on this and agreed to it. If there are problems with this we can take another look at it.

Rep Aarsvold: Is it not also true that prior to the equal pay provisions of state law that private pay recipients also receive more private pay patients than those that are under Medicare?

Response: That was one of the primary factors in passing that legislation. It was a driving factor in going to equalized rates , so there wasn't this perception that private pay were being gouged as compared to Medicaid.

Rep Delzer: If you went back down to 6 or 8 or 10 or 16, would that significantly reduce the paperwork required by the nursing homes, and what would it do to the rates?

Response: The paperwork issue would be an interesting one, the nursing homes are required to do this MVS process, they have to do it. They may not have to do it all in the instance of the payment aspect of it. But the bottom line is they still have to do the MVS for each individual who's out there.

Rep Svedjan: Dave, I think I heard you say that the MVS requirement is imposed by the feds for Medicare patients. Is that not correct? And it was the decision of the nursing home industry rather than operate two separate reimbursement systems that they would apply the VMS to all of your population which includes the private pay and the Medicaid. Is that not correct?

Response: That is essentially correct.

Rep Svedjan: Dave, are you still seeing fairly significant incidents of individuals divesting themselves of assets to qualify for Medicaid? Is that still a problem?

Response: I can't answer that specifically, I know that it goes on out there, how rampant it is I don't know.

Rep Delzer: One of the things of the IGT bill I believe is a payment to divest themselves of nursing home beds, and most of those are below the 90% occupancy now that would be thinking of doing that, If they did that, would that affect this budget any?

Response: I think it depends on the configuration of each nursing home.

Rep Gulleson: On the rebate, do you negotiate that, how do you determine the rebate?

Response: The federal government mandates how this process is setup and they have contracts with each of the drug companies, and is based on the best price of the drug companies.

Rep Svedjan: My question really had to do with how you project the number of children who would qualify for Healthy Steps for the ensuing biennium?

Response: Basically what we tried to do is use the growth factor were currently seeing in the program and understanding that we what we have come to is probably the limit on the number on an ongoing basis that we are going to cover.

Rep Klinske: On chart H when it shows the income level is that before deductions or after deductions?

Response: That would be after deductions.

Rep Delzer: Is your budget built on 2937 flat for the next biennium? Yes, Response. The 16.4% increase is that the number that meridian gave you? Response was yes.

Rep. Koppleman: When you estimate the income levels before deductions or using the figures here for deductions, do you have any idea what percentage of North Dakota's population was put into those categories?

Response: I don't know what census data tells us as far as a breakdown of income. There might be something we could do on that.

Rep Svedjan: Do you anticipate that between now and the end of this biennium that you will add 800 kids to Healthy Steps, you had indicated earlier that its a flat projection of 2937 for the entire biennium. Do you expect to get to that point by the start of the biennium?

Response: When we built the budget based on the trends that were going on at that time we thought we could reach that number. I think we will know a lot more by the time the end of the month comes around on how many additional applications we receive. Our goal is to reach that many which would be 75 to 80% of the number of kids that could be eligible for the program.

Rep Delzer: Have we looked at all to see what kind of data is out there to see whether or not kids are dropping off of other insurance plans and going on healthy steps?

Response: We do ask the question, do you have other insurance and have you had insurance within the last 6 months. Primarily what we find is that people who have dropped insurance is due to the changing of jobs.

Rep Wald: When you have that situation when they drop that coverage due to affordability or whatever, and you have this 6 month waiting period, does Blue Cross make them go through a new waiting period for preexisting conditions or is there continuos coverage? Are we compounding a health situation?

Response: Our program has no preexisting conditions to process, so once they are enrolled they are covered.

Rep Svedjan: Do you have any data that tells you what the utilization is of the insurance contract by those who have qualified for healthy steps?

Response: We do get quarterly updates from Blue Cross that shows the basic utilization of dentists, hospital physicians and others, so that is available.

Rep Koppleman: When someone gets on the Healthy Steps program, I realize our experience is short, but when and if they get to the point which they don't need it anymore and they go back to the private insurance pool, what about waiting periods there?

Response: I don't know if I know the answer to that, but I think when there is continuous coverage, generally there is no waiting period.

Rep Timm: Wasn't it Healthy Steps that you stated earlier, that you started the program and there was no additional increase in health and salaries and so forth?

Response: That is correct.

Rep Timm: Why all of a sudden now do you need an in increase in staff and salary increases for that particular program?

Response: Were to the breaking point. I have one person doing eligibility for this entire program and we have also borrowed from other areas on an overtime basis . Its just to the point to answer all the phone calls and to process applications on a timely basis , we just can't do it any more with just one person. So we really need another person in there to do the eligibility process.

Rep Byerly: Just an observation, multiple times throughout your testimony you had made statements to the effect that the federal government goes back and takes a look a couple of years back and comes back with a ruling that says you weren't allowed to do something and therefore you have to pay the money back, you talked about that in Indian Health Services you talked about in hospital services and my observation is that your department is just as guilty as the federal government, because I know of numerous cases where you have gone back into nursing homes and disallowed things that have occurred two years before where a nursing home based on their judgment made a call thinking that they were in compliance with your regulations and yet you have demanded that they repay money, so its one of those kind of things where you talk about the federal government is unfair. But I think the committee has to understand that its just not the federal government that's doing these things, its the state government doing these things to nursing homes too.

Response: The bottom line is we do go out and audit and we find issues that do not comply with the rules as they are written we are going to take exception. Where possible we try to compromise and on occasion we can work something out that is meaningful to both sides.

Rep Svedjan: Despite the increases your incurring currently in the drug expenditure part of Medicaid, how much are you anticipating to turn back to the general fund just with in the Medicaid program at the end of this biennium?

Response: I do not have that information in front of me. There is some turn back primarily due to nursing home industry, approximately 1 million dollars.

End of prepared testimony by David Zentner.

Linda Wright, Director of the Aging Services Division, Dept. of Human Services. Followed written testimony.

Rep Timm: Somewhere along the line here, somebody made a statement that the outpatient care is going to be reduced. Is your budget for in home care going to be reduced?

Response: First of all I probably should have made the distinction that when I'm talking about in home services that we that we provide, those are not home health services that are provided by home health agencies. We do have a couple of home health agencies that are agency providers.

Rep Timm: But these are people that go in and take care of people, on certain hours of the day. Isn't that correct?

Response: It depends on the care needed by the individual, we do in fact have personal attendance care, which is basically 24 hours a day. That is not our highest use service but it is available if we have a provider to provide that services.

Rep Timm: But that's a lot cheaper than having someone in the nursing home isn't it?

Response: You are absolutely correct. A little later in my testimony I will give you what are average cost is per client for providing those in home services.

Rep Delzer: When you switch voc rehab funds over is that all general funds now? And was it all general funds when it was in voc rehab?

Response: No, there were federal funds included as well when it was a part of voc rehab, and it is my understanding that those federal funds are no longer available for that purpose.

Rep Aarsvold: I noticed on the chart you were talking about, that the ombudsman elder abuse program does not carry an appropriated amount, are those services being picked up by another agency? Would you clarify that for me please?

Response: The federal money that we receive for elder abuse prevention and ombudsman activity is being budgeted at the Human Service Centers, rather than in the Aging Services Division budget for the next biennium. We still do have the long term ombudsman in out budget and it's a part of our administration budget. But those federal moneys are being budgeted out of the Human Service Centers because they are carrying out those activities.

End of presentation by Linda Wright

Tamara Gallup-Millner, Deputy Director, Children's Special Health Services.

Presented written testimony.

Rep Svedjan: What authority you had for increasing the poverty level to 185 and also the eliminating of the asset test?

Response: We were able to do that because we were able to do it within our current resource constraints, we didn't have any additional funding in order to manage that change.

Rep Delzer: How does this effect the next biennium? And what happens if we don't get enough money to keep it in that, are we just going to drop it back out?

Response: We wouldn't have made that decision lightly without feeling that without being in our current resources. One of the things we do as a check and balance is our contracts are renewed on an annual basis.

Rep Aarsvold: You briefly referenced a differentiation between eligibility between self-employed and employed, can you expand briefly on that for me?

Response: For the majority of families, it is based on gross income.

Rep Wald: If we allow every agency in state government to change various levels whatever it might be without some kind of legislative authority, it seems to me that were the body that sets public policy not administrators, and its troubling to me that you can go ahead on your own even though you say the money is available. I think the issue is changing it without some kind of legislative authority and I'd hate to see that repeated in the next biennium. Do you have any response to that?

Response: Certainly knowing the concern that has been voiced today, we will do that.

Rep Monson: On attachment "C", if I'm reading this correctly it looks to me like almost half of the money spent here is for salaries, benefits, and operating and about half is going to help the kids. This doesn't seem to very efficient if that is what I'm seeing.

Response: I do go into some detail with that as I go into the budget. We are somewhat unique at the state office in that we provide for some direct service through our clinics with our staff at the state office. We have nurses that actually are administering and doing on-site management of these multidisciplinary clinics. Some of our staff that seems to take a big share of the pie, is because we are doing some direct services.

Rep Skarphol: Is there a threshold level of illness that these people have to have before they qualify for this special care, or does any child with asthma for this special care program?

Response: We did limit the asthma from moderate to severe, this was not meant to be an open door for children with mild asthma, it was meant to be for children who are taking medications and hopefully prevent some of the hospitalizations that result.

Rep Heuther: Asthma seems to be an old problem that is getting to be more severe, can you tell me in what portions of the state that is happening? Is it more populated areas, or throughout the entire state?

Response: I don't have that information for you, but we do have national prevalence estimates and used North Dakota population data with children to get an idea of how many children might need our services.

Rep Delzer: As we go through these budgets for Human Services, one of the things that I have seen, and having served on Human Resources the last couple of sessions, and we have mentioned this before, I don't know and can't speak for any other legislators other than myself, but it seems to me that one of the things that we continually see is the expansion of programs, but we want people to take care of themselves and get them off of this system rather than expand the system.

Rep Svedjan: I share a lot of those feelings that were just expressed. In regard to this program, I'm becoming more and more confused the more I listen. We have dropped asset tests, and I'm not at all sure what the distinction is or even if there is a distinction between the various payment sources for the kids served under this program. It would seem to me that if children are insured under Healthy Steps that insurance would cover much of what were talking about here. It would also seem to me if the parents have health insurance the same would be true there. It sounding more and more to me that it is duplicative of payment sources that already exist. Are we duplicating expenditures for those who are considered to be eligible right now.

Response: What we really feel we are doing is a gap filling for the underinsured.

Rep Svedjan: I would be curious to know, given the specialty care program itself, I have been looking ahead in your testimony and I don't see what the current budget is for that program compared to what it is your requesting for the next biennium. Do you have those numbers handy?

Response: As I get further into the budget, we don't budget those separately, we just use our overall division cost centers, we have got about $650,000 in claims for the biennium which is part credit payment and part payment through (?) Which is devoted to our specialty care program area.

Rep Svedjan: How does that compare to what you have budgeted in the current biennium?

Response: We look at a five year average and get a feel for what the costs have been over a five year period, because its very difficult to project.

Rep Skarphol: If you had not done away with the asset test, what effect would it have had on the number of children that would have been served?

Response: I'm not sure, but with the advent of CHIP we have less people seeking, because you have less uninsured out there.

Rep Delzer: If you hadn't expanded everything, how much would your budget have been able to decrease? And would the same number of children been covered simply by switching over to CHIPS?

Response: We currently have 29 children covered on CHIP.

Rep Skarphol: What do your clients typically do to request your services? Are they referred to you by physicians?

Response: A variety of ways, the health care community is a primary referral source for us and the social services office.

Rep Aarsvold: You mentioned that some of your staff provides some services and that was your way of justifying the 30 - 40 % of the budget for salaries. At what level are those services provided? Where are they provided?

Response: We are in 14 different communities in our state, certainly the bigger towns support hubs or because you have your pediatric providers there are more heavy.

Rep Warner: Of that long list of services that you provide of illnesses, can you give me some idea what percentage of those are mental health patients which are not normally covered by private insurance carriers?

Response: We currently do not cover any mental health conditions whatsoever.

Rep Gulleson: Is it through this division that the specialized clinics are conducted out in eastern North Dakota.

Response: That is correct.

End of testimony by Tamara Gallup-Millner.

Paul Ronningen, Director of Children and Family Services Division.

Followed written testimony.

Rep Monson: This refuge resettlement program, is that for all members of a family or just children, who does this affect?

Response: For all members of the family who have come to resettle in North Dakota.

Rep Delzer: That jump from "99" to 2000 do you expect that to continue or is that mostly because of the adoptions in the state family act under the federal guidelines?

Response: What were seeing right now is that we anticipated a bubble of about two years, and in the pipeline right now of potential adoptions were going to be talking in the subcommittee about that being extended out.

Rep Gulleson: Why the 24 month time frame for adoption?

Response: There is a multitude of activities that occur between the removal of the child by the court and put into foster care, and it would also include the time frame of providing services to that family to see if that child could return successfully back home.

Rep Skarphol: With regard to that foster care increase, you say it is 3.4 million and 2.2 for inflation , and 2.2 % of 3.4 million is about $68,000, if you knock of $200,000 you have about 3.2 million left, if you divide that by $50 dollars a month you come up with 64,000 children. Do we have that many foster children in the state of North Dakota that are being serviced in a years time? If you divide that by 12 that's $5000 a month.

Response: I will have our financial people put together a more detailed descriptor of where these moneys are coming from.

Rep Wald: I see a substantial increase in your refuge services and I note in the DPI budget that there is a line item under refuge assistance of $540,000 of federal funds, what's the distinction between you and DPI ?

Response: (Tape is inaudible at this point)

End of testimony by Paul Ronningen.

Karen Larson, Director of the Mental Health and Substance Abuse Services.

Followed written testimony.

Rep Delzer: What does the federal registry use to base these numbers? Are they doing it of off North Dakota or are they doing it off of other states?

Response: Its a nationally based estimate, and what I will do is present a copy of the federal register so that you will know the formula. Its the one we are required to use for our mental health block grant application.

Rep Koppleman: A question on your chart, you commented that this was based on those who responded positively to each domain, is a domain in each of these areas?

Rep Delzer: When you look at attachment "J" you have operating going from 2.8 to 4.8 and then its going from 3.2 to 2.2 . But we sure want to look at that when we get to the other side.

Response: This is just a snapshot, and we will prepare a more detailed look at that.

Rep Skarphol: Attachment "L" is a pretty significant increase in salaries as well or administration.

Response: I apologize, I didn't take you to the last two attachments. What we have done because the CO-location of what was the former division of mental health and the former division of alcohol and drug created one division. What we did and we really have to because of our funding sources, is budget by units. So we take the mental health mandated money and folded in smaller administrative units. Which is the only reason for that increase.

Rep Monson: I have a question on your attachment "I" , at the bottom it denotes the location of regional human services centers. Aren't there more than 14 centers.

Response: Yes.

End of testimony by Karen Larson.

Gene Hysjulien, Director of the Disability Services Division for Human Services.

Rep Delzer: How long do you track people after they come out of the system?

Response: We are able to track that information for 6 months and even three years beyond that.

Rep Svedjan: With the reduction of that $823,000 in federal funds, are you planning to make that up with general funds?

Response: I am in support of the governors budget, we did look at an optional budget adjustment for that, that optional budget adjustment was not included, so I'm in support of the governors budget and where we went with that.

Rep Aarsvold: You mentioned that you had done 5600 evaluations for the Social Security Administration for SSI and SSDI, what was your relative success with those applications and eligibility determinations?

Response: We are among the leading in the nation on being successful there. I think it was 98%

Rep Kerzman: One thing through our budget tours we looked at the Corrections Dept., and our inmate population has just exploded and their budget has really expanded in the last few biennium's. But one thing that came to surface is that about 30% of their population is DD's. Are we missing the boat here?

Response: I was not aware of that figure in terms of the populations at the institutions. I don't know what the particular nature of the crime is, if its a sexual offender or other types of crime. I think it would be a good idea to look at that more deeply and in some instances our services, if can get in there quicker may be of a benefit so that doesn't occur.

End of Presentation by Gene Hysjulien.

Brenda Wentz, Director of Fiscal Administration

Began written testimony.

Rep Aarsvold: When you have funding sources from both the federal government and state government in the general fund are we able to prorate the risk management responsibility between those two fund sources?

Response: At this point the contribution is basically coming from the general fund to put into that fund?

Rep Timm: How do you handle providing the services to the people that work in the service centers that may file a grievance, do you send somebody out there to counsel with them or what do you do?

Response: The initial contact would be through the telephone and see what we can accomplish through that, if it requires travel we will do that as well.

Rep Delzer: Is your motor pool expenses going to be in your budget now, its not going to be in the service center budgets?

Response: The motor pool expenses have always been included in our budget.

End of Presentation by Brenda Weisz

Roger Hertz, Director of the Information Management Division of Human Services.

Followed prepared testimony.

Rep Timm: Your establishing all this electronic information people on HIPPA, could this be a way the federal government come in with mandated universal health care and you would have it all set up for them and each state would have it set up in their human services dept.?

Response: There is a lot of speculation in that area as all this comes out and you continue to look at the regulations there is a national identifier for individuals, provider individual, and for providers. One could certainly come to that conclusion.

Rep Delzer: You have 2 of the 9 regulations in place now, have you done any estimating on how much difference this makes on building this with out having the other regulations in place?

Response: No we really haven't. There is a lot of different opinions out there on what those will be, and were trying in our analysis to get the basic concept of these other regulations and try to work that in but its extremely difficult.

Rep Delzer: Your equipment line item, is that department wide?

Response: That is department wide.

End of testimony of Roger Hertz.

End of all testimony on Human Services Overview of HB1012.

Chairman M. Timm adjourned the House Appropriations Committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, JANUARY 9TH, 2001

Tape Number	Side A	Side B	Meter #
1-9-01 1012	**X**		**00-6145**
#1012		**X**	**00-6242**
#1012	**X-2**		**00-5846**
#1012		**X-2**	**00-5915**
#1012	**X-3**		**00-6197**
#1012		**X-3**	**00-2637**
Committee Clerk Signature Mickie Schmidt - (Rush)			

Minutes **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

Chairman K. Svedjan: We will call the Appropriations Human Resource committee to order and open the hearing on **HB 1012 on the Department of Human Resources: Economic assistance, Program and policy, and Management and Council.**

Mike Schwindt: Director of Child Support Enforcement (SEE ATTACHED, p.1-4 E)

Case loads continue to grow. Collections continue to go up. $60 million last year and $70 million this year and growing. New tools Congress said to use- Automated child support collections. Eight regions provide the bulk of enforcement. What we earn is based on operations. Education fund- State: 25% use it in budget as revenue, County: 75%

Rep. Kempenich: What are they looking for, for reimbursements?

Mike Schwindt: One band itemized $900.00 a year times 200 = quite an expense.

Rep. Kempenich: Are they cooperating?

Mike Schwindt: Yes.

Chairman Svedjan: Does the National Data Match System help match?

Mike Schwindt: The info coming back is good.

Rep. Delzer: The list of OAR's-are they approved and how much money? *MOE-- major list, *List of vacant employees, *Child support ?

Mike Schwindt: We'll get that for you. (SEE ATTACHED, 4th paragraph down on summary)

Chairman Svedjan: Any other Q's? OK, we'll continue on.

Blaine Nordwall: Dir. Of Economic Policy: Our grant programs, *Food stamps, Childcare, TANNF, and Indian County allocation, three of four are subject to authorization. TANNF is a five year program, the goal is to come up with ways to deal with the different cases. There is a 60 month limit. *Special projects increases. *Contractor fees, *Food stamps-FTE impact on counties- SWAP, *Policy on uses of retained dollars to keep within Economic assistance, *Indian county allocation. (SEE ATTACHED)

David Zentner: Dir. Of Medicaid & Healthy Steps: *Impact of LTC on projected IGT budget 01/03, * $400,00 in IGT budget, * Emergency clause, * The utilization of CHIPS - increase of 16.4%, * FTE for CHIPS, * Reprojections to obtain 99' charts- LTC, IGT- Check Bills 1179 and 1196. (SEE ATTACHED)

Linda Wright: Dir. Of Aging Services: Program and Policy: A change -referring to revised w/bar charts, p. 5. P.4- Targeted Case Management (SEE ATTACHED-ND dept. Of Human Services handout) The results in reduction -clients remain the same. SPED and expanded

SPED-increase for the providers. Have a wavier for TBI, everything else is covered. An increase in mill levy match program. There's no language change. Allow raise at local level. County assessments - (see attached) A service unit = one meal, or one way ride = one service unit.

Gene Hysjulien: Dir. of Developmental Disabilities and Vocational Rehabilitation: There has been an decrease in the operating portion of the budget. We're seeking a $.45/hr for salary increase. (see attached)

John Larson: Dir. Of Enable Inc.: * Direct service staff- request for 45 cent raise p/h, * increase in fringe benefits -$36.4%, because of health insurance costs are up. The positions are tough positions with difficult hours, and a tremendous work load, which wears on staff. Our client load is increasing, with costs. Chart three breaks down the services to certain individuals with learning disabilities, which has increased over the last biennium. Our match is 78.7- Fed., and 21.3- Gen. Fund. (see attachments)

Tamara Gallup-Millner: Dir. Of Children Services: *Special needs programs, *CHIPS, * Speech Therapy, * Impact of Diabetes and asthma. (see attached)

Paul Ronningen: Dir. of Family Services: *Adoption services -increased, *ASK program, * Child protection services, * increases in Foster care, *RCCF services, * Refugee services, (see attached p. 13)

Karen Larson: Dir. Of Mental Health and Substance abuse: * Outpatient and Inpatient commitment involuntary or voluntary, * HUD programs, * Homeless, * Mental disorders, *Medicaid and Medicare's role, *ACT, * Community based care- increasing. (see attached)

Tom Wallner: Executive Dir. Of the State council on Developmental Disabilities: Services: * Employment, *communit, Living, * Child Development, *System Coordination/ Community Education. (see attached)

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: WEDNESDAY, JANUARY 10, 2001

Tape Number	Side A	Side B	Meter #
1-10-01 HB 1012	**X-1**		**00-6200**
#1012		**X-1**	**00-6219**
#1012	**X-2**		**00-6235**
#1012		**X-2**	**00-6099**
#1012	**X-3**		**00-2416**
Committee Clerk Signature Mickie Schmidt (Rush)			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

00-Chairman Svedjan: We will call this section to order on **HB 1012. We will be focussing on all 8 HSC budgets.** **"OVERVIEW"**

194-Rolf Storsteen: Director of South Central HSC in Jamestown: We have three programs that have a major impact on our budget. The first is the Transitional Living Home, Crisis Residential Center, and Chemical Dependency Case Management. (attachment #1)

3862-Tim Sauter: Regional Director of West Central HSC: **See: (attachment #3, 4, 5, and 6).** (TO THE END OF THE TAPE 1) **TAPE 1, side B-00: to 1159.**

Tape 1, side B-1200-Bob Sanderson: Director of Northeast HSC: See: (attachments #7-11)

(1200-3961)

4115-Joe Fry: Regional Director of the Badlands HSC: See: (attachments #12-14)

(4115-6219)

Tape 2, side A-00-Marilynn Rudolph: Regional Director of the Northwest HSC in Williston: See: (attachments #15-19) (Tape 2, side A-00-1541)

1633-David Snyder: Director of North Central HSC in Minot: See: (attachments #20-25)

(1633-3067)

3196-Duainne Bourey: Regional Director, Lake Region HSC in Devils Lake: See: (attachments #26-31) (3196-6135, tape 2, side B: 00-6099) (tape 3, side A-00-2416)

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: January 11th, 2001

Tape Number	Side A	Side B	Meter #
Committee Clerk Signature Mickie Schmidt			

Minutes:CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

Chairman Ken Svedjan: We now call this meeting to order.

Roll Call: We have a Quorum

Alex Schweitzer: Dept. Of Human services Superintendent of Institutions (Handout #1-#23-see attached.) ND State Hospital:

Rep. Delzer: Are they self or court appointed?

Alex Schweitzer: They are usually sentenced, or have multiple DUI's, usually the same people. Services included in this program: Administrative Services, Fiscal Services, Quality Management Services, Management Information Services, Human Resources, and Environmental Services. Programs included: Serious Mental Illness System of Care, Substance

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Abuse System of Care, Children's Mental Health System of Care, and Clinical Services Program.

ND Developmental Center: Programs included are: Developmental Center- Day and Residential Services, Developmental Center-Safety Net, and Developmental Center-Clinical and Health Services. (see attached to p. 8)

Chairman Svedjan: Call the meeting back to order. And we'll proceed with Roger Hertz.

Roger Hertz: IMD = Information Management Dept. (see p. 4 in handout) Increase in Gen. Fund money, due to SWAP dollars.

Rep. Delzer: Increase in other dept.'s? Request a one page summary on the SWAP?

Evonne: Yes, and we'll get you that.

Rep. Delzer: What's the reason for the decrease in the fed. Dollars?

Roger: It has to do with where we are spending the money within the dept.

Rep. Delzer: Can we have a list of where the $40 million are going, the IT costs, and how much usage you expect to expand and the equipment you expect to buy?

Roger: Yes.

Chairman Svedjan: On p. 5, in the box are they retained dollars. Do the Fed. Funds become retained dollars?

Roger: No.

Rep. Kerzman: Do you purchase through them? Hardware, has it increased in price or decreased?

Roger: We have a central information technology budget. We purchase it all here. We lease our servers.

Rep. Kempenich: Do they have an upgrade pkg.?

Roger: They give you a buy out. (See p 6.)

Chairman Svedjan: How much do you have in retention?

Roger: $25,000. (p 6, see book) Moving on to Operating.

Vice-Chairman Delzer: Where do you have that in? Did it decrease from last time?

Roger: That's in operating fees and services, object code 3014. And yes, that did go down by $3.5 million.

Vice-Chairman Delzer: When the computer is on, are you getting charged CPU time, whether it's being used or not?

Roger: No, the only time you pay a CPU charge is if you are in a mainframe application, or only if you are doing something and press the enter key where it is actually processing that information. There are monthly access charges for that computer being connected to the network.

Rep. Kerzman: Can child support talk to tannf now, are we at that stage? And also the privacy issue, how are you handling that?

Roger: Talking to each other is not a problem. In terms of the privacy, we haven't had any problems, but with HIPAA, they deal with health care information, which is confidential and no one can hack into it. Moving on to projects and equipment, it increased because of replacement cycle on our equipment. Moving on to HIPAA, on p 8-10 in book. No provisions for any additional FTE's to support HIPAA.

Vice-Chairman Delzer: You said there were three of the nine regulations were in? Is the clock ticking on three of the nine?

Roger: There's two of them, electronic transaction regulation and the privacy regulation. The clock is ticking on those two.

Vice-Chairman Delzer: That's two years and sixty days. And the penalty, is that $1 million a solid number?

Roger: No one really knows.

Rep. Delzer: Where would the withhold to money travel?

Roger: I don't know. I would assume they would get it from us somewhere. It would come in the form of a penalty from the federal government.

Rep. Delzer: But what funds are they going to penalize? Where are they going to take it from? From Medicaid?

Brenda : Usually if there is a penalty, they'll take it right out. They'll issue it out to the program.

Rep. Delzer: If it's Medicaid, that is one spot where we have historically had a little room.

Brenda: They would send you a letter to say that the state owes a penalty of $1 million.Where the department comes up with it??? They're just concerned about getting their penalty money.

Rep. Delzer: But don't they take it by not sending you as much money as you request somewhere else? Or do they expect you to cut them a check and send them a check?

Roger: This is unchartered territory. In the past, they were linked directly to a program. This spans more than just Medicaid because it affects the regional offices, the institutions, the hospitals.

Rep. Delzer: If this is a different sort of thing than the fed.'s have ever done before, is any of the state's challenged their constitutional right to impose a penalty on a state for not doing what the federal government is telling it to do, in something like technology?

Roger: It's difficult for the state's to take a position because there aren't even final regulations yet, so until regulations come out, we really don't have any basis other than that the threat is there and there will be penalties and they are involved in regulations.

Rep. Delzer: Has there ever been this type of penalty before? From your understanding there has, but as far as the Dept. Of Human Services would know, there hasn't?

Chairman Svedjan: Well how did they penalize us under the Child Support Enforcement?

Brenda: That is a closed end grant. Medicaid is an entitlement, so I'm not sure they'd be able to do that. I think it would be penalty requirement, rather than a grant award.

Rep. Delzer: Could the Council research that to see if there has ever been that type of a penalty from the federal government to any of states?

Chairman Svedjan: It's our understanding that some states are opting to test this. It is to say, let's just go at our own speed within the affordability of that particular state saying we'll implement it by the time we can and risk the penalty.

Roger: There's also a move under way by a number of organizations that deal with this to try to get the two years and sixty days deadline pushed back to four years. We intend to participate in this wherever we can.

Chairman Svedjan: What do you know about how far along our neighboring states are on this, or any states in particular.

Roger: We do know that Minnesota is probably a lot further along because they've really had sort of a consortium together to do this. Utah's state legislature passed a similar measure some years ago which only covered in state. South Dakota is four or five months behind us. We're progressing through our planning and analysis stage.

Chairman Mike Timm: What % of your budget could be not spent in the next two years until we know what regulations we have to comply with?

Roger: It's hard to give you a precise answer on that.

Rep. Delzer: In your HIPAA budget, $3.9 million is special funds. That's a 60/40 split, is that a common split for federal? Usually when there's a new program, there's a much higher split than 60/40.

Roger: That's a mix of different funding sources, for example, in Medicaid, we would be eligible for the changes we had to make for MMIS system at 90%. Where the changes we have to make at the regional centers, where they are provider and hospitals, those would all be a general fund. So what you're seeing there is a composite allocation, and that's how you come up with that 60/40.

Rep. Delzer: If we only have two regulations in place right now, and it's a $9 million expenditure in this next biennium just to get started with, that you would plan to have those two done in the next biennium. What kind of money are you planning to spend in the following biennium?

Roger: These are security and privacy in the electronic transactions and are the most intensive ones. They will set the frame work for provider identifiers and individual providers and some of that shouldn't be that great. Again, it's hard to put an estimate on that until you really know what the regulations say.

Rep. Delzer: How much do you figure this should finish those three systems then?

Roger: This amount here was at the time we built it, it was to finish the electronic transactions and some of the privacy. At the time we did this, the privacy rules were not finalized yet. But we intended to get that piece done in the up coming biennium, because that would be within that two year minimum.

Rep. Delzer: What are the odds that you could wait and buy some sort of built up software instead of everyone building their own?

Roger: I think in some area's, we can do that. For example, we met with South Dakota last week and were looking at the possibility we can do something jointly together with them. But, there is a variety of differences from state to state. We're going to try to put in a piece called a translator, that sits on top of all of this that makes the translations from the old to new, simplifying the whole process.

Rep. Delzer: When this is all done, isn't everyone supposed to have the exact same system?

Roger: It really doesn't deal with having the same system, it's having the same format for your information.

Chairman Svedjan: Shouldn't we be maximizing the federal dollar for the equipment related to this project?

Roger: In this area of HIPAA, we will be maximizing the federal dollars wherever we can. There are certain areas, such as the regional offices where there is no federal program available to draw down, but we will be doing that as much as we can.

Chairman Svedjan: But you did say earlier, that because of the move away from the higher reimbursable federal dollar areas, that accounts for the higher general fund expenditure here. Do all those other areas carry the prospect of substantial funds with them as well? It seems that we should access the most federal dollars for this that we can, given the fact that we may be fined by them?

Roger: That is correct. Our needs for technology have moved in some respect away from some of those areas where we have higher federal reimbursement into some of the other areas where we don't have this higher federal reimbursement. In those other areas, other than perhaps child support, no there are no fines. But if you look at our project, Windows 2000, that doesn't bring a fine with it. But what it brings to us if we don't keep the operating systems current, it brings an

interruption in the technology services, and we're tied to that technology to carry out a business. So we don't want to have business interruption.

Chairman Svedjan: The formula for calculating funds is attributable to all the private organizations as well?

Roger: Correct. HIPAA applies not only to the government, but applies to all health care whether public or private. Everybody has to deal with it and the same set of regulations. HIPAA was pushed by the private sector, but does hold the promise for efficiency.

Chairman Svedjan: To help us clarify these numbers, you're talking about an intergovernmental transfer, about $3.9 million, wouldn't that show up as special funds in this case? It's in both places, equipment and operating?

Arvy: No, it is in managerial support line.

Brenda: It's also a separate line item.

Chairman Svedjan: Are you planning to cover the section about grants?

Roger: I wasn't going to say anything about that because we don't intend to do that. That was sort of a one time opportunity as a part of the Medicaid/Tannf project where Congress made available this enhanced ??. To do that, we took advantage of that to provide equipment to the counties, basically we passed through the federal share of the counties provided the 10% non federal share provide the equipment for that project. Since we've done that, we wouldn't be eligible to do that again.

Sheldon Wolf: We have until October 2002 to get the transaction and code sets done, no matter what the other ones do, or else we start going into the penalty stages.

Chairman Svedjan: What's the best information you have on the prospect of the timeline being extended?

Sheldon Wolf: No idea.

Rep. Kerzman: As far as the penalty, if the state doesn't comply, are we going to suffer some requirements to the penalty?

Sheldon: No, they have to do it on their own, but they have a choice that we don't, when it comes to the transaction and the code sets. Their choice is, they can bill on paper. I don't have that option. It's either we do it or we don't, and the outcome of us not doing it, and everybody's ready to go and we aren't, we'll probably losing providers.

Chairman Svedjan: Is that because you're a payer?

Sheldon: Yes. Providers have a lot more options than we do, on the transaction and code set side. Privacy and security they don't. The best information on the extent of the fine on the privacy side is $25,000 for incident.

Rep. Kliniske: What is the definition of an incident? Is it a case?

Sheldon: That's the part I'm not sure of. No one is clear on that yet. It might be $25,000 for all or just for one. And that's just the privacy piece. So, the other seven will have their own sets of penalties.

Rep. Kempenich: The translators, do you have different languages you have to work through?

Sheldon: What it is, there's a standard format based on field things and so on and we have a different format that we use in the payment system. That translates that format to the format we need. We have to build all that stuff in between to tell us what to do and all that.

Chairman Svedjan: What portion of this can we reasonably expect to accomplish over the next two years?

Roger: What we're proceeding with right now is the analysis part of that which takes the time of our staff, and we'll have to pay for some of the time of ITD to help us on that analysis of how we really come up with a solution to plan for that.

Rep. Svedjan: So none of that is reflected in this $8.9 million?

Roger: That's why we had an emergency measure on this one, because we were looking for the funding right now to be able to do that, because we did not have this in our existing budget for the 1999-2001 biennium budget.

Rep. Kempenich: With these translators, what would the time frame be?

Roger: We're still hoping to have this done within the two years and the sixty days, but again, this is new territory we're going into.

Rep. Delzer: Is this $9 million, is this what you expected to cost just to do the analysis and build the translators?

Roger: That's what we thought would take to put this whole piece into place, not only for the provider/payor side, but also where the department is a provider at the Human Service Centers and at the State Hospital Developmental Center. This was to take those two pieces and implement them across the department for the state's $9 million.

Rep. Delzer: New software? Or just the translator part, you said you could translate them into the language you need?

Roger: In terms of Medicaid it would be for the translator and other services at the regional offices it would be for software for their billing and to run the rest of their functions.

Chairman Svedjan: There would be Interstate implications here also?

Roger: Yes.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date **MONDAY, JANUARY 15, 2001**

Tape Number	Side A	Side B	Meter #
1-15-01 1012	**X**		**00-6244**
#1012		**X**	**00-6073**
#1012	**X-2**		**00-6115**
#1012		**X-2**	**00-5282**
#1012	**X-3**		**00-6090**
#1012		**X-3**	**00-6219**
#1012	**X-4**		**00-2544**
Committee Clerk Signature Micki Schmidt			

1-15

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER.**

Chairman Svedjan: We now call the Human Resource section to order.

Roll call: We have a Quorum.

Arvy: Analyst for OMB: Supplementary information on reports.

Vice-Chairman Delzer: How many places would there be that you increased the request?

Arvy: All of our recommendations would be funded from OAR's.

Vice-Chairman Delzer: Does the department have the list of the OAR's split up yet?

Deb McDermott: Assistant Director for the Fiscal Department: Ours is ready to go, with the exception of a few changes. (see attachment #1-3)

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Chairman Svedjan: So you dropped 1-1/2 FTE's?

Deb: They were dropped in the current biennium now. Also a reason for some of the decreases in salary, there is the turnover in the legal division.

Chairman Svedjan: Of all the 12 FTE's in this area, how many would you consider to be professional Vs secretarial or support kinds of positions?

Deb: 4 support and 8 professional.

Vice-Chairman Delzer: Do we have the whole FTE list?

Deb: We can get that for you.

Rep. Kempenich: In your legal, you had some turnover, was that attorney's or their support? How many did you lose?

Deb: Two new people.

Chairman Svedjan: Arvy, on the yellow sheets, in terms of the expenditures to date, were those actual expenditures for the first year of the biennium?

Arvy: They're actuals through March. You wouldn't have the actual till July. It's a projection through the end of the first year.

Chairman Svedjan: You're looking to come in about $230,000 under budget? Do you have a copy of the departments $932,000 compared to 1.161. Does that difference relate to the vacancies?

Deb: Yes, and the turnovers, the vacancies and also moving that one FTE from exec. office to managerial in April. In this instance, we did not move the funds.

Chairman Svedjan: We're to assume then that about $230,000 will roll up and go back to the gen. fund in this case?

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Deb: That's in total authority. We're going to need gen. funds within Sub. div.1. We'll use some of the gen. fund roll up within that area to fund some other shortfalls within our budget. We can't use the authority.

Chairman Svedjan: What was requested was $1,063,000. What was recommended was 1.106 million which includes the salary package?

Arvy: Yes.

Vice-Chairman Delzer: Are you saying we should be building it off of something other than the $932,000, is that not accurate?

Deb: That would not be accurate for where we're going in the future biennium, that's only a projection. Can't really build off that number.

Vice-Chairman Delzer: What number do you think you should be building off of? Your request?

Deb: Off of our request is the budget that was in place at the time we built the state plan.

Chairman Svedjan: You can't build off the $932,000, because that's the number you project you'll be at, given the fact that you had some vacancies, you had positions that were not filled for a certain period of time and you transferred one position.

Deb: And in some instances there may have been two months where there was no salary paid out at all. So there's no way you can use the $932,000, also included in that projection is eight months of unpaid leave of salary while Carol was gone.

Chairman Svedjan: In the report you handed us, now you're using a 16 month, did you do that because the salary numbers where available for 17 months, but the operating expense were not?

Deb: It depends on which division it is, how what their expenses are? Salary is actually applied back.

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Chairman Svedjan: IT telephone, you 're coming in about $800 less than what was approved in the budget?

Deb: What's included in that is pagers, cell phones in the executive office, roaming charges for telephone.

Chairman Svedjan: To help the committee understand: on the yellow sheets that Arvy distributed to us, you would see that the Gov.'s recommendation for the 01-03 biennium is $544 less than what was budgeted for the current biennium. So when you compare what they expect to expend, which is on Deb's report, compared to what you're requesting, it's about a $850 increase over what you expect to spend.

Deb: The expenditure column on here is not where we project to be, it's doing the calculations that the committee was trying to do during the last session.

Rep. Kempenich: On the travel side of things, why are the cost up? Why so much difference?

Deb: It's built on is our legal services staff, which needs to travel to certain conferences to maintain their degrees, and also within the executive office, they go to the quarterly meeting, and with the increase in airline tickets and trips.

Rep. Delzer: Does the deputy director do that much travel?

Deb: Both Carol and Evonne go to the meetings to make sure the department gets all the information we need, with all the federal rules and regulations and program changes.

Chairman Svedjan: IT software: you're coming in about the same.

Deb: All true software is in the ??? Budget.

Chairman Svedjan: Postage: you say you're going to spend about $413 , but you're budgeting the same again, it's been recommended $115, which is ¼ of that.

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Deb: the only postage that's actually paid out of any division except managerial, is special mailings. Rent: As you can see in the recommendation, it's $0, and that's because before there was a conference room down in the Dakota Foundation that was allocated out to the executive office, and now it's an increase in their budget to pay for that same conference.

Dues and professional development: One of the largest items are the department dues that we pay to the APHSA (American public human services association), and conference registration fees. Operating fees and service: The main thing that was entered during the current biennium was developing a plan to measure outcome. We paid close to $22,000 for consultants.

Rep. Kerzman: Who requested that? The Legislature? Do you have to find the money in your budget?

Deb: It was by the task committee. Yes.

Rep. Delzer: That was 95' - 97'?

Deb: 97'- 99'. Repairs: Consists of typewriter ribbon, small things, etc... Professional services: Insurance: Office supplies: is based upon when you buy supplies. Printing: Consists of printing of our biennial reports, and of the legislative guide.

Chairman Svedjan: Are Legislatures requesting that guide?

Evonne: The request for the directory comes from the constituencies. We've gotten requests for the guide.

Deb: Professional supplies and materials: Again it has to do with timing and when you buy the periodicals and subscriptions, supplies in the legal division. Building grounds & vehicle maintenance supplies: This is to fix your typewriter, or other pieces of office equipment. It's an equipment repair fund. Misc. Supplies: Grants, benefits, & claims:

Rep. Warner: What are your archiving costs? What do you do with old records?

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Deb: We have a contract with managerial support and information is 25 years.

Rep. Kerzman: Looking in the budget, I see that they went without a deputy director for ¼ of the year, a confident staff or overstaffed?

Deb: There were several individuals that put in a lot of extra hours. We still have to do the duties.

Evonne: I think it is something you can do for a short time, but it certainly showed on staff.

Rep. Delzer: Who does the budget fall on? Fiscal or the deputy director?

Evonne: The actual work comes from the fiscal administration.

Rep. Kerzman: Do you put in overtime for the overload of work, comp. Time or salary adjustment for that?

Evonne: There is no overtime. There was an adjustment made for 3 people.

Chairman Svedjan: So personal policies allowed for you to be named acting, and then there was a commenced adjustment in pay, but with the fiscal staff, what is it within policy that allows them under that circumstance to have an adjustment in their compensation?

Evonne: We have a portion in the compensation called the temporary workload adjustment.

Chairman Svedjan: Are there any OAR's in the executive office?

Arvy: No OAR's.

Chairman Svedjan: Managerial Support: Salaries:

Deb: During the current biennium, we centralized our collection effort, grant reprojection from BR, a decrease in research and statistics because of realignment.

Chairman Svedjan: What is the effective date of that change? At the end or already occurred? Any roll up would roll up into the whole division's roll up? On the executive office, what is your anticipated roll up out of that division?

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Deb: Already occurred. Yes. No we are not planning on turning back general fund $$, because of short falls in other areas.

Vice-Chairman Delzer: The BR staff that you moved into managerial, is that a lateral move or what did you use?

Deb: Yes, a lateral move. It had to do with some realigning in the efficiency of the state column to say we're not going to fill that position. So, we moved that position over to fiscal and then reclassified it to some personal policy.

Vice-Chairman Delzer: If you found efficiencies down there that they could do without one, why did you need it over in managerial?

Deb: Basically, the reason that we needed another individual within fiscal administration was to put together all the grant reprojections and all the information that we monitor into grants throughout the biennium. She is currently doing grant reprojections for the tanf grant and child care grant. She's only been here for 3 months, so she'll be moving into the food stamps and needs area and also does all the foster care program. We just moved the FTE, no dollars. You can do that between sub divisions.

Rep. Kliniske: Is that person a permanent full time employee or temp.? Under the 99'-01' projected expenditures, in the salary line, do you expect that number, $4,117,715 to be close or are you expecting an increase?

Deb: Actually that number will decrease, because we have had a lot of turn over within fiscal.

Chairman Svedjan: The Gov.'s recommendation was $355,000 over the existing biennium, so that takes into account the FTE changes, and the salary package of $308,000. Here we see a better split on federal and general funds.

Deb: Within managerial support, we are required to do a three day time cluster once a quarter.

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Rep. Kempenich: In moving your FTE and to find the money in your budget, is that some of the roll up dollars that you used to fund that?

Deb: The reason we were able to do that is because in this biennium there was a research staff that was vacated.

Vice-Chairman Delzer: Your present budget, is that after the under funding or before?

Deb: That includes the under funding. Also in the requested budget, the way the under funding was done, it was done by OMB, it was put within one budget level within a sub division. So the under funding for executive and managerial, you'll see that in the IMD budget level.

Vice-Chairman Delzer: Why under IMD?

Arvy: Because we thought they had more room to deal with it.

Vice-Chairman Delzer: That's just under funding for management?

Arvy: Yes. We lumped it into one of the programs in EA.

Vice-Chairman Delzer: Do they have authority to move between managerial to executive?

Arvy: Yes, between management, executive and IMD, total authority.

Chairman Svedjan: The under funding in the current biennium is reflected in the numbers we have before us?

Deb: Yes

Chairman Svedjan: What we're talking about here, let's take the number in managerial support, $71,845 is what is under funded for salaries in the current biennium. Explain what that means.

Deb: What that means is the legislature last time gave us salary authority that we have no funds to ?? for. We don't collect any revenues. We aren't a governor generating entity. So basically we were left with the authority, and the legislature said if we could come up with more money, for

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the salaries, you can fund them. We have $71,000 of salary authority, with no money, no revenue to be able to spend those dollars.

Chairman Svedjan: But you would have the authority to spend that if you could find the $71,000 within your operations? So, having the $71,000 in this report, under the category of special funds, tells us that you've not been able to find money to fund that authority that was given?

Deb: Yes. Yes, because we don't collect revenue from any sources. We get general funds or we can get federal funds from our expenditures, but there is no other funding.

Chairman Svedjan: When we build the 01'-03' budget, is the $71,800 in the numbers in which you apply the salary increase?

Deb: It would be in authority funded pay plan if all those exact same people are hired, they were all paid the exact same salary, yes, because the pay plan we submit has every position in it and is fully funded.

Chairman Svedjan: Why have the authority?

Deb: The reason why, is if I have a budget level that's totally static right now, with 5 employees, and you under fund that, and I have no turnover, I'd have to start laying off people. So if we could find the money in our budget, I wouldn't have to lay off staff.

Chairman Svedjan: If you have 5 people, and they're in their positions, why do you need $71,000 of additional authority if these people are already in their positions?

Deb: Because the legislature under funded me $71,000 saying that I bet you're going to have some turnover within this budget.

Vice-Chairman Delzer: Following the logic of moving the money from operating, if you have to go to the emergency commission, could you not ask them for the authority at that time?

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Deb: We can move general funds without going to the emergency commission. To move the authority, $1,000 within the operating line of authority that I need up in my salary line item, I'd have to go to the emergency commission to request moving that $1,000 in authority up to my salary line item.

Vice-Chairman Delzer: But you don't have to, to move the money?

Deb: Right, if I have enough authority up there, I can use general fund $$ anywhere and manage that within my budget level on where those general fund $$'s are needed.

Vice-Chairman Delzer: To see if you were covering the under funding, we'd have to take the authority away to actually see that you have to go ask for the authority?

Deb: True, but how do I manage within my budget level, if I have those same 5 people, I'd have to lay off.

Vice-Chairman Delzer: Have you run into that problem anywhere, where you had to move money to cover your salaries from general funds?

Deb: Not at this time, there has been positions left open in order to roll up on general fund $$'s or other collection $$, and we weren't able to fill those positions because of under funding.

Evonne: If you take it away, we can't go to the emergency commission to request authority the legislature took away.

Deb: Operating Expenses: DD fund. IT data processing: microfiche our reports. IT Telephone: cell phones. Travel: state motor pool, provider audit, research unit, and contract monitoring. The budget was built on 26.5% because of short fall.

Vice-Chairman Delzer: Could we get a break down on travel?

Deb: IT software: printer supplies. Postage: mail notices and checks. ITD has new machine, won't have to go through presort. Lease rent equipment: copy machines: lease expires going up

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10%. We factored in all the leases that would be expiring in the next biennium, and built that inflator in there. Lease rent buildings: for our space in the capitol, storage area, provider audit which is associated with Northbrook Mall, and accountants stationed in the Dakota Foundation building. Dues & professional development: HR that needs to go to various social welfare conferences, Professional staff in provider audits, research people who need to go to various conferences, major dues, and registration fees. Operating fees & services: audit fee which is department wide, state wide indirect billing-overhead costs. Repairs: technician fees, fees to repair equipment, janitorial fees, copiers.

PUBLIC COMMENT: DD/VR

Jessica Lemer: (attachment #4)

Jack McDonald: (attachment #5) ARC

Grant Wilz: (attachment #6)

Allen Marx, Sr. (attachment #7)

Dr. Bryce Fifield: (attachment #8) Director of the ND Center for Persons with Disabilities

Nate Aalgaard: (attachment #9) Executive director: Freedom Resource center for Independent living

Shirley Brennen: (attachment #10) Advice Worker for the Magic City Self Advocate

Bob Puyear: (attachment #11) Member of the Consumer Advisory Committee for the Interagency Program for assistive Technology.

Robert W. Smith: (attachment #12) Independent Living Specialist

Mabel Dever: (attachment #13) member of CAC

Deanna Bakken: (attachment #14) Board member of Freedom resource center for Independent Living

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Brian Arett: (attachment #15) Executive director for Fargo Senior Commission, Inc.

Rick Thomas: (attachment #16) Executive Director of Souris Basin Transportation

Donene Feist: (attachment #17) Parent

Jodi Pelishek: (attachment #18) Adults Adopting Special Kids

Leanne Johnson: (attachment #19) Adoption Director for AASK

Chuck Stebbins: (attachment #20) Home and Community Based Services in ND

Raylynn Lauderdale: (attachment #21) Executive Director for People First of ND

Carlotta McCleary: (attachment #22) North Dakota Partnerships

Tim Eissinger: (attachment #23) Chairman of the Residential Child Care Facilities Association for ND

Teresa Larsen: (attachment #24) Executive Director of the Protection and Advocacy project

Rep. Kempenich: Is there help available for people to budget?

Teresa: Yes

Chairman Svedjan: This concept of buying into Medicaid, is this something that was evaluated at all by the department in constructing their budget?

Teresa: an optual adjustment request was put into the budget, which would allow for people up to 250% of poverty to receive Medicaid. I don't believe it was a buy in request.

Chairman Svedjan: The poverty level for Medicaid right now, is 133?

Ronald Hett: (attachment #25) Chief Operations officer for the Dakota Boys Ranch Association

Kathy Schmit: (attachment #26) Rehabilitation's Centers

Rose Stoller: (attachment #27) Executive director of the Mental Health Association in ND

Chairman Svedjan: Could we pick up on professional services Deb? (attachment #1-#3)

Deb: Includes all legal services, based upon the appeal.

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Vice-Chairman Delzer: How many appeals are you handling?

Deb: We'll get that from our legal division.

Rep. Warner: Is some portion paid with fed. money? Which portion?

Deb: Yes, I will check

Chairman Svedjan: Do you budget that one historically? Comes out to the same amount.

Deb: They were not planning on changing their rates at all.

Vice-Chairman Delzer: Are you aware of any times where an independent hearing in the office of Administrative hearings has come back unfair voted for the department and the dept. has over ruled that?

Yvonne: Yes I have. Not very often. Most of the interpretation depends on eligibility rules. Also, the administrative hearings officer ruled in a way that didn't take into account one thing that the dept. attorney's were aware of. We then get a ruling from the Admin.'s hearing officer, an alternative and ask us to choose.

Chairman Svedjan: Is the information that your attorneys are holding that the administrative hearings aren't aware of, is there some problem with the system why that information wouldn't have been made known to the administrative officer?

Yvonne: It's usually in what's presented of the hearing. If a hearing is requested, they do go forward with it. We avoid a lot of hearings through administrative action.

Rep. Kliniske: If the department over rules, does the individual, do they have another form of assistance?

Yvonne: If it's taken beyond administrative hearing, it can go to District court.

Rep. Kerzman: If they seek legal aide, do you have to pay for it?

Yvonne: Only in District court.

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Chairman Svedjan: Insurance Line: Is this an example of the risk management premiums being sent back to the department of origination?

Deb: We also pay for ???

Chairman Svedjan: So, $20000 is what you've been paying for the property, fire and tornado.

Vice-Chairman Delzer: Does this handle this all for the department, or are we going to find this spread throughout?

Deb: This covers entire dept.

Rep. Kerzman: Does that cover rain?

Deb: I'm not sure.

Chairman Svedjan: Who sets the risk management premiums? Are you self funded?

Arvy: OMB, I'll find out.

Rep. Kliniske: Is that also the fund that covers a client who falls on the property?

Arvy: Yes

Deb: Office supplies: calculator, staples, etc... Printing: envelopes, paper supply with a 7% increase from vendors. Professional supplies: CFR's, (Code of Federal Regulations) also any HR subscriptions. Building and Grounds: any repair to equipment.

Rep. Kliniske: If you go through the motor pool, what would that cover?

Deb: We'll only use this for equipment repair parts. OMB sets up the object codes. Misc. supplies: any equipment under $750, a desk, etc...

Chairman Svedjan: Allocation of Operating expenses: gen., fed., and special?

Deb: We break it into several different area's. Most have to be up front general funded, and then built back into their rate when they determine their rate for next year. Our audit fee's are federal funds.

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Chairman Svedjan: What is the source of special funding?

Deb: That is the DD loan fund. Involves DD Loan #1.

Vice-Chairman Delzer: This doesn't have a lot of opportunity to reclaim fed. funds? And yet your service end, the more gen. fund dollars you had there, the more fed. funds you should be able to reclaim. And yet you are saying that here you're allocating all the fed. funds that you dare, by their standards or rules? How's it being done?

Deb: What ends up happening is: If I'm working on a Medicaid schedule for Dave Zentner, for that instance, what I would do is on my time cluster I would put down how many minutes I had worked on that Medicaid area, and because it's administrative, I get reimbursed 50/50 match.

Chairman Svedjan: Equipment: Has everything been moved to IMD?

Deb: It's not for any purpose unless it's IT related. A fax machine, lateral files, whatever's not IT related and over $750. DD loan fund- This number we got from the land dept./Bank of ND, and this is fiscal interest free payment for loans #2 & #3. (attachment #1-#3)

Vice-Chairman Delzer: Where does this money go? In and out?

Deb: Bank of ND pays it to the Land and Minerals Trust fund, the LMTF sends us a journal voucher twice a year, that we fill out that transfers the money to us and then we pay it back.

Chairman Svedjan: Special funds -operating expenses, that $877,000, the testimony says that this $199,000 is an increase in special funds.

Deb: It's increased because of DD loans 2 and 3.

Chairman Svedjan: That's all contained in the loan fund for DD line item? So the $877,000 is all attributed to loan #1?

Deb: The last thing in our budget is HIPAA - OAR funded for 8.9 million.

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Vice-Chairman Delzer: The line item TRANSFERS-BUDGET, it's zeroed out for 01-03, what was that?

Deb: When we make the payment to the Land and Mineral Trust fund, we have to make it through a transfer object code, so that when they're putting together the state wide financial statements, they can see the in and out and account for both of them so they can net them out in a state wide financial. But when we are preparing the budget, we cannot use any of their 7000 budget object codes. They all need to be within a different object code.

Vice-Chairman Delzer: Some of those 4's, are they supposed to equal the $2045?

Deb: The reason for the increase is they're changing the way that they're having us make payments. So in this separate line item, there will be some authority that we will not be using during this biennium, because they're going to defer that next payment into 01-03, so there will be roll up in this biennium. We get these numbers directly from the Land department.

Rep. Kempenich: Will you have a credit?

Deb: I'll have excess authority that I won't spend.

Chairman Svedjan: All special funds and all in a separate line item and won't roll up to the general fund. Are there any OAR's in the Managerial support area?

Arvy: The only oar is HIPAA. #208

Vice-Chairman Delzer: The way #208 was put in was to rewrite the whole thing, and what has been funded is just the translator and the consulting?

Roger: Correct.

Chairman Svedjan: INFORMATION MANAGEMENT DIVISION-Roger Hertz

Roger: The regulations were drafted by the health care finance house administration. It's generally drafted by the agency that's responsible.

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Chairman Svedjan: FTE's: reducing by one this biennium?

Roger: Yes. We had 9 positions that were in IMD and were moved out, those went to Economic assistance. We moved 8 positions into the division. Those were the technical staff that were located at the state hospital and developmental center, and that's what counts as the one reduction.

Vice-Chairman Delzer: In the IT division, what do you do with 40 people?

Roger: We are divided into 2 sections, one is operations and the other is development. The development side, those people are responsible for all the software development and maintenance that we do on all of the computer systems that the department runs. We have 4 people in that section that do nothing but data entry for Medicaid claims processing, child support, new hire, etc...

Vice-Chairman Delzer: Why have data entry people in your division? In software development, do hay lay out what you want built in? How many people in development? How many programs are you developing?

Roger: We do the data entry for the entire department. Yes. 20. We support 35 major computer systems, and about 12 smaller ones.

Vice-Chairman Delzer: Do the Human Service Centers have people out there that feed your people the information, and your people batch it?

Roger: We have very little automation out there except one mainframe system. We do have technology staff out there, and they're on the operations side, and what they're responsible for is running the network out there and installing software and hardware, trouble shooting and user training.

Vice-Chairman Delzer: Where do your people get the information from?

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Roger: Every one of our computer systems has a production control book, which tells us each day what jobs we have to run.

Chairman Svedjan: Salaries: $279,000 increase, due to salary adjustments. And you're not budgeting anything for temp. and over time?

Roger: We took it out of that line, and in our base budget we took the salary $$ that we needed for the FTE's. Down in the salary budget adjustment, that's where we have our temp. salary and overtime $$. We have 42 FTE's and 5 temp. positions. We don't pay a lot out in overtime except in data entry.

Vice-Chairman Delzer: In salaries, what you projected and what you spent through Nov. 30th is considerably different. Do you have a bunch of unfilled positions? And are you expecting that many next time?

Roger: Most of that difference comes because it take a lot longer to fill those positions then it has in the past. . We dismissed an employee and he is appealing through the system, so we're holding that one position open until we know we won the appeal.

Doug Verdouw: (Fiscal Administration) The difference between the 2.9 million and the 4.2 million is the 8 positions that are being brought into IMD, those salaries are not reflected in this number.

Vice-Chairman Delzer: But you have positions that you are moving out.

Doug: Those were moved out into the economic system, they would be reflected in their projections.

Vice-Chairman Delzer: Then why was the budget as high as it was this biennium?

Doug: Because the 9 positions are still in the IMD budget for this biennium, we moved the positions out but not the 8 salaries in on these projections.

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Rep. Kempenich: The people that you moved in, they're at a higher salary level?

Doug: Yes. The people that were moved out, their salaries came to $732,000. But there are salary adjustments being made for the salary increases which came to $950,000, that was moved from IMD into economic assistance for their projections.

Vice-Chairman Delzer: Have you made these moves already? The nine people?

Doug: No, they are currently under IMD's budget. They are now reporting to the director of EA.

Vice-Chairman Delzer: Well then, why is your salary package as low as they are?

Doug: When you get to EA, you'll see the numbers match up. We had to do it somewhere.

Vice-Chairman Delzer: And yet you didn't move the 8, that you're moving back in, you didn't move that salary projection into here?

Doug: No we didn't.

Vice-Chairman Delzer: So is that still in EA?

Doug: No, those salaries are out at the State hospital and the Developmental center.

Chairman Svedjan: At least you're showing that you expect to expend 2.1 million in salaries in this biennium.

Deb: If you look at the $2,933,163 and add $950,176-- that's how much will be spent in the IMD budget.

Chairman Svedjan: Is the difference there for these 9 positions?

Deb: Yes, those 9 positions are managed elsewhere but paid out of here.

Vice-Chairman Delzer: How are you going to cover that? Salaries and benefits.

Deb: Roger is going to have to make sure that he's not paying out as much temp. $$ when it gets closer to the end of the biennium.

Vice-Chairman Delzer: That's part of your budget $3,783,000.

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Deb: Yes

Rep. Kempenich: You're spending $732,000, and you have a budget of $950,000.

Roger: In the last projection, we were going to have a net amount in salaries of $30,000, based on the expected spending for the rest of the biennium.

Chairman Svedjan: What portion of the $950,000 is just salary?

Doug: $732,342.

Chairman Svedjan: Something doesn't add up. The testimony says there's a $468,000 increase, of which $133,000 is general funds.

Roger: That's an increase in salaries and benefits.

Chairman Svedjan: You're growing from what you project you will spend, $2.845 million, to the executive recommendation of $3.068 million. Is the difference related to the salary adjustment recommendation?

Roger: Yes.

Vice-Chairman Delzer: You have 2 out of the state hospital, and 2 out of the Developmental center that are coming in?

Roger: There are 6 coming from the state hospital. None are moving to Bismarck. The reason we did this was, as we continue to centralize the budget, we also wanted to move the management of the technology staff under the technology people who are skilled in managing those kinds of disciplines. With the demand for information to make decisions and the demand to have information to report to the federal government and do our daily work, there's very few cases where you can make a direct cause and effect, you've got 6 or 7 regulations muddying the water.

Chairman Svedjan: What's been the change with special funds?

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Roger: That really relates back to our move away from providing technology projects, services, and EA and those are just swap $$.

Chairman Svedjan: So when consider the swap $$, the general fund $$ to help fund IMD, are up $3.422 million? The swap $$ in the IMD budget are down 2.677 million?

Roger: On the cyber report, under the salary items in special funds, it decreased by $112,611 in swap. Operating Expenses: basic services we need, no enhancements. Communications costs, device and network charges, almost all goes to ITD.

Chairman Svedjan: No new data processing projects? Where did you move the new data processing projects?

Roger: Yes. We moved it to the bottom of operating, object code 3900.

Deb: This is the OAR's that were funded by OMB, instead of Arvy going back in and hitting each one of the budget object codes, she made an operating budget adjustment.

Vice-Chairman Delzer: Your data processing has all the hub charges. Did all of your hubs go from $300 to $800 also?

Roger: Yes, this amount reflects all of the rate increases and decreases in ITD services, because they did have a decrease in CPU.

Vice-Chairman Delzer: Why they increased the hub's?

Roger: It was part of the Governor's plan to roll out this broad band network out to all these communities to set the infrastructure for K-12 in economic development. For $300 you're getting what's called 56k line. It's a communication line where data moves across there. For the $800 a month, it's much bigger, about 26 times larger to carry the information and much faster. Each agency is allocated a certain amount to pay for that broad band communication, plus it's requested in the new rates that all agencies will pay for those services. The counties are capped,

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so if it goes over, the department pays the difference. The $2 million covers not only the communication lines, but the network access charges, each device, remote access service and etc... All technology services are within this budget only. IT Telephone: for telephones and cell phone service. The bills we receive every month log every call. We pooled all of the minutes together.

Chairman Svedjan: **Travel**: increase?

Roger: Increased because of FTE's, more technology and training. **IT Software/Supplies:** for software, lotus notes and e-mail. **Utilities:** OK **Postage:** costs are down because we use e-mail.

IT Contractual Services: Aims solved 2000 problem, for contracts and agreements.

Lease-Rent Equipment: for leasing computer server instead of buying it, it's cheaper.

Lease-Rent Bldg-Land: rent was higher, due to increases in the lease.

ND Association of Community Facilities: (attachment #29)

Twyla Bohl: Has child with spina bifida. (attachment #30)

LaRae Gustafson: Outreach Coordinator for Option's Independent Living Center in East Grand Forks. (attachment #31)

Christopher Dodson: Executive Director of the ND Catholic Conference. (attachment #32)

Carolyn and Dale Benzinger: Both have disabilities. (attachment #33)

Chairman Svedjan: Any Questions? We will adjourn until 8:00 am, Jan. 16, 2001.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **1012**

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date **TUESDAY, JANUARY 16TH, 2001**

Tape Number	Side A	Side B	Meter #
1-16-01 1012	**X**		**00-6128**
#1012		**X**	**00-6035**
#1012	**X-2**		**00-6251**
#1012		**X-2**	**00-6240**
#1012	**X-3**		**00-6243**
#1012		**X-3**	**00-1614**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

Chairman Svedjan: We will call this session to order on **INFORMATION MANAGEMENT DIVISION BUDGET, HB 1012**

Roll call: We have a Quorum.

Roger Hertz: Director of IMD (Continued from 1-15-01) (attachment #1 & #2) On the organizational chart, (attachment #2) #0248 will be filled shortly. #2087, we're holding open pending the outcome of an appeal, due to a dismissal. **Dues and Professional Development:** this provides for travel, fees, training and recruitment.

LC: Allen: (attachment #3 on dues and memberships)

Chairman Svedjan: p 32-#325 WICHE-(western interstate commission)

Rep. Klinske: Why are there 2 memberships for APWA for 2 different amounts?
Allen: Could be that they paid it in July, and the next in June.

Rep. Kerzman: There are a lot of agencies that are all federal funds, are we mandated to belong to them?

Arvy: we'll get you that.

Roger: **OPERATING FEES AND SERVICES:** Decreased because of maintenance and team contracts. **REPAIRS:** Decreased because of fewer repairs and we've been getting our equipment on a better replacement cycle.

Vice-Chairman Delzer: Back up to Maintenance contract at the Developmental Center, did we do the software on both the Developmental Center and the State Hospital last time or the time before. Are they compatible systems? And you have different contracts? Why is the contract at the State Hospital more? Does your billing go through that? And how do you foresee this working with HIPAA?

Roger: In the current biennium. It's the same software in both places. Yes, because we had the software at the center before the hospital, which was under a contract already, so when we did the state hospital, we had another contract. We will have an opportunity when we renew them to combine them. It's more because at the State Hospital we have more features there. It's functioned as an in patient hospital setting, where we have a lot more interaction between the Physicians there and the patients and nurses, so there's a lot more medical component on that. Yes it does, at both places we use the financial package. We've already been talking to the vendor who provides the software, and they are working on a solution to HIPAA to provide those transactions that come out of those systems in the HIPAA format.

Vice-Chairman Delzer: If that was done in the biennium, what would that do to the penalty phase for the rest of the system?

Roger: That's hard to say, the Fed.'s would have a difficult time penalizing you if you were making an effort to do that. **PROFESSIONAL SERVICES:** ?? **OFFICE SUPPLIES:** includes paper supplies, office supplies, equipment under $750, like printers, toner cartridges, paper, pencils, dividers etc...

Vice-Chairman Delzer: There shouldn't be any of this in the State Hospital or Developmental Center's budget then? No software involved in this?

Roger: For equipment under $750, that's true. Yes. **PRINTING:** We're anticipating a reduction because our printing needs are minimal. **PROFESSIONAL SUPPLIES AND MATERIALS:** subscriptions to technical journals, books, a service called Tech-net which provides you with technical problems.

Chairman Svedjan: Cost for the Tech-net service?

Roger: About $20,000 a biennium.

Rep. Warner: Number of hours of service for the $20,000?

Roger: Don't know. Will find out.

Vice-Chairman Delzer: With Tech-net now? $20,000 a biennium? You don't show to be spending that much, unless you have a bill coming due for it?

Roger: What we do is buy so many hours, once we use them, we have to buy another block of hours, so we must still have some hours left where we're close to buying another block of hours. When we buy a PC, we only get the software, not any consulting services.

Vice-Chairman Delzer: Your windows 2000, is that all general funds?

Roger: No, out of the project cost of $453,320, $249,326 is in general funds. **BUILDING AND GROUNDS:** reduction... **MISC. SUPPLIES:** reduction....

Chairman Svedjan: The question was raised earlier if the $750 should be in this category?

Roger: We will get that for you. **OPERATING BUDGET ADJUSTMENTS** (attachment #1) **ENHANCEMENTS:** this represents the improvements we want to make in the systems across the entire department that would be payable to ITD from the data processing costs.

Vice-Chairman Delzer: Is this all because of the roll out? If the roll out wasn't happening would these enhancements be possible or needed?

Roger: The roll out of broad band network, which is totally independent of that. These are improvements identified throughout each division that they wanted to do in order to keep those computer systems more efficient to perform the business of those divisions.

Vice-Chairman Delzer: What kind of development is it? What programs are you updating?

Roger: It would be to the team system, the tech. system, energy assistance system, voc/rehab system.

Vice-Chairman Delzer: Are there reports on those?

Roger: We can get you that. **WINDOWS 2000:** this is to change all of the operating systems. **CHILD SUPPORT:** 66% federal, 34% general. **DOCUMENT MANAGEMENT:** As we get more information, we need to store it, which requires us to buy more storage capacity. **DEPARTMENTAL CASE MANAGEMENT:** On our services side, we're trying to move to bringing all of the smaller systems together into a single system. **OTHER:** this was what was left on OAR's for new positions. **ATM NETWORK:** This is our payment in the 01-03 biennium for the ATM network equipment. This amount should not be in equipment, it should be

in data processing. This will be a payment that we make to ITD, so we asked that this be moved up into #3002- data processing.

1184-Chairman Svedjan: The ATM network, what are you referring to here?

1193-Roger: It's what is commonly referred to as the Broad Band Network. And there are two components to it. There's the equipment to run the network, and then there is the communication lines and the things that go with it.

1267-Vice-Chairman Delzer: What's the equipment, the lines out there?

1275-Roger: The lines that are out there get connected to networking equipment, and that's the equipment that we're paying for. This is where the lines are connected to, to make it all get routed to the right place.

1296-Vice-Chairman Delzer: And we're paying for the lines out there, somewhere else? That's that 11 million?

1304-Roger: Correct, that's through the $3,002...

1309-Vice-Chairman Delzer: That's where part of the $2.2 million is?

1313-Roger: Correct, we figured that increase was about $2 million. Moving on to the **HIPAA project budget:** These are the rough estimates that we have come up with on the $8.9 million project. $41,000 in Temp. Salaries, for an Administrative FE. $2.5 million, paid to ITD to make changes to the MIMES system and the other systems in the department that would have to be changed to accept these new transactions.

1418-Rep. Kempenich: This includes your translator?

1437-Roger: Yes, the hardware line under #4002, the $400,000, that's where the cost for the translator' hardware.

1462-Rep. Kempenich: So that's all programming? So this is all customized?

1464-Roger: It's primarily all programming there, yes. Yes. In the **IT Contractual Services**, of $5.8 million will take care of buying the software to run the translator, for the regional offices, and buying from the vendors and the State Hospital Developmental Center, and also to hire additional vendors to provide the services or to hire individuals to come in and help us, instead of FTE's, we'll hire consultants.

1641-Vice-Chairman Delzer: **I would like a detailed breakdown of Data Processing** and **IT Contractual Services**. Are you wanting to rebuild your MIMES system?

1676-Roger: It is an old system, but this does not include any money to rebuild it.

1684-Vice-Chairman Delzer: You're talking next biennium or as soon as you have enough of your HIPAA requirements you want to rebuild the system, and then we're basically going to be throwing all of this away with the exception of the translator that you might be able to use somewhere else.

1713-Roger: No, what we're trying to do here with as much as this as possible is to be able to preserve what we do. If we fail the new MIMES, the translator stays in place.

1839-Rep. Kempenich: You want to keep your system, you just want to replace the machinery with it.

1878-Roger: Yes.

1932-Vice-Chairman Delzer: What is the estimate of the cost of rebuilding the MIMES system?

1965-Roger: When we get into rerouting MIMES, we're looking at $10 to $20 million. If we rewrite a MIMES, it's eligible for 90% federal matching. We're going to need this translator anyhow on the new system, so it's better to take small chunks of this system and build it, rather than trying to do it all at once.

2114-Rep. Kempenich: I agree with Rep. Delzer. Would that reduce the cost, doing this now?

2250-Roger: I don't think so. Moving on to Rent. (attachment 1)

2330-Chairman Svedjan: Has this been appropriately reflected in the budget elsewhere?

2344-Roger: Yes, the Medicaid/Tannf project, that ends at the end of this biennium. Office supplies- Hardware- (see attachment 1)

2477-Vice-Chairman Delzer: Everything in Operating under the executive office, IMD, and Management can be moved from one spot to the other within that Operating except Salaries?

2510-Arvy: Yes.

2577-Vice-Chairman Delzer: Why is HIPAA in here as separate line item?

2587-Arvy: It' such a large dollar amount.

2604-Vice-Chairman Delzer: So mechanically, all of this HIPAA does go into these object codes, but under a HIPAA line item?

2624-Arvy: Yes.

2714-Roger: (see attachment from 1-15-01) The equipment in #4003. This handout relates to today's handout #1, all the desktops and labtops, but it's not the total amount. This represents the buying plans for personal computers and labtops. In the equipment line, there's other things in there such as printers, network cards, and hardware items.

2819-Vice-Chairman Delzer: Do you still think that your numbers, 1332 and 1750, are solid numbers or do you think there's any room there?

2840-Roger: We believe they're solid numbers.

2882-Vice-Chairman Delzer: What was your last contract? How many did you buy at one time?

2892-Roger: In 2000 and we buy right off of the state contract.

2930-Vice-Chairman Delzer: This is the current price for the state contract?

2934-Roger: Yes.

2951-Chairman Svedjan: Do you want to see a break out of that? You said the 2.2 includes printers and all kinds of things.

2964-Roger: Keep in mind that in that 2.2, is that $412,225 is our payment on the ATM network, so that comes off the top of here. We're asking that it be moved up into #3002 IT data processing.

3001-Vice-Chairman Delzer: When we budget for like this on these computers, this number, how do you buy those, a few at a time?

3030-Roger: We look at how many we can install at a certain time on a replacement cycle.

3096-Vice-Chairman Delzer: Your breakdown in Badlands HSC, you got 67 computers that you want to buy and there's only 89 employees. That's not a 6 year replacement cycle.

3127-Roger: We're new to this replacement cycle process. So what we're looking at is how many do we need to buy to begin that recycle. In order to run Windows 2000 it takes a machine that has 133 mega hertz, and that's just a descriptor of processing speed. So anything slower that 133 mega hertz is what we will be replacing.

3228-Vice-Chairman Delzer: In 97', you said you were on a 4 year replacement cycle. How do you explain that now you're trying to get into a six year?

3266-Roger: When we started the IT planning process across state government, and we said we think 4 years is for us. As we began replacing machines and these machines became faster, we started looking at what we really need, and what we have will last 6 years, is the conclusion we came to.

3343-Chairman Svedjan: Have you factored in those computers that currently have the power that you need to accommodate the new windows?

3363-Roger: Yes we have. Any of the ones that have the power needed for Windows 2000, we're not planning on replacing.

3439-Vice-Chairman Delzer: With the fact of what you said about you only have so many people to replace things. What if we just give you money, enough to change half of the windows in your old ones, because everything you buy is going to have the Windows 2000. Then the next biennium, you would be up to all Windows 2000 by then.

3487-Roger: That's a possibility, but when you have that mixed environment of Windows 2000 and other versions of Windows and trying to support that, it's more difficult. Moving on to **Other Capitol Payments.** This is for the technology person at SE HSC in Fargo, that's the allocation of that person's base towards the capitol payments.

3618-Vice-Chairman Delzer: That doubles for this biennium compared to last. Was that only there part time last bi?

3645-Roger: That goes back to the same issue when we were talking about our rental increases there, and that we had anticipated a certain amount of rent there and now we're getting to the actual part.

3688-Vice-Chairman Delzer: Where's the other one at?

3689-Roger: That would be where we had an increase in #3012, where we had the lease rent of building land, and part of that increase we indicated was, we had anticipated a certain amount that we would have for costs at those regions and the actuals were running much higher than anticipated.

3750-Chairman Svedjan: On your breakout, you have a separate listing for Operating Fees and Services of $22,000. Why is that showing separately and not in #3014? (attachment 28 from 1-15-01)

3840-Roger: That was the amount that we had, $100,000 on the pilot project for county technology, it was under network technology, $100,000 decrease. (Page 8 in yellow sheets.)

4075-Chairman Svedjan: On the OAR list from OMB, there are 10 OAR's in there. Page 1 0f 5, priority #205:

4225-Deb: There was a 10% cut on that by OMB. And that's the same number that was on Roger's project sheet, the first one.

4264-Chairman Svedjan: So that's at 3.16?

4361-Vice-Chairman Delzer: All these OAR's are on top of the hold even budget?

4371-Allen: Yes.

4375-Chairman Svedjan: #208- HIPAA compliance. #209- Windows-$453,000: approved. #210-IMD child support. Temp.staff: need some comment on that.

4504-Roger: The temp. staff, #211, if you go to the salary line, that's where that one is contained. It was reduced down to $233,865. #211 and 298 were combined.

4688-Rep. Kempenich: Is most of it going to staff?

4731-Roger: In that amount, included in there is any salaries we would pay to temporary employees. So if you back out $200,000 of what we have spent, it leaves about $33,000.

4804-Rep. Klinske: What is the general fund for that?

4820- Deb: $97,274 for temp., $328,000 for recruitment.

4850-Chairman Svedjan: Were those the numbers for #211 as it's been modified?

4862-Deb: #211 got 50% of that request. The total was $176,865 with $97,274 being general funds. For #298, 50% of that got funded of the salary and of the training dollars we were requesting, so the total that was funded was, $57,000 with $31,350 being general funds. The total of those 2 OAR's, is the number you see on your cyber report.

4979-Chairman Svedjan: Back on page 2 of 5, #208, could you give us the new numbers? The total and the federal/general split.

5007-Roger: The total for #208 is $8,926,141, and the funding on that is $5,055,347: federal, and $3,870,794: special. No general.

5156-Chairman Svedjan: #223: denied, #224: Document management system: approved. #225: Case management system: approved, $750,000-general, $750,000- special. Page 5 of 5, #297: denied. #298: combined with #211. #299 and #300: denied.

5491-Roger: Also under that other line, there's bits and pieces of OAR's in there for equipment.

5619-Deb: There are 7 separate OAR's.

5643-Roger: #207: approved.

5720-Vice-Chairman Delzer: Why don't you show an FTE change?

5736-Deb: What's included with #207 is what would be needed in Roger's budget. For child support to have a FTE, if you look in #206, there's an FTE increase in the child support budget. And then within Roger's budget, he needs $1440 for that one time hook up for any software for the monthly cost that would be associated with that PC, and $1750 for the PC itself. So for each one of these positions you're going to see an OAR for $3,190 in total with the funding of the ____ to that position where it's located.

5840-Roger: #213: $3190.

5895-Chairman Svedjan: So if we didn't approve the Adult Psychologist, then these funds would have to come out too?

5919-Deb: Yes.

5935-Roger: #215: approved. #218: approved. #220: approved. #221: denied. #222: denied. #227: approved.

Tape 2, side A-00-Roger: #229: approved. #270: denied. #272: denied. #275: denied. #277: denied. #280: denied. #282: denied. That concludes the list

179-Rep. Klinske: #205: could I get the general fund portion?

200-Roger: The general fund is $1,287,681, the rest was all federal: $1,844,033.

291-Rep. Kerzman: The other, for $10,080, if you add $3190, you got a lot more money than that.

308-Deb: There's 7 positions. It's the $10,080 plus the amount of equipment line, the $12,250= $22,330.

415-Vice-Chairman Delzer: Why do we have the second page? (OMB handout)

439-Arvy: Just to show the 97'-99' data so it balances out.

477-Vice-Chairman Delzer: Are they in their own budget now? Or are they up on the top?

485-Roger: I'm assuming why this is here is because of the use of technology in their budget back in the 97'-99' biennium. Starting in the 99'-00 budget we moved that all into the centralized budget.

509-Chairman Svedjan: Page 7 of 131 on the OMB handout, the split on funding for operating expenses. The increase in general funds over the current biennium, $2.9 million. That relates to moving away from the higher federal funding sources for this part of the budget?

555-Roger: Yes.

561-Deb: Depends what project or program we anticipate where the expenditures will be.

632-Vice-Chairman Delzer: Where does the special funds come in?

644-Deb: Those are retained dollars, and they're used for any economic assistance related programs.

692-Vice-Chairman Delzer: The HIPAA doesn't show up in these yellow pages?

704-Arvy: We put it in managerial support.

734-Chairman Svedjan: On the federal/ general split, for there to be a $4.7 million decrease in federal funds, under the operating expense category, are we to assume that there will be a commensurate increase in the availability of federal dollars now for their being put to use?

775-Deb: A large portion of that, $4.7 million decrease would be because of the payments of the team that was completed.

1287-Rep. Kliniske: Are the OAR's included in the yellow and blue sheets?

1298-Chairman Svedjan: Those that have been approved, yes. The approve OAR's and the modified OAR's that are approved are in two places: one is in the salaries line, the other is in the operating adjustments line, which is the last line under the operating expenses. They were broken off separately.

1368-Rep. Kliniske: When I look at the total of $13 million, and I add up the general fund portion of the OAR, almost a third of the budget is in optional adjustments.

1394-Chairman Svedjan: That's correct.

1450-Vice-Chairman Delzer: The whole even budget doesn't include the salary package. That's all on top of the whole even budget.

1492-Chairman Svedjan: I think Rep. Kliniske's question raises the same issue we got into 2 years ago, and that has to do with the importance of optional adjustments. If they are pulled out

to achieve a whole even budget, that to me suggests that they're a lesser priority than what's in the whole even budget. We've seen examples before where in order to get to the budget level requested by the Governor, something's were pulled out and put into a optional adjustment that in some cases involved contractual payments where the dept. knew that we'd have to add those back in.

1600-Roger: That's true. If you look at the base budget, it provides the basic services in technology. The optional adjustments to those things that we believe will advance our business with technology.

1629-Rep. Warner: I have a comment on Travel. If we're going to go forward, especially in large projects like HIPAA, that we need to provide some networking capability, interpersonal not hardware for the people we have developing these projects.

1734-Chairman Svedjan: We will conclude this part of our budget review, thank you Mr. Hertz. We will move into **CHILD SUPPORT.**

1829-Deb: I have the **OAR schedule that you had requested.** (attachment #4 and #5) The buff colored copy is the request sorted by budget level. The white copy is sorted in total by the whole department by priority number.

1867-Chairman Svedjan: On page 14 of 131 in the OMB handout. (attachment #4 and #5) We will now move on to **ECONOMIC ASSISTANCE.**

Mike Schwindt: (attachment #'s 6, 7, 8 and 9)

2719-Rep. Warner: The numbers, do they identify a position, not a person? So if the person changes positions, the number changes?

2743-Mike: Yes. The first four digits refer to the job description. The second four digits refer to my position number.

3016-Chairman Svedjan: Your testimony from last week started on page 7? Salaries- $459,000 increase, is that primarily the package?

3097-Mike: Yes.

3117-Chairman Svedjan: Your FTE's are changing from 32 to 39. This does not include the 9 that were transferred out of IMD?

3170-Mike: Yes. No. We're asking for: 1-FTE- to handle walk in traffic and be the primary phone answerer. (we get a lot of people walking in, especially on the 1st and 15th) 1-FTE- to handle vipers equipment (I got 2 FTE and 1 temp. working full time.) This one is moving a temp. to permanent. 1-FTE- to handle clerical tasks.

3754-Chairman Svedjan: When I look at that the increase of $459,000, and it involves 7 positions, at what level do you pay these people? If you split that in half, $230,000 and divide it by 7, where are you at?

3825-Mike: Not very much. There's a salary increase, 3 in the Governor's 3 and 2 that's also included in that $459,000 that has to come off the top.

3833-Chairman Svedjan: That's true. I was calculating that wrong.

3900-Vice-Chairman Delzer: How's this going to change your flow chart here. When I count that up, and granted one of them is a COE student. whatever that is, but I count 40 not counting that already.

3944-Mike: If I could put in the equivalent, looking at the federal ID&D, it's not on the chart. The non 4d incomes holding is not on the chart, so that's 2 new positions.

3975-Vice-Chairman Delzer: OK, that would be your 2 new positions, but you say your number here is going from 32-39.

3994-Mike: These include temp., to tell the difference, most temp. have the 1500 character.

4087-Vice-Chairman Delzer: You'll still have how many temp. when you get done?

4105-Mike: In terms of equivalency, the 1536 would be the walk in traffic, 1676 -the clerk.

4187-Rep. Kliniske: In changing a position from a temp. to a FTE, is the salary the same or does it increase?

4207-Mike: The salary doesn't change. They get benefits though.

4257-Chairman Svedjan: Well there's been a shift from temp. Salaries on this $2 elbow room

4273-Vice-Chairman Delzer: The other thing about switching them to FTE's is then they have the classified, you can't get rid of them anytime?

4300-Mike: Yes.

4332-Chairman Svedjan: In your projections, you're projecting to spend $1.65 million by the end of the biennium, is that an accurate projection?

4370-Mike: As far as I know, yes.

4426-Chairman Svedjan: So otherwise you will come out fairly close to budget? Over on temp.'s? And quite a bit under in benefits.

4456-Mike: The reason in benefits is that I've had a couple of people leave.

4540-Vice-Chairman Delzer: When we under fund the salary, do we just under fund the salary or salary and benefits? Have we in the past had these benefits put out like this?

4569-Chairman Svedjan: I think the benefits were shown separately. That's a good question.

4590-Deb: The benefits have always been shown separately. Under funding was based upon the whole salary line item.

4606-Chairman Svedjan: Oh, so it includes benefits. It doesn't make a lot of sense for you to come up close on salary and be that far under on benefits. Because if you've had vacancies where

you hadn't paid benefits, then you wouldn't be paying salary either. Does it mean that you probably over budgeted on benefits last time?

4707-Mike: No, you don't over budget benefits. The benefit package runs along with the FTE's. It's a calculated thing, it's right off OMB's system.

4730-Chairman Svedjan: You hear what I'm saying though.

4750-Mike: I try to manage the salary item in total, but don't over spend the total amount. My elbow room is basically putting people in temp. positions and over time to take care of backlogs.

4804-Chairman Svedjan: So is it reasonable to assume then that in your projection of 1.65 million that there are some temporary pay in there too?

4833-Deb: Not in here. In the 1.65, there wasn't any temporary or over time included in that. That would be in your temporary/over time the 301.

5059-Vice-Chairman Delzer: How do you handle your overtime? Are they salary people or hourly people?

5106-Mike: Most of the people are salary people, but there's a break on the federal law, that whether you're exempt or non exempt.

5333-Chairman Svedjan: The special funds in this case emanate from?

5346-Mike: The federal funds at 66%, the match comes from different places. The first is state general funds, the second is retained funds as SWAP money.

5427-Chairman Svedjan: Is that what the $875 represents?

5436-Mike: It doesn't necessarily represent that. I don't know exactly where we put it in here, but that's probably what it is, although it wouldn't be all of it because we only have about $600,000 of SWAP money in total built into this budget. In this budget, is $320,000 in general funds, $4.8 million in federal funds, $358,000 of "hold harmless" money, this is federal funds

that was available under a separate section of the law. The retained money is $650,000 a year, and incentive moneys of $1,335,000.

5600-Chairman Svedjan: You're talking about revenues now? Can you provide commentary on the split of funds on the salary portion, general, federal and special.

5722-Mike: The federal is 66%, the general is 34%.

5791-Chairman Svedjan: But these special funds do include retained dollars, some incentive dollars and hold harmless dollars.

5840-Vice-Chairman Delzer: You got the match requirement at 34%, but is there any top number that the feds will give you, any bottom number, or maintenance of effort?

5872-Mike: There is no cap, it's how much we can spend at this point. It's at the 66% rate, and there is a limit as to how much is available for incentive money. You have to earn it. With the federal rates that just came out the end of Dec., there is now going to be a maintenance of effort.

6027-Chairman Svedjan: And you don't know yet if the MOE has to emanate directly out of child support or could it come from elsewhere within the department?

6047-Mike: It has to be related to the child support budget.

6058-Chairman Svedjan: And you don't know what that is yet? So once that requirement is clarified, what then? We have nothing in the budget right now, if we were to have to increase the general fund spending to meet that MOE requirement.

6109-Mike: When we built the budget, we did not anticipate the issue of MOE.

6148-Vice-Chairman Delzer: Did I understand you right when you said that the incentive money will be added to the MOE every year?

6167-Mike: Yes you did. That MOE can be part of the 34%, which matches the 66%.

TAPE 2: SIDE B:

105-Chairman Svedjan: We call this section back to order. What are the implications of this? When we look at the total funding for your area, we would have to be able to say under that best case scenario is the $320,000 of general funds sufficient to satisfy the MOE requirement?

300-Mike: The total count for programs is not just what's in my division, it's part of what's in sub division 1, which includes executive director, etc... It also includes what happens out at the regional office.

344-Chairman Svedjan: The reason the fed.'s are moving this way, I suspect is that some states are lessening their support of the child support effort. Incentive payments will increase the level of MOE on the part of the states, will it not?

446-Mike: Depends on the formula. Until I know the answer, I hesitate to answer.

458-Chairman Svedjan: What I was thinking is that incentive moneys would be federal moneys which increases the amount of federal that you get, so it would seem like it would increase the amount of MOE that would be required to access it.

474-Mike: My recollection of that is supposed to be a deduct. You'd asked for the funding for the salary piece of it, the $875,262 that you show there, retained $512,265 the incentive $362,997 Move on to **Operating Expenses**. (attachment #7) IT Telephone: Cost of the cell phone and pay for inlets, which is our access to Law Enforcement.

763-Rep. Warner: Do you have a cell phone pool?

777-Mike: We have two cell phones- for whoever needs it. **Travel:** I had to freeze the travel, because we could not afford it.

892-Vice-Chairman Delzer: Where do you mostly travel to?

902-Mike: Most of the travel we have would be going around the state to visit regional offices, training, and out of state travel.

1120-Vice-Chairman Delzer: Is that basically the planning committee for the $1.4 million that's in child support? You have $1.4 million budgeted for Faces for IMD.

1148-Mike: Nothing in here is related to IMD. They're going to pick up the results for these committee boards, their recommendations and implementing them.

1246-Vice-Chairman Delzer: This advisory committee that you have $28,000 for travel, is that not going to start until next time or are you starting it now?

1262-Mike: It started last February. We had 3 advisory committee meetings and 6 of the sub group meetings. The one that's just getting started is redoing the ledger.

1321-Vice-Chairman Delzer: Do you have any idea when they're going to have your specifications on what you want done?

1348-Mike: I can't tell you the exact timing on that but, even if they don't get to this one for a while, I've still got 200 other requests that are stacked up that we can't even get to. They're waiting, they've got everything ready to go. Move on to **IT Software and supplies.**

1385-Chairman Svedjan: Projecting $14,000, budgeting $11,000. What you have in there is less than $750.

1469-Mike: **Postage:** We have $1300 for 4 post office boxes. **Leases-equipment:** For a copier.

1567-Rep. Kliniske: Talking about your county equipment and what's out there, are they compatible with your essential office equipment?

1579-Mike: Yes. **Rental:** is 6,908 sq. ft. at $12.04 contract cost.

1797-Vice-Chairman Delzer: Is that a bi annual lease?

1804-Mike: They are all 2 year leases.

1809-Vice-Chairman Delzer: They can't go up for 2 years?

1812-Mike: It depends on the terms of the lease.

1912-Chairman Svedjan: Professional development: dues for national and credit unions.

1960-Vice-Chairman Delzer: Do you have an attorney on staff?

1972-Mike: We have an attorney on staff, she's not actually an attorney. She does not practice law. **Operating fees and services:**

2190-Chairman Svedjan: What constitutes that $946,000 increase?

2208-Mike: The bulk of it rightfully includes Tribal operations

2289-Chairman Svedjan: What did they want to do?

2293-Mike: They want to get into the child support enforcement business, because one of the problems you have with child support is crossing political boundaries.

2585-Chairman Svedjan: So in the event of one of these things getting up and running, who incurs the cost for that?

2599-Mike: The 13,000, we use general funds for that. We said anything past this point has to be Tribal money matching the fed.'s, which could be a pass through of the federal money through us out to the tribes.

2837-Chairman Svedjan: The $447,000, what's the split on that money?

2889-Mike: That's all federal. If the legislature takes it out, you can't get it restored.

3002-Chairman Svedjan: That $447,000 would be for purposes of them establishing their own program.

3030-Rep. Kempenich: The $800,000- do you take in all the tribes?

3047-Mike: The $800,000- $400,000 in the existing budget to which we add another $447,000.

3066-Chairman Svedjan: That $447,000- why is it made available? Is it specific for the tribes? Or it's just child support money that's available at federal level for child support programing?

3102-Mike: Yes, and because it's an open ended funding source you might not be able to find it in the federal budget.

3149-Rep. Kliniske: When I look at your projections in operating fees and services, you're projecting to spend about $1.45 million, what's the reason for the $700,000 savings?

3202-Mike: Part of what you're seeing there is a function of math working it's way through.

3303-Chairman Svedjan: Is it partly because you've spent to date through Nov. 30th with 968? So you just basically annualized that on a pro rata basis for the remaining 7 months. You may have some one time expenditures that will show up that in the remaining 7 months that weren't in the first 16.

3374-Mike: I can't answer that today.

3435-Chairman Svedjan: In any event, whatever turn back there would be a very small % of general fund dollars.

3475-Mike: The $964,000 increase in operating is the Fort Totten project with an increase of $357,399. The Devil's Lake region child support enforcement added a bunch of staff. We budgeted only $275,000 and because what's going on up there we're using spending authority from the line above to get this program going.

3625-Vice-Chairman Delzer: What's our benefit as a state and how many tribal collections situations do we have?

3656-Mike: This is the only one we have going with that. It's been around for a number of years.

3746-Vice-Chairman Delzer: Do the fed.'s consider the tribes as part of the state when it comes to child support?

3768-Mike: That's kind of hard to answer. They are citizens of the state of ND, they can apply for services and we have to treat them as such. Yet, they can have separate situations going back on tribal land.

3828-Chairman Svedjan: Do the boundaries come into play like you were talking earlier?

3848-Mike: Yes.

3853-Chairman Svedjan: OK, so the same thing comes into play here where you have tribal court issues versus non tribal court issues?

3867-Mike: Yes

3871-Chairman Svedjan: This $357,000 represents both the federal and non federal share? Is that unique here because we're dealing with a tribal situation? I know the money goes to the Lake Region Child Enforcement Unit, right?

3926-Mike: It is a child support function. It's just you have a lot of focus for reservation residents.

3963-Chairman Svedjan: Explain the federal and non federal share.

3971-Mike: In order for the project to continue, the federal funds will be there if someone puts up the match money. The question is who puts up the match in order to keep us alive?

4005-Chairman Svedjan: OK, then with regard to all your other child support enforcement units, are you putting up the federal and non federal share?

4021- Mike: No. This is unique.

4027-Chairman Svedjan: OK, so it is unique. And it's unique because of the tribal considerations here?

4039-Mike: Yes.

4076-Chairman Svedjan: So are those that are not receiving the non federal share, are they generating that from property taxes?

4089-Mike: Yes.

4142-Vice-Chairman Delzer: Is that 90/10 spot or 66/34?
4147-Mike: 66/34. **4197-** Another major piece is the cooperative agreements we have in place for Clerks of Court, the State's Attorney and the Supreme Court. The $221,000 of growth in here all relates to the Clerks of Court.

4353-Rep. Kerzman: Isn't the role of Clerks of Court diminishing?

4365-Mike: Yes. We've taken the payment processing away from them, effective from 7-1-99. They still have the role of customer services, and the enforcement piece, if someone is falling behind on payments.

4458-Vice-Chairman Delzer: Back on Fort Totten, is that $357,000 the total funds there or is that the growth?

4473-Mike: That would be total.

4487-Chairman Svedjan: The $221,000 for?

4502-Mike: The $357,000 is the total increase. The total is $632,399.

4564-Vice-Chairman Delzer: What kind of percentage are your general fund moneys in operating? What's your total general fund in your operating line item?

4636-Mike: There's a very little bit of general fund in there, but the rest of the course is going to be incentive.

4651-Chairman Svedjan: You told us the split was 66/34.

4657-Mike: Because the federal coming in the door, we can draw on it anytime, and the incentive money is used as match at the state office level.

4684-Chairman Svedjan: So it looses it's identity once you receive it?

4690-Mike: Yes.

4694-Chairman Svedjan: So it's still technically general funds?

4700-Mike: Yes.

4704-Chairman Svedjan: So out of that $632,000 you got about $200,000 in general funds?

4719-Mike: General fund or general fund equivalency.

4729-Chairman Svedjan: Why is it you're putting more new money in there than what's in there already? For Fort Totten, the increase is $357,000.

4775-Mike: We're picking up a bigger share of 1.4 because the county commissioners are saying we can't stay in this program.

4798-Chairman Svedjan: They wouldn't sustain it.

4805-Mike: They said we're going to pull what little we do have in there, out of there.

4839-Chairman Svedjan: The amount of expenditure with regard to Fort Totten, Belcourt, in the current biennium would have been the difference between $357 and $662?

4867-Mike: No, we got the same dollar value for next biennium.

4894-Chairman Svedjan: What is your pay off in this? You talked about it before, you want to get more of those cases involved and get more payments going to where they belong and so on.

4922-Mike: The pay off is not for me, I get nothing out of this. The benefit is to get the parents who are responsible for their kids to be paying them, the savings out of TANNF side of the business.

4975-Chairman Svedjan: Are we setting president here?

4982-Mike: I don't believe so. The president was set many years ago. This program has been in operation for at least 15 years.

5002-Chairman Svedjan: Well but are we setting president in terms of the states willingness to take over what has been a local responsibility?

5018-Mike: I don't believe so.

5026-Chairman Svedjan: What would prevent the child support enforcement unit that serves Standing Rock, what would prevent them from coming in and asking for the same thing?

5049-Mike: They can always ask. The answer is no at this point. There's no money to do it.

5070-Chairman Svedjan: I think you see where I'm going. We're not involved down there. You're looking to increase the involvement up here, at least in terms of the state dollar expenditure. And you've talked about the benefits you'd like to derive as a result of being involved up there, why aren't we as concerned down here?

5122-Mike: The difference is the sheer number of cases up in that part of the world, a proportionate caseload if you will, who has Native/American involvement. They did a count. Out of 8 cases, at least one of the people involved are Native/American in each case. It's a unique situation.

5195-Vice-Chairman Delzer: What kind of results are you getting up there? What kind of support do you collect, is it the same level as other parts of the state?

5228-Mike: It's not at the same level if you go for dollar expenditure for dollar pay back. It's not all that high, but it's higher than it would have been if you wouldn't have done it.

5268-Vice-Chairman Delzer: Do you know how much higher?

5274-Mike: I can't answer that.

5286-Chairman Svedjan: Do you have those numbers? Could you generate those for us, the most current you have?

5368-Mike: Before I answer that for sure, let me check and make sure we can extract them. We were getting the old #'s off the old CSC system.

5406-Vice-Chairman Delzer: If this was to stop would the Fed's say anything about us stopping it? The programs in place now, and the county says they don't want to carry this forward, what would the Fed's say if we didn't want to carry this forward either?

5446-Mike: The Fed's probably wouldn't say anything. ??

5539-Vice-Chairman Delzer: I think we're going to have somebody give us some testimony and look at that chapter that we do with the supplemental payments to the Indian counties. I don't think that particular area is one of them, but that should be in the mix somehow. You say it's in that bill? The supplemental payments to the Indian counties, is that taken into account this money that's going out at all?

5617-Deb: The way that formula actually works is because there really is no expense to that county, where this tribal program exists, where we're reimbursing a higher % of their cost. Basically that nets out because it has no effect on their mill levy.

5654-Vice-Chairman Delzer: But it certainly does ours. It's our general fund.

5664-Deb: Right. But in the Indian county allocation, the calculation, it has no effect on that. The way the law's written it's only based upon the mill levy, and the average mill levy would have been all the county. There's six counties that receive payments, seven counties are eligible because of the Indian trust fund. I believe this is one of the counties.

5899-Mike: There's a $50,000 decrease taken out of the budget that we have for the IP&B project, we did not budget anything for next time. There is a net of $12,698 increase based on a

lot of different things. Vipers maintenance, down by $12,000, because that moved to IMD. $10,000 increase for a contract with UND. $553.00 decrease for ??? $14,970 decrease included for credit bureau fees.... **#6261-end of tape 2 side B**

00-Mike: **Tape 3 side A-** (continued)

29-Chairman Svedjan: What you're describing here now are the increases that comprise the remainder of that $964,000 increase. That was hard to follow. So all the numbers you vocalized, of all the increases that amounts to $155,000?

137-Mike: Those numbers are a net increase of $12,698.

152-Chairman Svedjan: In your testimony, you talk about the fact that your operating expenses have gone up about 1 million, and that's that $1,005,000. **Repairs:**

248-Mike: Basically the only changes out of there were: janitorial-$5,000 service contracts-$2,400, repair of building-$6,700, equipment repair-$500.00. **Professional services:** Here I've got a grand total of $500.00, it's based on tax codes, tax forms and I put in 5 hours at $100.00 an hour to contract a CPA **Insurance:** $120.00 for a Notary Republic. **Office supplies:** It's based on actual usage.

495-Vice-Chairman Delzer: Office supplies is something that should be paying them every month. Is your $12,939 and your $19,000 estimate correct?

510-Mike: The office supplies fluctuate depending on what all you need, if we get into a heavy project where we need to get a bunch of print cartridges, or disks and etc... **Printing:** keeping that the same. When your sending out information to 80,000 people, it doesn't take long to spend $4,000 worth of paper. **Professional supplies and materials:** dealing with the state bar and publishing. **Misc. Supplies:** $23,000 in here, countertops, calculators, etc... **Operating**

Adjustments: Two new people, 200 sq. Ft., $200.00 for training per person, office supplies-$800.00 per person, partitions-$6,600

847-Chairman Svedjan: Does this show up in one OAR?

854-Mike: It shows up in 2 OARs. # and #214.

878-Chairman Svedjan: How does that work, do you fund just part of it?

954-Deb: It would be on page 4. These are by budget level. On line 30, there is #206 on line 10, that's the one FTE and it swallows $73,000, this was added into the salary line item. #214 on line 6, this is operating expenditures for $9,700.

1016-Chairman Svedjan: The 2 of those combined is what we have on the OMB form, $83,345. So it's split between salary and other. Looking at your bucket two, sorted by priority, you consider this a reasonably high priority.

1103-Deb: Yes, because the IV and D function is federally mandated.

1312-Mike: **Assistant payment:** The only thing we have in this part is $989,206, this would be the incentive money we transferred back to the counties.

1358-Vice-Chairman Delzer: What's that incentive money based on?

1362-Mike: It's based on the formula's in transition. It was based on how you collected on the old ten encasements.

1502-Chairman Svedjan: Is it still the case where you're measuring it against the TANNF case load?

1509-Mike: In part. It's based on five different stats in the formula.

1677-Chairman Svedjan: Do you have to meet all of the criteria in order to get the incentive?

1684-Mike: Each one has it's own. Depends on how far you are on their benchmark.

1783-Chairman Svedjan: The incentive money that goes back to the counties, what's the ratio on that?

1799-Mike: 1% off the top goes to education. The 99% left is split with 25 states, 75 counties.

1815-Chairman Svedjan: The 1% that goes to education, where do you build that in your budget?

1823-Mike: It's included in this budget. Total is $50,000, part of the incentive money we have built in there. It's for education, for staff education, for regional offices.

1866-Chairman Svedjan: If you were forced to take a sum of money out of this budget, where would you look first?

1892-Mike: The Clerk of Court number which is soft. And the amount I have in there for the tribe for travel.

1983-Rep. Kerzman: The system we have in place, how much do we have to add to that to take care of that, would you have to add some staff?

2028-Mike: The income share module for child support is right under a million dollars. The walk over has to be done at the county level.

2089-Vice-Chairman Delzer: Under Economic Assistance, you have the one line item for Operating, and yet you have all of the different divisions. If you run short, how do you handle who's supposed to get what?

2120-Deb: Sub division two, which is Economic Assistance, there'd be Medicaid, Child support. What we'll do is, we have to manage within that operating line item within all of those budget levels.

2170-Vice-Chairman Delzer: And you do that on a needs basis?

2174-Deb: On a needs basis, and both the program directors will hash it over and see if they have excess authority. Within that sub division, we can use money within each one of the line items, but only within that sub division, without going to the emergency commission.

2219-Chairman Svedjan: Are there any other questions in the area of child support? Hearing none, Thank you Mike. On to **Economic Assistance Policy:** Is there anything on your organization chart that you would like to make note of?

2470-Blaine Nordwell: Director of Economic Assistance Policy: (attachment #8) It was brought current this morning, I think it's accurate.

2483-Chairman Svedjan: All of the positions are filled?

2486-Blaine: No, and not all positions are regular either. There are 3 temporary positions. There should be 2 vacancies. The long term one was dependent on retirements and the retirements didn't materialize. It's been vacant since the beginning of the Biennium. We're getting along without it, with the assistance of temporary staff. Admin. Officer II is a level 10 or 11.

2740-Chairman Svedjan: If you've gone without it for 2 years, why would you need it?

2757-Blaine: The plan was to fill that vacancy with the Human Service Program Administrator III. We have been in desperate need of additional staff in that area.

2864-Chairman Svedjan: Could you get along without it? What are the dollars that you have in there for that position, general-federal?

2909-Blaine: The total proposed is $91,876. The federal is 58%, no general funds and the rest is special funding. There is no general funding on the salary.

3062-Chairman Svedjan: There is general funding, you mean under the salaries category?

3071-Blaine: The funding distribution, page 1 of 112, two pages, here they show no general funding. Oh, there are general funds in there. There is $87,652 in total in the general fund.

3214-Chairman Svedjan: For that position that we were talking about.

3229-Blaine: For that position my chart shows no general funds on it.

3242-Doug Verdouw: The general funds that are in for the salaries are part of the salary package that OMB had for the Governor's budget, so it would be the 3/2.

3270-Chairman Svedjan: What I'm asking is for that position that's been vacant for 2 years, from where does the money come to pay that salary, the split general/federal.

3289-Doug: The split is federal: 58.4%, and 41.56% is special funds.

3326-Vice-Chairman Delzer: Your special funds are just retained dollars, which are in effect general fund money?

3352-Blaine: Yes.

3390-Chairman Svedjan: Your FTE's, you're remaining at 47.8? Your increase in salaries is due to the salary package that has been recommended?

3405-Blaine: Yes. Yes. There's about $100,000 that shows up on the projection.

3512-Chairman Svedjan: Your testimony from a few days ago, the recommended funding in salaries involves a $30,777 increase in general funds? That's total, right? That's the share of the $359,000 increase?

3585-Rep. Kliniske: Back to FTE's: on your organizational chart, there are 8 positions that were taken from IMB and moved into Economic Assistance? And where were the 8 positions that were moved out?

3643-Blaine: The total of FTE's moving in actually includes this group. The group is nominally under the direction of EA policy and at this point we're looking at a budgetary transition with the new biennium.

3724-Chairman Svedjan: Are those eight in EA policy, or are they in Medicaid?

3741-Blaine: In EA policy.

3745-Chairman Svedjan: If those are reflected in your current 01'-03' biennium, then shouldn't the current biennium have been 8 FTE's fewer?

3781-Deb: What we did to make this present budget, we knew we were going to make that move in 01-03, so we realigned the 99'-01' budget. So it's all paid FTE's are included in the 99'-01' budget and therefore there is no increase in 01'-03'.

3852-Chairman Svedjan: Now you have the FTE's in the 01'-03' but you also have the dollars.

3865-Deb: The dollars and the FTE's and also in the 99'-01' budget. They are included in your cyber report for the budget preparation.

3891-Vice-Chairman Delzer: Did you add money to the 99'-01' salary line item?

3906-Deb: For EA policy grants, yes we did. We realigned those within the department and moved those 8 FTE's that are currently in IMD, we moved them over to EA policy grants, of the money and the FTE's.

3930-Vice-Chairman Delzer: What is the actual number that you would add to the last biennium for the salary and FTE's?

3941-Deb: We can get that for you.

4009-Chairman Svedjan: Did this go before the emergency commission? You said it didn't, but how could it all have been in the 99'-01' budget then?

4019-Deb: No. When we present the OMB budget for 99'-01', what we have to tie out to and total is by line item. And what we did was, we did a schedule up for OMB showing any realignments that we made and this would have been one of that schedule.

4081-Chairman Svedjan: So the dollars in the 99'-01' were technically in the IMD area?

4092-Deb: When the budget was approved by the legislature, yes. We have not during this biennium gone to the emergency commission. However when we prepared the budget, we wanted the data to be comparable, so for that purpose we realigned the budget.

4146-Vice-Chairman Delzer: So you take those dollars out of IMD salaries line item? And did that look the same because you're bringing 8 in from somewhere else?

4156-Deb: Yes. The FTE's and the salaries. Right, so when we realigned the IMD budget it would have been the same thing, those individuals who came from the Developmental Center and the State Hospital, both got realigned into IMD, and the FTE's that we moved from IMD over into Economic Assistance.

4226-Vice-Chairman Delzer: Is that a normal way of doing it?

4244-Deb: If we didn't do that the data that you're looking at wouldn't be comparable at all.

4259-Vice-Chairman Delzer: That's true, but it would show what you're going to be doing. The only place we'll actually see the drop is in the Governmental Center and the State Hospital.

4317-Blaine: There is a note on the orange chart. An asterisk and note by those positions indicating that supervision for this group is transferred to Economic Assistance Policy as of July 1.

4392-Rep. Klinske: When I look back at IMD, they do not reflect state ??? of dollars, but not the FTE's in 99'-01' and they reflected that in the 01'-03' budget. But when I look at EAP, you reflected the change in both the 99'-01 and 01'-03'. So if that change is going to occur, it should have occurred in IMD and EA to make it more clear.

4568-Brenda: That one FTE reduction, all it was a position that was vacated.

4631-Vice-Chairman Delzer: What was the FTE number for EAP last biennium?

4655-Blaine: Eight less than what you see now.

4803-Chairman Svedjan: In the IMD budget, there were 8 in and 9 out. The 01'-03' budget shows a decline of one FTE, but the dollars stay. In this budget, the FTE's are remaining the same but the dollars aren't there. Right?

4904-Brenda: The dollars are there.

4909-Rep. Klinske: The dollars followed and I understand where they came from, because here you're showing that the changes made apparently in 99'-01' and then they both stayed the same so when you look back at IMD, and the change was made with those same employees, the change was reflected in 01'-03' and not in 99'-01' like it is here.

4964-Brenda: What happened also from the 97'-99' biennium, there was a change that the Human Service Centers, the computer tech. People, when we centralized that budget, you have that change going on for 97'-99' an increase of 8 employees, 2 that were brought into IMD.

5078-Chairman Svedjan: Are the FTE and the dollars in both IMD budget and this one are what they should be?

5104-Brenda: We have to so that we also can analyze our budget and understand what our budgets look like. So we have the funding in the right place.

5211-Chairman Svedjan: Do you have distribution of the funds for salaries and wages purposes, I see it's largely federal. The special funds, are they retained dollars also?

5254-Blaine: I understand that special funds are all retained dollars.

5281-Vice-Chairman Delzer: What is the split there on your wages on the program level, whatever we are on. You got 22.6 compared to 1.8, how do you come up with the % you have.

5392-Brenda: The funding in EA, some of the positions for federal funding is in Adminstration, 50/50. They'd have 50% federal funds for some of those positions. And 50% of this match we

use retained dollars in the EA area. There are folks paid with 100% TANNF dollars, so that you use your % when you are looking for the TANNF program directory.

5494-Vice-Chairman Delzer: The 50/50, does that carry down on operating the same way then?

5504-Brenda: Yes it does, depending which costs are attributed to which program, you're funding mix will be different.

5520-Vice-Chairman Delzer: Administration is 50/50? What about the program itself?

5536-Brenda: The administrative costs are 50/50 for food stamps. The assistance, the EBT (electronic benefit transfer) is 100% federal. There won't be a clean cut because of the mix of funding.

5599-Vice-Chairman Delzer: Does any MOE come into play with these?

5613-Brenda: There's a MOE requirement for the child care, mandatory funds that's 2 million.

5666-Chairman Svedjan: In the temp. and over time line item, you're projecting to spend about $85,000 there, budgeting the 110, this current biennium you budgeted 100. You're about $25,000 away on your projection compared to what you budgeted for 01'-03'?

5726-Blaine: The item in QC is a piece of the budget.

5827-Brenda: One of those people we had working temp. salary passed away. She was projected to be in our budget till the end of June.

5892-Chairman Svedjan: But you're looking to increase the amount of temporary support or over time?

5912-Blaine: There is a slight increase, and that does relate to QC. We are trying to get away from temporary's. On to **Operating Expenses.**

6045-Chairman Svedjan: You're keeping the IT Data Processing the same. How can that be, we've seen increases in the others?

6071-Blaine: The particular elements of it that we basically projected very little increase.

6111-Vice-Chairman Delzer: Most of IT Data processing is up in management. What is it that's in this one?

6138-Brenda: What that is, is Micro fisch.

6187-Rep. Klinske: Is there a ____ to build from Micro fisch to CD's?

6210-Brenda: We would love to do that.

08-Rep. Klinske: But that's just a one time cost to make the transfer and micro fisch only lasts about 10 years, and then you have to update, where a CD lasts 30-40 years.

28-Brenda: It's something we can look into.

145-Vice-Chairman Delzer: How many different area's in HS are you using micro fische?

161-Brenda: Medicaid, EA, we are, Program and Policy.

209-Rep. Warner: Have the changes that we've seen in TANNF, which require lifetime limits on benefits, does that increase your archival load?

228-Blaine: Our case loads are so much lower and our mechanism for maintaining those records are electronic. On to **IT Telephone:** We're projecting expenditures beyond what was appropriated. It's all in QC.

301-Chairman Svedjan: When you're saying QC, you're talking charges that you incur from IM?

315-Blaine: The QC function of EAP is consistent of central office and then regional individuals who's role it is to actually go out and review food stamp and Medicaid cases.

349-Chairman Svedjan: You're saying the telephone expenses for those people, it's all attributable to that area?

358-Blaine: The increase is highly attributable to that area.

366-Vice-Chairman Delzer: These phones here, is that what's on IT Telephone or is it other things?

377-Blaine: Cell phones are included and we are, with respect to the QC reviewers, we've seen that they have cell phones. Not only are they out and about, but they are safety factor because these individuals actually go into the homes of the people who's cases are under review, they are not always welcome.

439Vice-Chairman Delzer: Do you have any idea, if these cell phones are the same kind of contracts that private individuals have or do you buy so many minutes for so many phones?

459-Brenda: Right now the state is working on needing them statewide.

486-Vice-Chairman Delzer: Are most of them set up on 300 minutes to the phones for the month?

494-Brenda: They're set up to that but they also allow the department to pool minutes.

519-Vice-Chairman Delzer: then you're using all the minutes that you're buying plus paying for extras?

525-Brenda: More often than that, but we're staying within the cap, then we don't pay for extra minutes.

562-Vice-Chairman Delzer: Currently ITD is just now getting into the business of trying to contract with Cell 1 for a statewide pool?

577-Brenda: They're trying to get a better deal.

597-Vice-Chairman Delzer: When did the department start buying the cell phones?

607-Brenda: We've had cell phones for, we had financed prior to the current.

649-Chairman Svedjan: **Travel:** You have a considerable increase there.

660-Blaine: The nature of that increase are in 3 area's. Medicaid eligibility unit is understaffed due to the development of the current changes to the team system. Also in Child Care and TANNF.

906-Chairman Svedjan: **IT Software and supplies:** Why would utilities show up in your budget?

944-Blaine: We are going to be paying some utilities because System Support Development is located at North Brook. On the orange chart, the people who are in the QC area and the Regional Rep.'s area are out of station.

1027-Vice-Chairman Delzer: On your utilities, is your spending level correct, because you don't have much in there and I see you dropped the budget by $5700, but if you're only going to spend $200, you don't need the other either.

1059-Chairman Svedjan: You're budgeting about half of what you had last time, and you're spending to date is a fraction of what you budgeted. Are you maybe looking at a one time payment of utilities towards the end of the biennium?

1113-Brenda: We will check it for you.

1139-Chairman Svedjan: **Postage:** Over budget if your projections are right.

1167-Blaine: Our postage is met is metered.

1174-Chairman Svedjan: What accounts for the significant increase?

1194-Blaine: We are distributing a great deal of applications for benefits.

1229-Brenda: With the TANNF and health department.

1455-Vice-Chairman Delzer: Your TANNF caseload is still down. Do you end up sending notices or questionnaires to people who've dropped off of that caseload?

1480-Blaine: We for the most part continue to have some contact with the people who've left the TANNF case load because they continue to receive food stamps and Medicaid. There's not a requirement that we have to.

1555-Chairman Svedjan: Any other questions? We will adjourn until 8 am, Jan. 17th.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: WEDNESDAY, JANUARY 17th, 2001

Tape Number	Side A	Side B	Meter #
1-17-01 HB 1012	**X-1**		**00-6233**
#1012		**X-1**	**00-6230**
#1012	**X-2**		**00-6252**
#1012		**X-2**	**00-5847**
#1012	**X-3**		**00-6200**
#1012		**X-3**	**00-2855**
Committee Clerk Signature Micki Schmidt-Rust			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

00-Chairman Svedjan: We call this section to order on **HB 1012, ECONOMIC ASSISTANCE POLICY.**

Roll call: We have a quorum. Our schedule today is to continue working the budget on Economic Assistance Policy.

200-Blaine Nordwall: Director of Economic Assistance Policy: Goes over the Postage, increases due to Medicaid, eligibility's, TANNF, communication, notices, recipients, etc... He answers questions on this.

TAPE IS INAUDIBLE.

600-Blaine Nordwall goes on to explain about the Equipment rent, which had a decrease, Building Rent, Dues & Professional Development, Operating fees & services, it increased, he answers questions to these lines.

1200-Royce Roberson: Director of Energy Nutrition. Explains about City Group, rate per case, Food stamp cases, contracts, caseloads. He answers questions on this.

2010-John Hogan: Job Service supplementary: Explains about Job Service, rules, expectations, funding, programs, welfare, screening,, and disabilities.

3520-Blaine: Explains and answers questions to: Temporary Assistance Needy Families, TANNF, HB 1108, grants, List of Operating Expenses, repairs. Professional services, Office supplies, and Printing.

Tape 1, side B-00-Blaine: Explains and answers questions to: Professional Supplies, training sessions, Buildings and Grounds, Misc. Supplies, Equipment, Capital Improvements, Grants and Assistance Payments.

1410-John: Explains and answers questions to special projects, caseloads, national meetings, Tribal TANNF, non custodial, Federal Tax.

1994-Blaine Explains and answers questions on: (Page 7 of testimony) Transportation costs, mileage, Nutritional Education program, counties, Indian County Allocation, OAR's, trust lands, LAP program grant, Asset tests, childcare program, SWAP dollars, child support, IMD.

4455-Brenda Weisz: Director of Fiscal Management: (attachment #1) Revenue Schedule, Child Care Development Fund, TANNF Welfare Reform program, Mental Health, MOE. She answers to questions on these areas.

Tape 2, side A-00-Brenda: Explains about Substance Abuse Prevention and Treatment, aging Services.

645-Linda Wright: Director of Aging Services (attachment #2), vacancies, salaries, funds, IT telephone, Travel, IT software, Utilities, Postage, Equipment, rent, Operating Fees and service, training, conferences, Dues and Professional Development, Repairs, Professional Services, Office Supplies, Printing, Professional supplies, Misc., Operating Expense, Equipment-Southwest, grants, Sped, case managers,

Tape 2, side B-00-Linda: (exhibit #9 - testimony) **435-** (exhibit # 10- testimony), targeted case management. (attachment #4), increases to providers, special fund, OAR's, inflators. **5573-** Spread on funding

Tape 3,side A-00-Linda: Federal moneys, required services, mill levy match.

945-Tamera Millner: Director of Childrea's Special Health: (attachment #11) (also p 27 of 131 on yellow sheets.) Cost's, bills, Insurance, diagnosis, eligibility, diseases, poverty level, CHIPS, WIC, income levels, assets, D

FTE's.

3860-Jerry Hornalease: Accountant: explains the elimination of a FTE, under funding of salary.

4120-Tamera: Talks about General administrative, budget analysis, CO-pays, bill charges, Operating expenses, Travel, Postage, IT Software and supplies, Rent.

Tape 3, side B-00-Tamera: Explains dues and Professional development, Operating Fees and Service, consultants, Repairs, Professional Services, Medical Director, office Supplies, Printing, Professional supplies, Medical, dental and Optical, Building grounds and Vehicle man supply, misc. Supplies. (attachment #15), Grants. (attachment #16), providers, clinics, health department, OAR's.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: THURSDAY, JANUARY 18TH, 2001

Tape Number	Side A	Side B	Meter #
1-18-01 1012		**X-2**	**587-6140**
#1012	**X-3**		**00-6227**
#1012		**X-3**	**00-3006**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

Tape 2-side B-587-Chairman Svedjan: We'll call this section back to order. We had just finished our discussion on the line items exclusive of the **medical assistance grants area**.

647-Arvy: We were talking about OAR #110 this am. We had adjusted the FTE inflation for the nursing homes. In addition we did do an adjustment that brought that down to the lower figure.

735-Chairman Svedjan: As part of OAR # 110, you made the adjustments on the inflationary increase. Is that what constitutes the $700,000?

755-Arvy: No. What we backed out was a total of $4,007,858. In general funds of $1,207,452. In federal funds of $2,800,406.

867-Chairman Svedjan: So those are the numbers that appear relative to OAR #110.

1-18

877-Arvy: Yes. Do you want to show a net increase in OAR #110 of partially funded or do you want to show all of #110 coming in and then coming out later.

935-Vice-Chairman Delzer: How was it you said that $700,000 amounted to for the nursing home?

949-Arvy: Our language did specify to hit nursing homes first. **1003-** There is one other adjustment that was made in the budget request and is related to Medicaid that isn't related to OAR's. After the budget was submitted and before we made our recommendation we f-mapped or the federal match went up and so we saved some general funds. So we went through and made some adjustments for that. I've got a total figure here that includes DD and Medicaid.

1088-Chairman Svedjan: Are you saying that those f-map adjustments, they were made by OMB after the departments submitted it's budget to you? So those numbers are appropriately reflected in here?

1104-Arvy: Yes. We made a change of $2,696,691 reduced general funds, and increased federal funds. We got a better federal match.

1185-Chairman Svedjan: When you get those net numbers, we would like to record them.

1198-Vice-Chairman Delzer: Arvy, the numbers that you used for the inflator on the nursing home was 3.78 for 2001 and 2.8 for 2002 and 2.75? That's what's in Dave's' testimony on page 4. That base that used the 50/50 CPI, and 50 data resources? That 3% operating margin?

1241-Arvy: Yes.

1268-Chairman Svedjan: On to the revised projections.

1281-Dave: (attachment #4) We've got a revised to a revised. I think the last page does not have the service listed.

1339-Lawrence: The first one you have is the yellow bar that shows the reprojection as of February, and then Rep. Delzer wanted to see the reprojections numbers.

1368-Dave: The other thing with nursing facilities, what rebasing would do. So we added another line for nursing homes.

1440-Chairman Svedjan: When you talked about the currentness of these numbers, these are projected to what dates?

1461-Lawrence: The first one is for February 2000. We did the reprojection with the current numbers up through November of 2000.

1755-Dave: You asked this morning how we prioritized the decision to cut services. This shows what we did and it's in reverse. (attachment #6) PT is our highest priority.

1854-Chairman Svedjan: When you get down to the rankings of 11-14, are you talking about % in terms of dollars or would it be in terms of individuals served? **1974-** And that's within Medical assistance? **1986-** Is that also payment to provider?

1886-Dave: This would have been fee's. **1980-** Yes. **1993-** Yes, treatment services for children under residential treatment centers out there, that would be Dakota Boy's Ranch and those type of facilities. What this would have done was cut their reimbursement by 25%.

2027-Vice-Chairman Delzer: What does **AWP** stand for?

2035-Dave: **Average wholesale price.** What this trying to approximate is what the pharmacist has to pay for the drug. So the AWP is less 10%.

2100-Chairman Svedjan: Q? We will proceed at this time with the grants.

2133-Brenda Weisz: **Executive office and Managerial Support:** (attachment # 3) When we prepare our budget we start at April and May of 2000. We can only use actual expenditures. We do a reprojection of those expenditures and to capture as much actual data as possible. We did

this the last 2 weeks of December and included all the payments made through November of 2000. Those payments all come in the first 2 weeks of December and sometimes later so we incorporate that.

2272-Chairman Svedjan: So in the area of TANNF grant line, we're to read this as an increase in general funds?

2292-Brenda: Yes. The first 2 sets of numbers show you that it's a decrease from the current budget when we built our budget. The second set of numbers takes the request and compares it to the current projection to show you what he difference would be from what it looks like in the budget right now.

2333-Chairman Svedjan: But when I compare the 2, there's been an increase expenditure in general funds based on your reprojections in TANNF. You were at a negative position in general funds from the current budget.

2369-Brenda: Then all we did was take the budget request we submitted and did a reprojection on that, so the general funds stay the same as what was in our budget request initially, it's not going to require any more general funds in the reprojection. It's going to take additional federal funds.

2422-Vice-Chairman Delzer: That would be because we've spent up to our **MOE (maintenance of effort)** and then we quit spending general fund money in TANNF, is that correct?

2435-Brenda: With the change are you talking about from the current budget to...

Vice-Chairman Delzer: You show your increase all in federal money.

2456-Brenda: Back to the 99'-01' budget. Our request was the $25 million broken down between the three sources. There's still just enough in those area's to hit the MOE or to work

towards that MOE. The next line, I just pulled down the second line of information so you can compare what our budget request looks like when we run our reprojection.

2506-Vice-Chairman Delzer: Your reprojection, is that what you're projecting to spend in the next biennium or is that the number that you've actually spent in this biennium projected out for the rest of this biennium?

2527-Brenda: It's what's expected to be spent next biennium .When we prepare our budget and we give you that first time we lift the 01'-03' budget request, that's what we expect to spend in the budget cycle coming up, from the information that we know at the time we prepare the budget. Now we're just taking that same number and saying we have 9 months more of data, so we'll project that out again one more time with updated data and now this is what the number looks like.

2587-Chairman Svedjan: So within each category it's the second set of numbers that are most meaningful to us? **2620**-So in the TANNF line we're saying that you're reprojection requires no increased expenditure in general funds but an increase in federal funds.

2600-Brenda: Yes. **2640-** Yes, no change in special funds. **2650-** The next area is the **Child Care Budget:** This area shows an increase in federal funds of $1,111,000. (see attachment #3)

2864-Chairman Svedjan: In the nursing home facilities, what's the reasons for the increase in general and federal, is that utilization?

2888-Brenda: I will refer that to Yvonne.

2898-Dave: our earlier trends in the first part of the biennium show that the numbers were going down, and we built into the budget a reduction of 35 beds per year. If you look at what's happening in the last 6 months, that's not what's going on. I think we're flat at about 3700 and

we were predicting to be down in the 3500 plus by the end of the next biennium and now we don't think that that's going to happen.

2980-Arvy: In that particular one it's 700,000. When they do their reprojections, this is what it would cost us and in doing that they revert that $700,000.

3083-Brenda: I'd like to point out the note on the bottom of page 2, it talks about the **Targeted Case Management (TCM).** What we did was we did the reprojections with the same increase reflected in the proper grants line items. So the $425,000 reduction would be reflected in the Medicaid grants area. **3161-** It's just plain office scenario in the proper grants that it would affect, should that bill pass.

3182--Chairman Svedjan: And that bill is? #1117.

3254-Vice-Chairman Delzer: What's the story with your SPED and EXPANDED SPED?

3268-Brenda: What you're seeing is a decrease. If you look at the budget request for 01'-03', then we can focus on the last 2 lines. That has the federal funds in there to do the TCM when the budget was finalized, and the federal fund should have been in the Medicaid grants, so when we go through and do a reprojection, we take the federal out of the SPED program because they'll actually be receiving their service under the Medicaid grant. And then we project what the cost would be for that population having those that would be eligible for the TCM requested in the Medicaid grants.

3354-Vice-Chairman Delzer: That basically adds up to that 1.1 million that we talking about?

3368-Brenda: To implement the TCM on the Medicaid side, you're right, it cost 1.1 million in total, but then you'll see the results in the decrease for those who would currently be served under SPED.

3417-Vice-Chairman Delzer: That is just TCM and just plays into effect with SPED and EXPANDED SPED, it has nothing to do with the Basic Care side of it?

3442-Brenda: Very little.

3447-Dave: The TCM is designed for 4 area's. We figure that 30% of the individuals on SPED are also Medicaid eligible, so right now for SPED, 95% general fund money, 5% county money for that service. We're going to move that over to the Medicaid TCM, they get case management right now, so rather than using 95% GF, we're going to use 70% FF, and 30% GF. EXPANDED SPED are all Medicaid eligible. 100% of those dollars are GF $ for the case management they're getting. Again we're going to use 70% FF, 30% GF, so we're supplanting again. Just for the case management. For Basic Care, we're going to provide a case management process for this service. We'll be able to fund it through this process. In addition, they'll be the 4th group that will probably be able to take advantage of it They are individuals out in the community who are at risk and want to avail themselves of this service, who are Medicaid eligible.

3620-Vice-Chairman Delzer: So what we're adding to the TCM is the Basic Care individuals and that 4th group?

3633-Dave: And at no additional cost. You're saving $429,000.

3650-Vice-Chairman Delzer: How can you be adding 2 additional groups at no extra cost?

3655-Dave: Because of the sup plantation. It's the general fund that's being saved. We're capturing $700,000 plus $$ in federal money that we didn't have before.

3716-Vice-Chairman Delzer: Who's going to do the work? Is that going to fall on the county people? Are they going to have to come up with more people?

3732-Dave: It's possible they might. They do case management for SPED and EXPANDED SPED.

3754-Vice-Chairman Delzer: And in return we're giving up our right to decide whether or not we'll serve these people?

3771-Dave: It becomes an entitlement. But by law they do get Case management when they're in SPED and EXPANDED SPED anyway. By state law.

3792-Chairman Svedjan: What is the net bottom line of the TCM issue? What's the net benefit in terms of dollars?

3830-Dave: $429,000.

3842-Chairman Svedjan: What is the likelihood of receiving that option or waver?

3858-Dave: I don't see a problem with that. We got TCM all over the place. As long as you identify the group and make sure you're not duplicating the service, it's not a problem.

3920-Vice-Chairman Delzer: Then we have to do the TCM to the Basic Care in to the other ones in order for the Basic Care to qualify for the federal match or not? If TCM did not pass, could you still capture the Medicaid funds on basic care?

3961-Dave: Yes. TCM and the personal care option are separate. They're not tied together. This gets into another issue, how much surveying that the Health Department's going to do. If the counties have to add staff, part of that million dollars is going to go to provide those dollars for the counties to do that.

4071-Chairman Svedjan: What million dollars?

4074-Dave: In TCM. That's who is primarily going to get this money.

4133-Chairman Svedjan: What would the implications of that be if we were to do it that way?

4181-Dave: If you didn't do TCM at all, we're going to have to have $445,000 back into the budget or we can't provide CM service.

4225-Rep. Kliniske: Why does it say on the note here that ???

4248-Brenda: They need $759,000 because it affected when you do that 1.1 million, it's $300,000 of general funds in the Medicaid area it reduced the SPED and EXPANDED SPED by $759,000, giving you the ?? of $445,000. So you would have to increase the SPED budget by $759,500.

4322-Dave: What you're trading here is using federal dollars to pay for case management that you're already providing, plus it avails us the opportunity to provide case management to basic Care and to those individuals who are Medicaid eligible.

4518-Vice-Chairman Delzer: In the bill itself, (1012), Adult services, SPED and EXPANDED SPED are going to show up on page 2, line 17 which is grants for program and policy?

4580-Brenda: You're right.

4606-Vice-Chairman Delzer: What you're doing with this roll over is you're moving that money from line 17 to line 6.

4622-Brenda: With the reprojections and assuming from our budget in placement, you're right.

4667-Chairman Svedjan: We'll proceed with our work on the reprojections. We'll start at the top.

4730-Dave: We had originally $252,000,000 in the current budget. Our reprojection shows that we would spend about $241.6 million. The executive budget was $264.6. Our reprojections bring us to $268.8, and if we add rebasing based on our calculations it would go to $272.6 million. If the salary increases are provided, that will add another $20 million. In total if we were going to do everything it would be about $293 million. You asked why this is happening? We started out in August of 91', predicting we would have 3656 beds. In February we dropped the 3621 and in February of 03' dropped to 3586.

5038-Chairman Svedjan: How many? 35 beds per year reduction.

5045-Dave: What we have in the budget is a flat 3700, that may not be enough.

5154-Vice-Chairman Delzer: We built last biennium's budget on a flat number also, wasn't it 36?

5193-Dave: It was 3776 flat, and that's why you see that huge difference between the 260 and the 241, because earlier in the biennium, we were below that figure.

5286-Chairman Svedjan: When you say you're well over 3700 right now, what is that?

5298-Dave: If you go to the new chart, the last 4, Sept. - Dec, we've actually put Dec. on here also. 3709 in Sept.., 3687 in Oct., 3756 in Nov., 3757 in Dec., so for the last 5 months it has averaged over 3700.

5411-Chairman Svedjan: Were you referring to the one that's in our testimony?

5433-Dave: That's the top line, the blue line.

5448-Chairman Svedjan: You said that since Dec., we're well over 3700. What is that, 3800?

5468-Dave: No, Dec. We're at 3757. I'm talking about the last 5 months.

5552-Chairman Svedjan: Does this give us any indication as to the efficacy of targeted case management?

5581-Dave: It certainly could. We don't have TCM for the group now. We have case management, it's part of the service delivery. The targeted part is on the Medicaid side.

5705-Rep. Kerzman: I think it's a good practice. We have to look at what we're keeping out of the nursing homes.

5793-Chairman Svedjan: I find it ironic that in case management or even TCM, it seems to me the purpose there is to do all that can be done to keep that person in the least costly service element. That is the basic premise. So you could end up with a situation where someone who does not need to go into a nursing home chooses to go into a nursing home.

5952-Dave: If they're Medicaid eligible, they're only going to get in there if they meet the requirements that we've established.

5976-Chairman Svedjan: So, then it really isn't up to them.

5983-Dave: It is. If they're assessed and it comes out that they could access skilled nursing care if they're Medicaid eligible. What's going to be explained to them is that they have these choices. We don't dictate to them, we're just there to tell them what is available.

6174-Vice-Chairman Delzer: What #'s did you use for your reprojection on beds? Is the budget request built on 3700 also?

6255-Dave: The original budget is based on the decreasing of 35 beds per day.

Tape 3, side A- 00-Dave: The other thing on the reprojection, there is a slight increase in the cost per unit.

32-Vice-Chairman Delzer: I'd like to have the cost that we used to build the 99'-01' budget, the costs that were in the budget request for 01'-03' and the cost that you used on your reprojection.

50-Dave: We use a cost per day. For the new biennium, what we're using for the first 6 months, for the reprojections, 95.91. For the year beginning Feb. 02', 99.33 and then for the next 9 months was 99.39 and then for the next 3 months it's 103.43 and then it jumps to 103.47 for the last 3 months of the biennium. For what was used originally in the budget: the first 6 months was 95.86, then the next 3 months it was 100.24, the next 9 months was 100.32, the next 3 months was 104.03, and the last 3 months o the biennium was 104.10. That's how it was built.

262-Vice-Chairman Delzer: Arvy, did you use all these different numbers or did you just use one number?

272-Arvy: We used the numbers that were used in the budget request. We didn't adjust this.

295-Chairman Svedjan: Over the biennium, you're revised projections over all are lower per day than what's in the executive budget. The difference is you projected a higher number of beds.

336-Dave: Yes.

436-Barb Fischer: Manager of Long Term Care and Hospital Services: I deal primarily with nursing facility rates. The reason that the reprojection on the rates went down is that when the budget was built, we used the rates that were in effect Jan. 1 of 2000. Those were based on a cost report year 6-30-99. In Nov., the rates for 2001 were set. When the initial budget is built, we don't have that available, it's not available until Nov. 22 is the earliest we can get it. We reprojected in Nov. Using the current inflation that would apply to the 2001 rates, but we still didn't have the rates available when the Gov.'s budget went into effect. Our reprojection now is based on the current rate. The current rates did go down slightly from our projection. So it's the current rate projected forward.

564-Chairman Svedjan: Do you do any analysis to what the number of filled beds will or could be?

586-Dave: Right now we don't.

671-Chairman Svedjan: How concerned are you in your reprojection, you budgeted on a flat bed of occupancy of 3700 and you're as of Dec. 31st, you were at 3757?

698-Dave: Not real comfortable. We hope that it will level out.

752-Rep. Kempenich: Do you use census numbers to try to get a better handle on it?

777-Dave: Right now what we're using is the trend factors that are out there.

909-Vice-Chairman Delzer: The number of nursing homes, I don't expect it to rise, because we have a number of things going on out there, better health care for one, long term care insurance which is just going to start kicking in, and more money going to the home and community banks.

973-Rep. Kerzman: Dave, would you touch on rebasing again?

981-Dave: We're using 96' to set limits. So cost reports that were submitted year ending June 30th of 96'. Based on that we established limits at 99 for direct care costs, and 85 for other direct, and 75 for indirect. So that's what established the limits for those services. Then we inflate those forward based on the inflation factor that we provide. Providers then, based on their cost, can if they're below the limits, they get all of their costs recognized. If they're above the limits, those dollars that are above the limits are not recognized. So when you rebase, what you're really looking at is looking at those limits, and readjusting those limits beyond the inflation that we allow. So with rebasing, what you would do is take, if we go to the 2000 rate year which is how we based it, the costs as of June 30th, 2000 and for the 99%, what you do is rate all the providers out, from low to high, in this case we have 84 facilities. One facility would hit the limit. The others then would get their costs. About 21 facilities would be above the limit, where they wouldn't get all of their costs. It's resetting the limits based on actual costs, rather than relying on inflation. On limits, if costs are going up faster than inflation, you start to get a disparity between the limits and people hitting up against those limits. When you rebase, you remove that process and start over again.

1218-Rep. Kerzman: What's the trigger? What triggered this? You didn't figure it in your original projections. Is it Legislation that's triggering this or is this department?

1233-Dave: It's my understanding that the Long Term Care Industry is interested in looking at rebasing. It's not an automatic.

1266-Rep. Warner: Are drug costs included in the inflation that you deal with or is that an outside situation?

1275-Dave: Prescription drugs we pay separately. They use a lot of drugs.

1314-Chairman Svedjan: How do you, or do you attempt to reconcile the impact of home and community based services and the increased availability of that against the increases you're projecting in nursing home care? Somehow we have to be able to factor in the success of the home and community based services that prevent people from being institutionalized. Do you in any way factor that into your projections?

1370-Dave: No, what we're using now are the trends, which is actual usage of nursing home care.

1402-Chairman Svedjan: Where in your SPED programs and other programs like that. Do you discern at all the numbers of people you have avoided, being sent to a nursing home?

1428-Dave: If you look at what's happened with occupancy rates, 4 or 5 years ago we were up around 97 or 98 %. We're now down around 92%, so something is happening out there. If you would track our numbers, you would see that there has been a downward trend. If you look back on last biennium, I had mentioned the fact that we had seen this decline. Our concern at the time was when was this decline going to bottom out? We can attribute a lot of that to the alternatives that have become available.

1528-Chairman Svedjan: Don't you think it would be appropriate to try and factor something like that into these projections? It doesn't help us here to look back 3 or 4 years. What we're struggling with now is what we think is going to happen in the next 2 years. Assuming that there is value and worth to those programs that serve people in their homes or serve them at levels of

care other than a skilled nursing facility, assuming that there is going to be some success to those, shouldn't that be factored in?

1588-Dave: I think in a way we have tried to do that by looking at the 3700 number, rather than saying it looks like it's going to increase. What we tried to do here is say look, we have these lower numbers because we think home and community based care is working.

1665-Vice-Chairman Delzer: On your chart, you look at the difference between July and August of the year 2000. The Long Term Care brings up, but the home and community based also spikes way up 200 and some. Do you know why that happened? They both came back down some.

1723-Dave: It's so variable on the numbers.

1761-Vice-Chairman Delzer: When are these counted? This is the average for the month? This is the average bed usage for the month?

1769-Dave: These are the number of individuals who actually received a service in that month.

1780-Vice-Chairman Delzer: Were they all in there for the whole month?

1785-Dave: They're individuals who received a service. For example: You could have someone who entered the facility on the 29th of the month. They would be counted. You could have someone who was on at the beginning of the month, who passed away, so it's the actual number of individuals who receive the service.

1825-Vice-Chairman Delzer: And yet you built your budget as if they were there for all 30 or 31 days for the month?

1838-Dave: Yes.

1849-Chairman Svedjan: That's a very good point. Could we get some financial data that would show expenditures relative to these numbers by month? The thing that's happening here is

that if you're budgeting a flat 3700 a month, you may have several people within that who are in that facility for only a few days of that month. So if we're budgeting a flat number, then the dollars are applied to that flat number. So we're not spending money for those cases where people aren't in the facility for the whole month. It might be more helpful for us to look at this not in terms of a head count or a bed count but in terms of dollars.

1949-Dave: Or another way is to look at this is in units, the number of days that we've actually paid.

1970-Chairman Svedjan: Can you produce that? Are the numbers of units translatable into dollars?

1988-Dave: Yes. We can give you the number of units paid, days actually paid, and then the total dollars associated with this.

2013-Rep. Kempenich: Do you track any of the alternative services?

2033-Dave: We know how many Basic Care beds are out there.

2113-Vice-Chairman Delzer: Assisted Living is all private pay, isn't it?

2118-Dave: No, through our waver in certain instances, Assisted Living is affordable and we do provide services through the waver.

2136-Vice-Chairman Delzer: Where is it budgeted through?

2141-Dave: That would be in the Elderly and Disabled waver.

2185-Chairman Svedjan: How problematic is it for us budgetarily to be looking at an average cost per day? What I'm thinking about are the 34 levels that you paid in a nursing home. Does the average give us realistic figuring?

2220-Dave: Those cost per units that I gave you, that actually represents the average.

2252-Chairman Svedjan: What I'm questioning is, does that give us a true figure from which we should work?

2275-Barb: The average that we used in our rate calculation is already case mixed adjusted, it's already weighted for the Medicaid usage. So it truly is an average of the 34 classifications for Medicaid individuals.

2377- Rep. Kerzman: Can you give me a figure of how many residents are private pay? Is there a number of them in the nursing homes too that are going to fall on this assistance?

2425-Barb: The %age of private paid and Medicaid has remained fairly stable, right around 55% Medicaid, 45% private pay, and when we look at private pay that would include anybody who's covered through Long Term Care insurance, self-paid, or the Medicare is included in that also because we're looking only at the Medicaid population of the budget.

2490-Dave: The other thing that's factored into this cost per unit is that the actual cost is higher than this, but because of the recipient liability amount, we subtract and average the liability to come up with the actual cost per unit. The average rate now is $110.00, but we're only paying $95.00

2522-Chairman Svedjan: But that's all reflected in the average?

2528-Dave: Yes, that's subtracted throughout.

2536-Rep. Kerzman: The one's that are going to run out of insurance and fall back on Medicaid or 3 year look back.

2565-Dave: Yes, that does happen. Insurance does run out. We see those cases happening and in those instances if there are no other resources they're going to end up on a Medicaid program. The 3 year look back is always an ongoing issue that's basically allowing people to divest themselves of assets and then in 3 years they can be eligible.

2693-Chairman Svedjan: What I'm trying to get at is a better means by which we fund the actual number of people who are in facilities in a given month. You said that they could be admitted on the 29th and be counted for the whole month. If that's the case, and if we're working from averages here, and if we're working from a flat projection of 3700, we're going to be allowing for funds in the budget to cover people for 28 days in a facility when they're not there.

2792-Barb: When I built the budget, I projected based on what my cost report actual days were per 12 month period. And then I divide that by 365 by the number of beds to come up with, so when I say when we built the budget and we say there's 3700 occupied beds, that may take into account, we may have 2 people who have occupied that bed during the month, but we're counting it as 1. So the average occupancy during 6-30-00, it's somewhere around the 3700. That's for the entire year.

2921-Vice-Chairman Delzer: So what you're telling us is this graph here is not the number of people in there, it's the number of units that you paid averaged out by month? That's not what Mr. Zentner said.

2945-Barb: This graph here, (attachment #2), I think, is an unduplicated count and if I divide the days paid out, I'm going to come up with a very wide variation, because it's going to depend on when they billed for the service. The information that we're going to have is going to be on pay. It's not going to be on dates of service. (talks over Rep. Delzer) I divided out the last 4 months on a spin down and reading back from November, the chart says 3756, we paid for 3662. That's based on the number of days divided by the number of the months, so that would be a total equivalent to the bed being filled for the entire month. In October, the chart says 3687, we paid 3766 at 31 days.

3192-Dave: You might have someone apply for Medicaid. It may take them 3-4 months to determine because they're waiting for information and etc... So once eligibility's been determined, we might get a bill for 4 months for one person in one month. And we may pay that entire bill in that month. So in essence we've paid maybe 120 days for one person. That's the kind of thing that we end up having happen to us.

3350-Barb: Included in the long term care budget is the days that we pay for Medicare Coinsurance. The days that we have calculated or the beds, what's equated to a bed is 3. At any given time and month, we know that there's more than 3 individuals who have received Medicare Coinsurance benefits. But to total the days and then divide it by 365, we have included 3 full time equivalent beds for Medicare. So the usage for the year, (talks over Chairman), you know we might have 300 people who have received Medicare benefits during the year.

3445-Dave: And that's because most Medicare is short term, rehab type things.

3463-Chairman Svedjan: So to tabulate the total number of days and divide by 365, that I think gets at the point I'm making But those aren't the numbers reflected on this report, are they?

3494-Dave: No. That's the unduplicated count. It shows the trend of the numbers.

3505-Chairman Svedjan: Could we get the numbers, the total days divided by 365?

3524-Dave: We may have it here. We will get that for you.

3542-Chairman Svedjan: But you said that's what led you to the 3700 average?

3563-Barb: Yes and No. The 3700 average was built off of the cost report status. And usage in, there's 5 areas, usually when I talk about nursing homes, I talk about the traditional 83 bed nursing home. There's also Medicare, Swing bed, Out of state, so we have to calculate beds on all of those. The cost report for the traditional nursing facility was 1.307 million , divide that by 365 and then you add all the other beds into that. That's how we came up with the 3700. Again

it's averaged, 3 beds is what we average that we will pay on average for 3 Medicare days, every day out of the year. We have included 43 beds out of state. Every day out of the year, we will pay for 43 beds out of state. Most of those are individuals who are in Minnesota.

3694-Chairman Svedjan: Is it possible for you to calculate the total days by month, divided by the number of days in that month? **3720-** What I'm interested in is trying to get a comparison to the top line on this report.

3739-Dave: We can divide total days by paid by ??

3753-Barb: Again it's going to be those total days paid, not days of service for the month.

3763-Chairman Svedjan: That's fine though, because we're trying to get at the budget here. And when you talk days paid, that's what we're talking about here too? Thank you Barb.

3809-Vice-Chairman Delzer: When we ask for that, could you have them put the total days paid, so that we can compare that number to this all of the way back, and then the cost?

3845-Chairman Svedjan: In requesting the total days paid, divided by the number of days per month, so we can get a line like the top one here. The request is also, could we get the amount in total days paid that you used. We don't need the money on there because when you do that, it will give us the average dollar.

3938-Dave: We do track total actual units of service which are days. So we can get it to you. We track that by month. We have the actual days paid per month.

3988-Vice-Chairman Delzer: Does it work as a seesaw, every other month, the 4 that you give us for just the seesaw, it does stay consistent though? Have you figured out why?

4004-Dave: Again there's so much variation because, as I said you might have several people who come in where we may pay 3 or 4 months for one month. We may have a situation for some reason we have a lot of discharges, for some reason the numbers are down.

4045-Vice-Chairman Delzer: But isn't everything out there pretty much standard, doesn't it usually take the same length of time to decide whether or not somebody's eligible as a rule

4068-Dave: Not necessarily, it varies.

4074-Vice-Chairman Delzer: Unless you have an appeal?

4081-Barb: It is based on how the facility feels, if they have problems, any filling problems, out of state is different, sometimes they bill 2 months at a time rather than billing every month. All of those get taken into consideration on where the cutoff wound up as to if they billed on the 29th and we cut off the month on the 28th, and I only included 29 days for that month, those payments would go into the next month. So it saves on billing which may or may not be consistent, and if they've had any billing problems or, a couple of people could change it significantly.

4179-Vice-Chairman Delzer: This is the actual number of people in the nursing home whether they've been there 1 day or 20 or whatever, with the exception of like the 3 that you count for Medicare and the 43 out side, they wouldn't be counted in this number that we have in front of us?

4224--Barb: They would be counted in.

4236-Vice-Chairman Delzer: They would be counted in? Chairman and I are saying: We don't understand how you could possibly have, if it's an unduplicated account, how could your- you know other than I understand it being sometimes you pay 2 or 3 months, but in the average, after you average it for a year, I don't understand how that payment could be higher than the unduplicated account? The number of days that you pay, I don't understand how they could be higher than your unduplicated account. But if you average it over a year, it should.

4344 Barb: I know what happened with Medicare, because in an unduplicated account, when we averaged the beds in, Medicaid they've paid, Medicare they've paid, if that individual had Medicaid and Medicare services provided in the month, they're counted as 1, even though it would come out of 2 different services.

4403-Dave: you could have 3 individuals occupying the same bed in one month.

445-Chairman Svedjan: You're still going to have a day paid for that person.

4448-Dave: Yes, you may have 10, 10, and 10. You're going to show that there's 3 people who got services, but each of them probably could have only 10 days.

4473-Vice-Chairman Delzer: Is there a chance that you could have paid both on the day that one goes out and one comes in. Two paid for the same bed.

4497-Dave: We pay for the date of admission, not the date of discharge, except we do pay for date of death.

4534-Chairman Svedjan: Is there anything else we ought to know about this one?

4542-Dave: Do you want to talk about rebasing?

4554-Chairman Svedjan: I think we should. Last session we rebased to the year 1996. So the numbers that you're projecting here would rebase us through the year 2000?

4606-Dave: It would take the cost reports the providers submitted as of June 30th, 2000. We then array those costs and reestablish the limits. I can give you the limit rates. The way Barb has figured it, currently the direct is 68.53, the other is 13.16, the indirect is 30.83 per day, that's the upper limit. Projecting by inflation in 2002, we'd go to 70.15 for direct. 13.47 for other direct, 31.56 of indirect per day. If we rebased the direct would go to 74.81 for an increase of 4.66. The other would go up to 14.25 or an increase of .78 per day. The indirect would go to 31.56 to 34.21 for an increase of 2.65.

4954-Chairman Svedjan: Is there any truth to what I've heard more than once, that the last rebasing yielded a greater benefit for the larger nursing homes than for the smaller ones?

4986-Dave: It's possible, but there it depends on the cost. It really benefits those facilities that have higher costs than those that have lower costs because the higher cost facilities are bumping up against the limits. Many of the rural smaller facilities probably do have lower costs generally, but not in all cases.

5137-Rep. Warner: I'm assuming you made a reference to **CPI** and **DRI** and DRI is what?

5164-Dave: It's **Data Resources Inc.** They've now been bought out by McGraw Hill. They're a forecaster. DRI are using past and future forecasts to try to attempt what the actual inflation is for nursing homes. And they use state related data where they can, they use regional data where they can or they'll use national data. So they're looking specifically at nursing home costs and then trending forward an inflation rate. We're using is CPI which is what happened back here and DRI which is their forecast of what's going to happen in the future.

5285-Rep. Warner: I understood CPI to be the population in general, but is there a CPI based on the geriatric population?

5305-Dave: Not specifically.

5326-Rep. Warner: So that may have nothing to do with the special needs of the elderly population?

5343-Dave: Look at what the costs are in a nursing home, and they're primarily salaries, food, supplies, those are the items that are generally going to go up with inflation.

5376-Rep. Warner: So in other words, CPI is for the people who are providing the service, the workers?

5402-Vice-Chairman Delzer: Some of the history on this, it was passed in 95' or 97', where we would use half the CPI and half the DRI. The reason for that was because that was more or less medical based. The DRI was supposed to be medical based and we just split half and half. It's a legislative bill.

5455-Rep. Warner: Was there a reason that we went to this creative fiction of ??? and then every other biennium we ???? through reality anyway

5481-Chairman Svedjan: There was some logic to what we did. There was quite a lot of information placed in front of us that said that CPI by itself overstated consumer prices by .6 %. So that's what led us to the DRI.

5557-Rep. Warner: It seems like we're adding a limit to which doesn't reflect reality. But then constantly catching up again to reflect reality. Every time we rebase, we're acknowledging that we made a mistake in the first place.

5603-Dave: I won't argue that we're not saying that we made a mistake. What we're trying to influence the cost. The way you influence cost is to try to put some brakes on things.

5920-Chairman Svedjan: Rep. Warner, one of the simplest analogies might be to acute health care where reimbursement is made on what is called DRG's, are you familiar with that? If you come in and have an appendectomy done, the hospital knows what they're going to get paid before it's even done. So it becomes the challenge of the hospital to keep it's costs for that service within what they're going to paid for it. If their costs are higher, they eat them. Q?

6211-Rep. Kliniske: Do the nursing homes have any input into the process, or is this simply done through Central office and dictated to them?

6252-Chairman Svedjan: This is a Legislative issue. It has to be authorized because it impacts the payment system which we authorize through Medicaid.

Tape 3, side B-00-Chairman Svedjan: It's really based on their actual costs that's been inflated forward through a rebasing process, we go back and say, OK, we inflated you this much, but your true costs were this much. So we acknowledge that difference and don't you really reward that difference in increased reimbursement to get you to a new starting point.

50-Dave: For those facilities who are high cost.

92-Rep. Klinske: Then it's more formula than it is a subjective analysis?

99-Chairman Svedjan: It would be more formula because there's virtually no subjectivity in here. If there's any subjectivity at all in my view, it would be the inflators, because we never no for sure that they're totally accurate.

123-Rep. Klinske: Unless services were cut to keep the cost down.

168-Chairman Svedjan: The nursing home that is less concerned about the limits, maybe they have the resources to provide additional levels of care whether it be more nursing services or something like that where they exceed the limits. They're the ones who would be rewarded most through a rebasing. Q? The projection on rebasing, you took from their actual cost reports, so the discussion we had about days paid would not alter this projection?

298-Dave: The estimated days.

312-Barb: Can I add one thing? Rebasing only raises the ceiling. We use actual costs for the facility every year and then those are inflated forward just for one year. We aren't using 1996 costs for the facility rate. It's only for the limit.

342-Dave: Along with inflation, costs that are within the limit for direct and other direct, there's a 3% operating, so in addition to the 2.75 nursing homes get, they also get an additional 3% on much of their costs. So for most of their costs they're close to getting 6%.

384-Vice-Chairman Delzer: You mentioned this afternoon that if the salary package that's in HB 1196 goes in, that might change the numbers for this biennium or would it only be for the future biennium?

404-Dave: Only for future biennium's.

407-Vice-Chairman Delzer: Even if that number changes, no matter if it changed to 4 million or whatever?

423-Dave: The quickest we could implement would be, if we had emergency process, we could implement July 1st probably of this year, but by the rate system works, it doesn't start till January 02.

481-Vice-Chairman Delzer: And that would only affect it in the 03'-05' budget?

486--Dave: 01'-03'. I thought you said the current biennium. OK, yes it would affect it for 18 months.

508-Vice-Chairman Delzer: Will it affect it over and above the 6 million $$?

516-Dave: No. The 6 million covers the 18 months. The 6 million generates about 20 million in state and federal money. Then there's about 16 million to be generated by private pay.

588-Barb: The only thing that the 6 million dollars will do, is to raise the limit. We will have to adjust the limit.

625-Chairman Svedjan: When you speak in terms of 18 months, is that because the biennium ends mid year?

638-Dave: It has to do with our rate years. We're on a calendar year.

693-Barb: It would increase the general fund by another 2 million.

714-Chairman Svedjan: Q? We'll hear from Shelly Peterson on **Long Care Association**.

774-Shelly Peterson: Long Care Association: (attachment #7) I have one more handout that Rep. Warner requested regarding what costs are in what category, and I'll bring that to you tomorrow.

1042-Rep. Warner: So if they exceed even one of the 3 limits, they're considered to have exceeded all limits?

1049-Shelly: Yes, all limits. That chart that the department has will show you if the facility exceeds 1 limit, 2 limits or 3 limits.

1180-Chairman Svedjan: There may be some factors that apply.

1185-Shelly: Grand Forks is unique. Because of the flood and expenses, they're the only facility in the state that has a limitation on property. The other thing that they're hit with is occupancy, after the flood, they had to regain their customer base.

1709-Chairman Svedjan: It would seem to me if that were done, that it would help increase the reimbursement to nursing homes?

1736-Shelly: If you get rid of beds, your cost per unit could go up. It's to your advantage to get rid of beds and go up above 90%.

1758-Chairman Svedjan: Is there a but to this?

1761-Shelly: No. That will happen. To have a savings to the Medicaid program, you need to take out measurable numbers of beds. You need to shut down a wing, you need to close a facility.

1943-Chairman Svedjan: Do you track within the ND Long Term Care Industry, the actual inflation?

1954-Shelly: The only way we probably would track that would be through the department's data, where they look at the cost reports, the actual dollar amount that costs increased by the

rates. And those seem to be 6 and 7%. The average rates are based on cost. When we looked at our last 3 reimbursements, over the limits is about 6.1 million, 2 million of that is because of occupancy problems. With limits 5 years old, based on 1996, if we go another biennium that'll be 7 years. With 56% exceeding at least one care limit, the next biennium we're anticipating another 20% that are over. 70% of the cost are in salary and benefits, and our salary and benefits are not sufficient now. Our average cost that we contribute to our family health insurance program is a little over $200 a month. The actual cost for a family health insurance is $537. We're the only Medical provider that says that the Government will set the Medicaid and private pay rates, so that we don't have the ability to raise income when we need to. On Basic Care, the personal needs allowance for Basic Care residents right now is $45 a month. In Basic Care the people generally need 24 hour supervision, medications, but they're still fairly independent. That $45 a month covers their clothing, hair care, telephone, cable TV, money for pop, candy, cigarettes. We want to increase it by $15 a month. It came out to a little over $200,000. It really is a quality of care and life issue for those people living on $45 a month. 4 years ago you decreased it to $40 a month. In nursing homes, they don't have to pay for hair care. In nursing homes, the residents are more dependent so they're not as mobile or going out into the community as basic care residents.

2540-Dave: That was a money saving deal.

2625-Chairman Svedjan: Thank you Shelly. Mr. Zentner.

2675-Dave: One thing to remind you of is that, yes we do have equalized rates, but nursing homes do have one outlet that they can generate additional dollars, that's private room rates for. There is no limit on what they can charge.

2742-Chairman Svedjan: If for example, there was a significant increase in the private pay rate, does that in any way negatively impact the reimbursement that they receive?

2762-Dave: No, because that's a revenue versus a cross. When we inflate our rates, we're using 18 months. July through June plus the 6 months.

2843-Chairman Svedjan: Q? We will adjourn until January 19th, at 8:00 am.

By Lisa Horner

1-19

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date 01-19-01

Tape Number	Side A	Side B	Meter #
1-19-01 HB 1012	**X-1**		**0 - end**
#1012		**X-1**	**0 - end**
Tape #2	**X-2**		**0 - 2481**
Committee Clerk Signature			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

Chairman Svedjan: We will proceed to day with our deliberations on the re-projections in **HB 1012,** Medicaid. We finished the nursing facilities yesterday. Shelly Peterson has some additional information. What that represents is an alternative that the long term care industry would be willing to consider. Actually changing the limits, moving the limits up. We have no idea at this point if that were to be adopted what the cost would be, but it's there for your reading. There will be some more discussion about it at a later time. Then we will proceed with the In Patient Hospital, unless there are any questions about the nursing facility. Dave, before we go to the nursing facilities, I thought you might have some of the data that we requested ready for use today?

Dave: I know that Mr. Hopkins is as we speak, working on that issue. The number of units per month on the nursing homes. We should have that before the morning is out.

Chairman Svedjan: Just to make sure now, what I requested was for us to get was the number of patient days divided by the number of days in that month.

Let's proceed In-patient Hospital.

Dave: That's another area that jumped precipitately between the two periods of the original budget and the re-projection. The bottom line is when we built the budget we were in assimilar nursing homes. During that period of time we were experiencing some low intensity. Just to give you an idea; the average August through February expenditures per recipient with that receipt in-patient hospital was about $3,638. That jumped up to over $4,000 during the most recent period. What we were experiencing when we built the budget was low intensity services. That has changed and that's really what's reflected here. The costs are up 8.3%. The actual number of stays are down about 3%. The difference being the increase.

Chairman Svedjan: Can you give us the average number that the current budget was built on? I'm going to be asking for the numbers that you just gave us, what was in the first re-projection, the executive recommendation, and your re-projection.

Dave: in the original projection for 2001-2003, we estimated a cost per recipient per first year of $3,803.12. The cost per recipient for the last year of the new biennium was originally estimated at $3,886.79. When we re-projected, based on our most recent trends, you are looking at an increase for the first year of the biennium $4,117.73.

Chairman Svedjan: That's your starting point in the re-projection?

Dave: Yes. The second year in the biennium would be $4,208.32. The actual number of recipient serving has dropped based on the trend. We have a four week cycles and five week cycles for

payment. When we have a five week cycle we are going to have more claims being paid and that affects the number of recipients in any one month. The bottom line is, when we had a five month cycle we were originally estimating 741 recipients receiving, that's dropped to 720. When we had a four week cycle we went to 593 to 576. What's happened is, we were having fewer admissions, but they are costing us more.

Chairman Svedjan: So when your budget was drawn that was last year in July/August?

Dave: We would have begun to process in March of 2000.

Chairman Svedjan: So then it's fair to say that your average cost per recipient jumped from $3,803. to a starting point of $4,118.

Dave: That's basically correct. The $3,803 is based on the trend material we had available, inflated of course. We would have to inflate that data by the 2% that we have gotten in the current year and then what ever we would estimate that we would be getting in the next biennium. The $3803 represents the base raw data plus inflation for two years.

Chairman Svedjan: To what extent do you look at the actual utilization calculating those rates, that is to say, was it circumstantial that there were more difficult cases during this period of time from the time you drafted the budget until you did the re-projections where you had some major surgeries that typically aren't the case? Is that what helped drive this number up? What I'm saying, do you try to equate actual utilization to the increases you are experiencing?

Dave: We have attempted to look at that. Right now we don't have that information. What we do know is that the rates have gone up. It may have been because a couple of high cases. The bottom line is you don't know whether it's going to occur again. We did have a low intensity number during that period even against what we had estimated. Because our trend was below where we had originally estimated our numbers for the current biennium. So it was a lower trend.

Chairman Svedjan: You did indicate that based on the analysis you used, that the cost are increasing 8.4%?

Dave: Yes. Over what we had originally estimated. I follow what you are saying and we were trying to find out what this cause was too. We just haven't got our data in line to do that.

Rep. Kerzman: Going back to your minutes, you say you would like to consider pay rates of small rural hospitals. It's not included in the budget. Paid out diagnosis related groups, could you discuss that a little bit?

Dave: What we do now, we group facilities by primarily size and costs. I think we have five groups now, we pay based on diagnosis related groups. What diagnosis related groups are, are based on diagnosis and procedure that establishes a particular intensity of services that's generally needed to provide the services. Then you equate that to a base rate. The base rate is multiplied by the DRG. The DRG is based on the intensity. So if have a heart surgery you are going to have a high number to multiply by. If you have a normal birth, you will have a lower number. It's based on the intensity of the service. So you take that times the base rate and that gives you what the payment is going to be no matter what it costs the hospital. Most small hospitals do not do very much business with us. We are not a maker or a breaker for them. What we thought we would do because of the critical access aspect of it where Medicare is going back to cost based reimbursement. We thought we would look at it rather than going to cost based, look at a different mechanism. Get away from DRG's in these small hospitals and pay them perhaps on a percent of bill charges. Come up with a reasonable amount what ever that would be, 70-80% of bill charges. Don't worry about doing cost settlements, and probably give them more than they would get under the average DRG to again help them out as best we can from the

Medicaid side. I think it would cost somewhere at about $100,000 a year from general funds to do that.

Rep. Kerzman: Do you have that included in your re-projections?

Dave: No we didn't. I think we were putting out the possibility of doing that and maybe giving you the option to take a look at it.

Chairman Svedjan: Do you want to hold that for an amendment request until later or do you want to do that now? Let's not forget it, make note of it. Rep. Kerzman, do you want to wait to receive that information before we do anything?

Dave: What I can do, I know we have a schedule somewhere of that information. I can furnish you that. It will give you some exact dollar amounts.

Chairman Svedjan: Rep. Kerzman do you want to wait to receive that information? Yes, OK.

Rep. Delzer: Who are most of these patients? Are they nursing home residents that come out and go to the hospital, what about a Medicaid nursing home resident when they go to the hospital, how does that pay?

Dave: Generally people in nursing homes are over 65. Medicare is the primary care. We will pay the coinsurance and the deductible and that aspect of it.

Rep. Delzer: What is the average age on these?

Dave: What you are looking at here are primarily kids and adult care takers. Then you will have disabled individuals who are not Medicare eligible. We pay for about 25% of the births around the state. We are down to around 20% now. Payment for births is one of the big items. Another issue: if you are doing your projections during a period of time where you don't have any tough births, you're going to have an actual reduction. If you hit a few of those it's going to raise the average because it doesn't take long if you have a preemie baby to run up the costs. What you are

looking at primarily are newborns and the complications around that issue if there are any. You are looking at the regular kids things that they go in the hospital for and then you are also looking at the disabled who often times have chronic illnesses that need ongoing services. Those are the primary people who you are going to pay for. Then your adult care takers. But the elderly, all we are doing in most instances is paying the for the coinsurance.

Chairman Svedjan: How many hospitals in ND have attained the critical access hospital designation? And for those of you who aren't familiar with that, critical access hospitals, there's an application process and approval process to attain that status and it changes for Medicare purposes. Changing from a prospective, which is the DRG, the diagnostic related group, to a cost based reimbursement system. Which is much like what we had before DRG's came into place. That's the simplified explanation. What you're wanting to consider here with the amendment that Rep. Kerzman will probably introduce later, is to do the same thing in Medicaid. Where you move from the DRG reimbursement system to some kind of cost based formula, which again is similar to what we had before DRG were put in place.

Dave: I would not classify specifically at cost based because what we would probably drive it off is the charges.

Chairman Svedjan: So it's moving from prospective back to retrospective.

Dave: There would be no settlement, but we would still be looking at a final payment. We would base it not on a DRG but on a percentage of what they would normally bill. Hospitals actual cost verses their bill charges often range from 50-80% of bill charges. What we do is try to set that amount at a high figure so that in most instances that we may actually be reimbursing above what their actual costs are. That would be a final amount. We wouldn't go ahead and....

Chairman Svedjan: No audits or anything?

Dave: No, no audits or anything like that. It would put more money into these small hospitals pockets without the administrative costs of us doing an audit, going back and saying we gave you too much, give my $20 thousand back, when they really can't afford to give it back. It's fine when you do cost based reimbursement and we end up after an audit owing then $20 thousand. It's tough on these small hospitals when they have to come up with the dollars they don't have. That's why I'm a little leery about going back to cost based reimbursement. This way if they know what that cost charge ratio is this would be a compromise the industry would be willing to deal with rather that go with a cost based.

Chairman Svedjan: Your intent here would be to apply this only to those hospitals who've attained critical access hospital status?

Dave: Not necessarily, I think we would look at or do it that way, or we could look at the group of small hospitals. There are a couple of groups that most of them have gone critical access. Although I'm not sure all of them have. I don't know the numbers. I know I saw a couple of them come across my desk last week, so they are coming on board. I'm sure there are at least 10 that are critical access.

Rep. Kerzman: I apologize for going back but, pegging on a previous question that Rep. Delzer had, pre admissions to a long term care, I had heard in the past where you had to be admitted to the hospital for three days in order to be admitted into a nursing home.

Dave: That was a Medicare requirement. I believe it's still there. At one time they had done away with it but then they reinstated it. You remember about eight years ago they tried to change the Medicare program. That was one of the issues they changed. There was such an outcry that they repealed that law and went back to the old way.

Chairman Svedjan: Isn't it the case though that if a patient had been hospitalized but then needed to be moved into a nursing home, Medicare would cover them under certain fairly specific conditions in the nursing home for a stated number of days. It wasn't that you had to be hospitalized. It's that if you were hospitalized and moved under certain conditions Medicare will pay for X many days in a skilled nursing facility, rather than Medicaid or self pay. That is if you are Medicare eligible, if you are 65 or older.

Dave: What they cover depends on the intensity of the need of services, but they will cover a period of 20 full days and 80 days coinsurance. So Medicare coverage for nursing homes is not large. That's why on an average we have three people in that kind of care at any one time.

Rep. Delzer: If you go to this small hospital pay, how are you going to decide what's the normal charge should be?

Dave: That's what the hospital decides and we would just piggyback on to what that is. So in other words if a hospital's charges went up, they decide they need to raise their charges 5%. The bottom line we would then on this cost to charge ratio, our rates would go up equivalently. An example: if the average charge was $1,000., if we were at 80% we would be paying them $800. If they decided for the same service overall they needed to raise their rates by 10%, they went to $1,100., we would take 80% of $1,100.

Rep. Delzer: If one of them charges $2,000. for that same thing, it's just going to go right up, or where would you have the checks or what ever?

Dave: based on that it's correct. The bottom line is, hospitals still hopefully would be reasonable in what they're going to charge the general public. This charge is normally what they would charge everyone else. They can't go ahead and raise the rates for Medicaid beyond what they

would charge everyone else. That's illegal to do that. It represents what they feel they need to keep that facility open to the general public. So we would use that and go to a percentage of that.

Chairman Svedjan: Dave, I want to go back to the 8.4% projected cost increase. Now are you saying that the costs have increased 8.4% since you did your re-projections, or is the 8.4% calculated from the starting point that you had in the executive budget? That is to say you had 3803 patients at X many dollars per recipient as a starting point. When you did your re-projections did you go all the way back to that point and you have now calculated that, rather than there being an increase of what ever that percent was, it's now going to be 8.4 instead? Or is it the 8.4 since you last did your re-projections?

Dave: What we did is, when we built the budget we looked at what our costs were at from August of 99 to February 2000. That's what you see on the original. We didn't go back to those figures. What we did is we looked at a period from April to November of 2000. From that stand point there is no correlation between the two other than the fact that it's a difference of 8.3%. We are using a different period of time, a different trend line.

Chairman Svedjan: But wouldn't it be better to look at a longer period of time, because aren't you building in a bias here by looking at a shorter period of time and doing a re-projection?

Dave: In this case I don't know if we are talking about a bias. I do have to rely on our financial people and our research people to say that what they are saying is the most recent period of time is the best time as far as projecting what the future is going to be. Now, again this goes both ways, if the cost would have been reduced then you would have seen the trend line go down. You will see some of the services here that have done that. We've consistent in the period of time that we have used.

Chairman Svedjan: I haven't applied the numbers here yet, but your re-projection is that 8.4% higher than the executive recommendation?

Dave: For the average cost yes. It's not 8.3 over all because you'll notice the number of eligible is going down. What I gave to you is a fact that the average cost per recipient is going up 8.3%. The average number of recipients receiving is going down. So if you are looking at percentages we are really talking about going from the 592 to 623. You are talking about $3 million here.

Chairman Svedjan: It does appear that 8.3% that's been factored in the decline in the number of recipients to get up to that 62 million.

Dave: That's correct. It's a combination of the decrease and the recipient numbers and increase in the costs. Just another observation, if you look at what we originally had in the budget which was 61.5. If you add inflation of 2.2%, I'm talking about the current biennium, you're going to exceed the 62 thousand 3. So it looks like our original projections for the current biennium probably were pretty accurate.

Chairman Svedjan: But these numbers in these projections does include the inflationary adjustments.

Dave: Yes it does.

Chairman Svedjan: So what you are saying is going from 61.5 to 62.3 is not a significant increase.

Dave: No it isn't. In fact it is ultimately a decline when you consider the inflation.

Chairman Svedjan: But the inflation is in both numbers.

Dave: True.

Chairman Svedjan: What do you think that 8.3% would go to if you looked at a two year period of time rather than that time from April to the present?

Dave: It will go down. I would suspect that 4-5%. The other question of course then is the number of eligible would probably go up. Here your are taking it over an average of time when the numbers were greater, when the recipient numbers were greater. So rather than a decline of 2.9% you are not going to see that decline if you build that over a longer period of time.

Chairman Svedjan: But moving into the next biennium, I don't think your projections on the decline in numbers of recipients will change. That is in the 01-03 biennium. You projected they will be at 3803 in the first year, 3886 in the second year. That probably won't change. What I'm saying is, the average cost per recipient if it's looked over a two year period of time rather than that shorter period of time, it's likely to be less than 8.3%.

Dave: No question it would be less than 8.3% because you'd be factoring in what has happened two years ago to determine what your future trend factor is going to be. Will the 2.9% decline continue? That's what we're basing it on, predicting based on that six month trend. So what I here you saying is, for the number of recipients we should use the current trend, for the actual costs we should use the full biennium. Is that what you are suggesting?

Chairman Svedjan: No, I'm not trying to cook the books here. I'm just trying to make the point that you're projections on the number of recipients probably isn't going to change. You're anticipating they're going to be going down, and you based that on your historical experience.

Dave: For the last eight months that's correct.

Chairman Svedjan: So then I'm really saying the same thing with the rate calculations. I'm suggesting you use that same period of time to make your projections on what the rate increases will be rather than using only a shorter period of time relative to that same population of people. My contention is, by doing so you would bring that down from 8.3 to something else.

Dave: There is no question that would happen. I just want to make it clear that we did use the same period of time when we looked at the numbers of recipients and we looked at the dollar amounts. We used that same nine month period. We didn't trend the number of recipients down from the start. So you are looking at apples and apples when you are looking at the comparison. The first nine months of the biennium, the number of recipients, the cost, the re-projection of the last eight months of the data that we have for both the recipients and the dollar amount.

Rep. Delzer: What's our current budget built on for 99-01? The 61,573,862., what's that built on, how many people and how much money?

Dave: We can probably get that. The bottom line, with the re-projections we budgeted in August $37,014.74. We would have re-projected in May of 2000.

Rep. Delzer: The yellow bar on there, that's the re-projection with the latest actual numbers that you have. As compared to your chart F1 in your testimony, when you did that at the budget?

Dave: That's correct. The one you have in the original chart would have been the re-projection as of May of 2000. Just to give you an idea, after we re-projected, because of the decline we were seeing our budget actually, the cost per person budget, dropped to $3,654.12. So we did reduce it, and then because of the inflation we raised it to 3727. Just to give you an idea of what the difference was of the last four months, we had 3727 in August the average cost was 4237, and September was 4432, and October was 3735, and in November was 3843. So you can see all four months were excessively re-projected amounts.

Chairman Svedjan: That's essentially why I raised the question about utilization. Was the utilization unusual, did you have higher ticket medical procedures that were done? Was there something abnormal about that period of time?

Dave: The only thing I can say there is, if this was a one month blip, I could understand that, where you might have had a case where you had a preemie that came in, or maybe you paid for a liver transplant. But when you see the trend, I think it goes beyond the one or two. We try to even that out by averaging over a period of time. The bottom line is, to me it looks like the average is up. Again if you have some oddball cases that pop up you would think you would have a spike and then it would drop down again. Here we're seeing more of an ongoing trend. We do have those cases. We do pay for cost plans and at times they can be very expensive. We do have a preemie baby once in a while that we have to ship to Minneapolis. They are expensive and I don't deny that.

Chairman Svedjan: Is it possible to get utilization figures that would show, not so much the diagnosis, the procedure that's been done, but the cost per recipient over a period of time?

Dave: That is really what you are getting. That is the cost per recipient. We can give that to you.

Chairman Svedjan: Let's talk about that. You are saying that's what we've got?

Dave: I can give you that . I've got it right here. On a monthly basis, I've got what an actual cost per recipient who received a service was. If you was that I can give it to you.

Chairman Svedjan: Yes. My only reason was for wanting to look at that was to see if there is a blip on the screen. If those four months were unusual. Another way of asking this is that you haven't necessarily experienced an 8.3% increase in what hospitals are charging you. So it has to be in the area of utilization.

Dave: that's correct. It's the intensity of the service. That's what's caused it.

Chairman Svedjan: So maybe the form you are looking at right now is something that would satisfy what I'm finding out.

Dave: Right, and I think what you'll witness is the initial down quite a bit. And then starting in about March of 2000. We can make a copy if you want.

Chairman Svedjan: Let me look. No I was looking for something that would be a cost per percipient. To see if you could identify from that whether or not you had some very unusual cases. Because you are building your percentage projection on the average. I know what averages mean, but where there are some unusual circumstances in here that drove these costs per person up. These numbers don't necessarily tell us that. They show the numbers have gone up per person, but what it doesn't show is what constituted getting at that average cost per person.

Dave: Again the only thing I can say is what it constituted was the actual dollars that we paid out. I'm wondering if there's any way of determining what the average is?

Sheldon: I think what I hear you actually saying, correct me if I'm wrong, is what you'd like to see a print out by individual what the cost was for inpatient. To see if there is anything in that area. What we would end up having to do then is go into our MMIS system and by job, by person and social security number, what ever we would do with it vertical amount paid for that time frame, and see if there is any that really sticks out in that area. Is that the question? Because we are looking at the average and you are looking by specific by an individual.

Chairman Svedjan: I'm not wanting to create a huge task here. That sounds like a very substantial request. These numbers are about 15 months?

Rep. Delzer: You guys are averaging everything. Have you ever thought about taking the top 5% and the bottom 5% off of everything and average in the middle? If you had a high one, it would kick that out and a low one it would kick that out.

Dave: The bottom line though is, you could kick them out but it doesn't help you when you have to pay the bill. It's there to pay, so it's not like you're averaging to see what the true average is. What we're trying to do is arrive at a true average here.

Rep. Delzer: Then you need to do it for the whole two years. That's why I asked about what you have in the current budget. You're looking at, we budgeted $61 million last year and by your projections you're only going to spend 59. You want to come back and budget over 62. You are doing that basically off of a short eight month period of time which is the last eight months instead of the whole previous biennium.

Dave: I guess the only thing I can say to that is, when we re-projected for the $62 million back two years ago, we would not have used the entire 24 month period. We would have used those last eight or nine months. I suppose you could argue that that was not good either. If you look at the 59 million and you throw the inflation on there you're looking at about certainly where we're at now.

Chairman Svedjan: Just looking at the numbers that I have, and I know that the rest of you don't have that, you had one month in here where there were 589 persons receiving care at an average cost per person of just under $3,600., that's in the month of October, 99. 589 people, average cost $3,568 rounded. In February you had 911 people receiving care for an amount almost equal to what 590 people had. So there is some significant variation here.

Dave: In that case the average cost was not significant between the two. If you will notice the actual cost, we spent in October $2.1 million that month for inpatient hospital. In February we spent $3.3 million. The bottom line is there, although what we had was a lot more people receiving services the intensity of the service was less.

Chairman Svedjan: If I were to tabulate the average cost per person for these 16 months, is that what will give me the starting point of 4117? What wouldn't be in there would be the inflation.

Dave: Our starting point was only for the last wave since April. So if you used the full average you're going to get an average for the entire period time. Then you would want to add on inflation.

Chairman Svedjan: So then if I tallied these, ran an average, it would most certainly be less that 4117 because inflation is included in that figure. But it's likely to be lower also because the average is going to be lower.

Dave: What you're going to have right now is, if I'm reading this right, $3847.53. I'm assuming that's what this total is.

Chairman Svedjan: That's cost per unit.

Dave: That's based on the actual the number of recipients receiving services divided by the total number units.

Chairman Svedjan: But you don't use cost per unit in determining your averages. You use cost per person.

Dave: This is a cost per person. The bottom line is, in most instances you are only going to have one admission per month any way. There are rare cases where someone might go in twice in the same month. That's factored into this. So it is an average per recipient.

Chairman Svedjan: I would like to get a copy of this. I won't ask you to run the more voluminous report.

Dave: We are trying to come up with Rep. Delzer's request. I know it was $3417.74 at the beginning of the biennium. After we re-budgeted we dropped that figure by about $50 per recipient per day.

Rep. Delzer: For the current biennium. That then came to the 61573. That's what you ended up appropriated for the current biennium.

Dave: No. Maybe I'm misunderstanding what you are asking.

Rep. Delzer: What I'm asking is, what the current biennium is built on? How many patients, average patients, per month and the cost.

Dave: $3714.74, and the numbers in the original budget was 782 in a five week period and 625 in a four week period.

Rep. Delzer: So what do you do, take 12 five week periods and 12 four week periods and then you just average the numbers or what?

Dave: No. What we do is, we look at a calendar. We make a payment every Monday night. So when there are months when you are going to make a five payments, that's when we account for the five week month. If we are only going to make four payments in a month. We go through a calendar, match up how we are going to make the payments and that's how we decide whether there's going to be a five payment month or a four payment month.

Rep. Delzer: Does it come out about the same every year, the number of five's and the number of four's?

Dave: The months change depending on where the Monday's fall. The bottom line is, we are going to have 52.

Rep. Delzer: You are going to have 52, but how many five week periods and how many four week periods for your budget?

Dave: The first year of the biennium we had five 5 weeks and seven 4 weeks.

Sheldon: This is a unique biennium, in this you will notice a trend through all those that in the first year of the biennium we have five 5 week pay periods. In the second we only have three 5

week pay periods. That's determined before the biennium ever starts. They go through, and how many days in that month, when they plan on paying when there cutoff's going to be.

Rep. Delzer: Your projections to spend in this biennium, the $59,809., how did you come up with that? You take actual costs through when?

Dave: We take actual costs through the projection time which would have been November. Then we would have used the new trend line that we come up with based on our most recent period. Projected that out to the end of the biennium.

Rep. Delzer: You used the new trend line.

Dave: Yes, we do.

Rep. Delzer: Does that explain the difference between that and the 58 that's all due to the trend line?

Dave: Yes. And December was up again too.

Rep. Kerzman: Does the department ever survey patients to ask them why they're on the system? Simply, were they denied insurance, do they choose not to buy insurance, financial reasons, or what.

Dave: We've done surveys. I don't know if we have asked that specific question. We assume that they are on the program because they are low income and can't afford to have insurance any other way. Or if they do have insurance they are still low income enough that they need assistance with other services that are not generally covered in their insurance policies. We do have people who have insurance, may have medical but no dental, no vision and those types of things. The bottom line when we do the survey, we don't especially ask them why they are on the program. What we are more interested in is how satisfied they are with the program.

Chairman Svedjan: Are there other questions on inpatient hospital? No, then let's move then to IGT.

Dave: If you are interested in knowing how the original was built, it was 3714.74 for the first year, (the blue line) and 3789.03 for the second year. Estimated 782 recipients, we were looking at in a five week month and there were nine of them. 625 for the other 15 months. That's how the original budget was built.

Chairman Svedjan: Before we move away from inpatient hospital, I'd like you to comment about something that's in your testimony related to the disproportionate share hospitals. If my memory serves me correctly, I think there are only two hospitals in the state that receive disproportionate share or has that changed?

Dave: It is generally four or five.

Chairman Svedjan: It used to by the state hospital got the bulk of the disproportionate share and Rolette got some because of the prevalence of poverty in that part of the state.

Barb: Currently I believe it's five. It changes annually to recalculate who's dispro. State hospital is in there. Rolette has always made it. Currently it's Unimed, Devils Lake, Watford City, Rolette and I think Dickinson. We've just recalculated it. We figure who the dispro hospitals are every October. So it has just changed.

Chairman Svedjan: For the committees reference the disproportionate share hospital, there are enhanced payments that are made to these hospitals because of the percentage of their patient load that are poverty level. Is that correct?

Barb: Yes. We go in and calculate to determine if there is proportionate care hospital. There Medicaid utilization tends to key point standard deviation from the (?). Then for every

percentage point they exceed that we would pay 4% + 1/10 of a % of an additional payment to them. It is lump sum payment we calculated every quarter.

Dave: They more recipients that you serve who are Medicaid beyond that standard deviation the more money you are going to get added to your payment.

Chairman Svedjan: What you say in your testimony is that although not budgeted you intend to provide additional payments DSH hospitals. How would you do that if it's not budgeted? I mean the disproportionate share moneys are in the budget right?

Dave: What we are looking at doing, we have been approached by especially Devils Lake because they do see a lot of new patients. They are saying that they are having a difficult time and I think I can sympathize with that. We do have federal dispro money available. What we would do is change the formula to provide them with additional dollars and we would have to use some matching money to do that. We're just anticipating hopefully we can do that within the current dollars available. Barb do you remember what the dollar figure was on that?

Barb: It was somewhere around $20,000 total. So that would be somewhere in the area of about $33,000 in general funds for a year.

Chairman Svedjan: Don't you get a stated sum of DSH money from the Fed's?

Barb: Yes we do, but because of the change and the federal requirements for what can be spent on the state hospital, we have not spent our disproportionate share allotment.

END OF SIDE A, TAPE 1. START SIDE B.

Barb: There was $600,000 of that at the state hospital. Our dispro for the other hospitals then have typically been under $100,000 annually. So we do have some leeway within our allotment to have additional money that we could spend.

Dave: That's what we intend to do. But it's just not DISH money. You have to match it. You have this allotment of dollars but you still have to match it with %30 of state dollars. So what we're proposing to do is use more of our allotment to provide some relief to these facilities. It will cost us some general fund money and we anticipated hopefully we could get that.

Chairman Svedjan: What happens if you don't get the general funds match? Then you can't use the DISH dollar?

Dave: We do have to match the dollars. That is correct.

Chairman Svedjan: But what happens if there wasn't an appropriation for that? You say it's not in your budget.

Dave: I'm saying that we didn't build into the current budget dollars specifically to go beyond what we were doing in DISH. The bottom line is, I would have to fine those general fund dollars elsewhere. We were at one time running up a surplus which seems to be fast evaporating. What I was proposing in legislation was to let you know we wanted to increase the amount of dollars that was flowing out so we could take advantage of the amount of dollars that the Fed's give us for allotment, knowing that that was going to cost us some dollars in general funds that were originally not appropriated by because of my ability to use the entire budget for general funds to go ahead and do this even though it was not specifically.

Chairman Svedjan: Where is the inconsistency with regard to the distribution of DISH dollars? It would seem to me that the Fed's would grant a sum of money based on the situation in ND. X many dollars for the state hospital and the remainder of it would be for those hospitals that are within one standard deviation of what you said earlier. Now why is it we end up with a sum that's unexpended?

Barb: The Disproportionate share is and allotment not a grant. Basically it's paid out just like any other Medicaid dollar. If we spend it then we have to provide for the general fund share of the match on it. If we don't spend it, it's just an allotment it's not a grant. They have not given us a million dollars. We can spend up to that. It's like a cap.

Dave: Several years ago we were spending our entire cap. The Fed's changed the rules on how much money we could give to the state hospital. So those dollars then were available but we have not changed our allotment formula for the other disproportionate share hospitals. What we're really proposing to do is change the formula so we could use more of the allotment. The way we have it set up, it will benefit the smaller hospitals. A large hospital likely would not benefit from this process.

Barb: The other hospital, I just remembered, was Garrison. But this last quarter they had no discharges. They were disproportionate share last year and maybe had three discharges that were Medicaid and because of the percentages wound up being eligible for disproportionate share but had no usage this quarter so they did not receive a payment. However they will for the year be DISH and if they have any discharges they will certainly get a payment based on that.

Rep. Delzer: This isn't on this same subject but, Dave you mentioned that you were rolling up general fund dollars in you whole Medicaid thing. Where are you at right now?

Dave: When we had originally projected, we were looking at a roll up of about a million dollars in general funds. The re-projection that we did indicates that we actually could overspend the budget.

Rep. Delzer: But your re-projection is done on your short term trend?

Dave: That's correct. It looks like it's going to be very close. The dispro thing probably won't start until next quarter. So the effect on the current budget is minimal. The reason I had it in my

testimony, I did want you to know what we were intending to do to help these DISH hospitals out.

Chairman Svedjan: All right, IGT (Inter Governmental Transfer).

Dave: The IGT, the $61 million primarily was the total dollars that flowed into the trust fund in the current biennium. We've already made the two payments that we're going to get in this biennium. That's the total pool payment out for the two years that we made to Dunseith and McVille. What we're going to get back from that is all but $40,000. That flows into the trust fund. The general fund portion is paid back and what we ended up with was about $42.3 million available. So what that the 61 represents what we paid out. The twenty six four is then out estimate of what the pools are going to be for the next two years. Just to let you know, we we're looking at availability of about 11.7 million for the first pool payment which will be our last 100% pool payment. It looks like certainly it's not going to be less than that. We've looked at the first nine months. We will not be able to calculate the last three months for about another week or two, sometime in February. We need December Medicaid services. They are billed in January. We don't get the data until February. Probably before the cross over we should have updated information and it's not going to be the wind fall that we looked at in this biennium. There is a potential where that amount could be increased.

Rep. Delzer: When, historically, does the US government realign Medicare of what ever that top dollar figure is that you go off of?

Dave: I know that congress just passed some legislation before they left that did some increasing. I think they generally do it on their fiscal year. But I think they gave some immediate relief that got added on immediately which is going to add us in this process. I know some of the DRG's went up substantially. I think some of the rates are going up 6-7% so that's going to help us.

Rep. Delzer: When you redo that in February are you going to be using those new numbers?

Dave: If they apply. What we're using is the previous years. So we're using the 2000 data to generate the payments for our new fiscal year which will be the 2002 fiscal year. So we're using calendar year 2000 data for both Medicare and Medicaid. When they made those adjustments, if they made them affective with their fiscal year of October 1st, that last quarter is going to get reflected.

Rep. Delzer: A question just on budgeting, to get up to that 61 since we only appropriated 8 or whatever, that came through the emergency commission and the budget section?

Dave: That's correct. I think we added about a little more than 2 million dollars in authority to provide additional loans and grants. What's committed is the 4.2 million for SPED and a little over 6 million for loans and grants.

Rep. Delzer: In your budget last time we didn't have enough money for you to pay out your pool and that was done through the emergency commission.

Dave: Right, and it was set up that we would borrow money from the Bank of ND for the match. Then after we got the money back we would repay the bank with interest.

Rep. Delzer: This time your plan is to budget approximately 26 million, which should cover the whole pool payment.

Dave: that depends on how large the pool payment is going to be. We may need some extra dollars flowing out and then flowing back in. The bottom line is, we're using money already in the trust fund to do the match.

Rep. Delzer: And yet this shows up in your grants payment line item to raise the total bottom number here of that line. In line 17.

Dave: You're referring to the 25 million dollars.

Rep. Delzer: I think we need to figure out where that sits in the bill. It could make a world of difference.

Sheldon: It was in cost enter 3640 during this biennium and I think in the next biennium they rolled it all into 3635 which if the cost enter that everything will be in. A little bit of history on inter governmental transfer fees. Last biennium when we did it I think we estimated we would bring in about 20 million dollars and we decreased it in appropriations for re-basing. We had some fears that we didn't know exactly what the dollar amounts were, so you had included in SB 2168 some specific language that if it was more than that we didn't want to loose the opportunity to get that money, so we went through the budget emergency commission. The current bill that Sen. Solberg is proposing has continuing appropriation clauses in it that would take care of that if we are over that dollar amount.

Rep. Delzer: If it's got continuing appropriations, that's out of that health acre trust fund. So that should be line item special should it not?

Sheldon: For the actual pool payment in itself, the continuing appropriation would use the money out of the general fund to set the match. In OMB's bill they had used it out of the health care trust fund. That's the difference between these bills.

Rep. Delzer: Last session when we did your appropriation, that 8 or 12 million was in this grant line item or was it not?

Sheldon: I want to understand the question. Is it the pool payment or the trust fund fees?

Rep. Delzer: What I'm trying to get at is, I would like to get at what we appropriated last year when we left the session. Not all the emergency commissions or anything. As compared to what you are asking for this time. I want it apples to apples.

Sheldon: I understand what you want and I can get that for you. What we did in here is to show you for comparison purposes, we used what we had, actually went through the emergency commission and everything in that case.

Rep. Delzer: Mr. Chairman, it seem to me that we were closer to 525 when we didi the Medicaid line last time instead of 579. I could be wrong.

Chairman Svedjan: What's in the trust fund line is just loans, grants an the SPED money.

Rep. Delzer: Arvy, what's the 8577 then for health care trust fund?

Chairman Svedjan: That's what I just gave you. 3.92 million for the HIPA and that.

Dave: What we are talking about, there's loans committed or pending of 3,920,000., grants committed of about 100,000., and the SPED of 4 million.

Chairman Svedjan: So you are saying everything else is in the medical assistance.

Dave: The pool payment allows us to claim the federal dollars. So we've got to have the federal dollars and the authority to make the pool payment. Once the pool payment is made, it goes through the facilities and goes back into the trust fund. Minus the 100 thousand.

Rep. Delzer: Is the pool payment in this bill out of the general fund or the trust fund?

Arvy: The match for the pool payment it that bill is coming out of the health care trust fund.

Sheldon: Legislative appropriation for the pool payment before any of the emergency commission stuff was $12,183,210.

Rep. Delzer: Was that part of your Medicaid grants line item?

Sheldon: I think it's a separate line item, and of that $3,618,319. was general.

Rep. Delzer: Arvy, do you have the number for the total for that line that we appropriated last time. To the whole budget?

Arvy: I can get that for you.

Dave: If we can revisit yesterday, we do have some information on the nursing home data that you asked for.

Chairman Svedjan: We'll touch on that later. Let's get back to IGT.

Arvy: On the IGT statement under the 01-03 revenue. The 2000 pool payment-2001 pool payment you add those two together and then the last figure the 7.9 million.

Chairman Svedjan: You are giving use the spread on general and federal.

Arvy: Right. What happens then with the OAR 110. We added this all back in, but then later we went with the lower CPI and I'm also factoring out the 700,000 that we have refunded. General funds, add that it's $9,341,214. Federal is $22,771,444. Special is $700,000. For a total of $32,802,638.

Rep. Delzer: This 700 thousand, when you under funded that, you switched that?

Arvy: From general to special shift.

Rep. Delzer: So you didn't lower the federal by the 2.1 or the 1.4 that would be the match.

Arvy: No I didn't, I just shifted that.

Rep. Delzer: If we were to replace that, we wouldn't need to replace the 1.4 of federal.

Arvy: That's right.

Chairman Svedjan: (long term care hand out) What this is, you've extracted this out from the long term care task force work and it defines the study that is being planned for long term care?

Dave: The department has been interested in doing this study for some time. During the course of the meeting with the task force on long term planning, we talked about who might be able to do this. So we talked to several people within NDSU and UND who might be able to do the study for us We discussed what we would like to do. They put together this proposal and that's where the dollars came from for this study.

Rep. Kerzman: does this study reflect any national statistics?

Dave: Certainly we would want to take a look at this whole issue and what is needed along with the other services. Our primary concern on this is to put a lot of bricks and mortar out there and in five years no one's there to provide the services, or even have the elderly there. So we want to make sure of is through the study if we are going to approve loans and grants that we are going to approve of them in the right spot where there is enough staffing and the demographics for the elderly. We really wanted this as a guide to help us decide where it would be most appropriate to put these facilities. Right now we just don't have any back ground or knowledge to see whether it's going to be successful in the future.

Chairman Svedjan: This would generally look at a variety of services that are generally categorized into long term care such as basic assisted living, long term care, skilled?

Dave: That's true. Looking at what's out there. What's probably needed. It's kind of a combination.

Rep. Kerzman: You touched on part of my question, but are they going to look at the willingness of an area to put in a home even though the population isn't there to support it unless they get people in from the outlying areas?

Dave: I don't know how they would do that. I think they are primarily going to be looking at the numbers and issues like that to decide whether it's sustainable. Then I think it would be up to the community to decide whether they would want to go ahead and develop it. It would give the community some type of a guide also as to identifying what is needed out there. I'm taking about rural areas, because people are going to have to work together to decide what's best for a particular area.

Chairman Svedjan: OK let's get back on the subject of IGT.

Arvy: We're trying to tie out between the figures on the IGT fund statement and what is showing on the IGT bar charts of the dept., and we'll tie to that red line, the $26,448,013. If you look at the IGT statement under the 01-03 revenue, the 2000 pool payment-2001 pool payment at 117 plus the 63 plus the last figure in the revenue, the 7.9 plus 400,000 that Dunseith and McVille are going to keep, gets you to 26480 is your payment. What's happened is, when I got the 2000-2001 pool payment figures from the dept., that was before the decision was made to give Dunseith and McVille 400,000. So when those were put together the 10 thousand per year per proponent which is 40 thousand was backed out of that. So in these two revenue pool payments figures are understated by 40 thousand because we got both the 40 thousand coming out and then when we decided for them to keep 400 thousand that went on top of it.

Chairman Svedjan: So the 2000 pool payment should really be 11,768,000., and the 2001 should be 6,405,000. Then that reconciles us to the numbers here.

Arvy: Then what you'll see is that with the dept. is then there re-projection is they put that 40 thousand back in, however adjusted for a different federal match.

Rep. Delzer: I understand the differences here, but on the house side we don't need to worry about this because there re-projection probably won't take place until it's in the senate and they will make the changes.

Chairman Svedjan: Anything else on IGT? Then let's move on to Drugs.

Dave: You will find a similar pattern to what we did with inpatient hospital here with one exception. Based on our most recent re-projection we are seeing a cost increase of about 4.7%. That accounts for most of the change. We try to estimate the number of scripts that we are going to pay for on a monthly basis times the cost of the script. That's primarily how we budget for this. It's not based on the number so recipients or anything like that. It's based on the actual

numbers that we think we're going to pay for times the average. What we have here is the initial projection that was done based on the first eight months versus the most recent. You've got a plus there of 4.7% from the actual cost per unit.

Chairman Svedjan: So you are saying that your re-projection bar chart is up 4.7%?

Dave: The actual number of units are down a little less than 1% based on the re-projection. We are having a few less scripts, but they cost per script is up. The other area is much more subjective and this is in the area of rebates. Our pharmacist was looking at the issue of the spread between the best price and our payment. That really what determines what the rebate amount is going to be. The best price of the manufacturers versus what our payments are. He thinks that it's beginning to show up in the institutional amount that they can contract for. That best price is going up. We did build that into the re-projections. What we are estimating is going from 16.5% to 14.5% rebate. We can't actually guarantee that that's going to happen. We are predicting that the spread will be reduced by 2%.

Rep. Delzer: Is there anything going on in the federal level with drugs that would have any affect on Medicaid?

Dave: If congress and the President would agree to do something in relation to the Medicare aspects of the program it certainly have an affect. We have lots of elderly who get lots of drugs that we pay for. If we do get a bill, the question is the timing of it. Number 1, will we get it. Number 2 when would it go into effect. The bottom line is that could have a positive effect on the budget. Knowing whether and when it's going to happen and how it's going to be implemented I don't know. Obviously there is going to be both coinsurance and deductibles that we'll have to pay for those people. If the majority of the drug costs for the elderly get switched to

the Medicare program it is going to save some dollars. If this does happen then would have certainly prevented this.

Rep. Delzer: Most of this cost does come from the elderly then?

Dave: Yes. Certainly a large part of this does come from the elderly and disabled. 30% of the population uses 80% of the services.

Chairman Svedjan: Getting back to the 4.7% increase in your re-projection, is it fair to assume that with the projected increasing best price of 2% that that is 2% of the 4.7%?

Dave: Correct. We would take what the average cost is, subtract our rebates and that becomes the increase. We budget for the actual cost of the drugs. That's going up 4.7%. From that we are going to subtract the rebate amount. If we leave it at our original projection of 16.5%, we would subtract 16.5% from the average cost. That becomes the base. If we go to the 14.5% you're going to have less of a difference.

Chairman Svedjan: You say on here that these numbers are net of rebate. So the rebates are out but it still represents 4.7% increase.

Dave: We originally had 15.6 million in rebates. If we go to 14.5 we'd be down to 14,161,000. So there is about a $1.5 million difference.

Chairman Svedjan: All of these numbers are subject to this 69-31 split.

Dave: We are close to 70%. There are exceptions.

Chairman Svedjan: When you make your projections you base it on what length of time? How many months?

Dave: Generally 8-9 months.

Rep. Delzer: There you used the average number of scripts forecast out.

Dave: We would be tneding what that looks like from the 9 month period and then trying to get into the next biennium.

Rep. Delzer: What number is that?

Dave: What we are looking at for cost is, originally projected $37.31 per unit for the first year of the biennium, and $39.93 for the second. Reprojection goes to $39.08 for the first year, and $41.82 for the second year. The number of scripts vary slightly, less than 1%. Based on the number of units, based on 9 months. The bottom line is it's up slightly, less than 1%. Each month varies a little bit.

Rep. Delzer: When you are answering, are you answering off one page of information?

Dave: No, many pages. He names the three documents that he uses to try to answer the questions.

Rep. Delzer: They are looking for a trend analysis. (Committee discusses whether or not they want or need the pages of information that Dave is using to answer the questions).

Tape 2, side A:

Rep. Delzer: Do you have that for the reprojection, and did you have this for last biennium'b budget - current biennium.

Dave: We have the original and then the spend down that shows where we actually at for each service.

Rep. Delzer: Can you get each one fo those on one page?

Dave: No.

(Committee tries to request the information that Dave is using for answering his questions).

Rep. Delzer: I would like to have that. It would sure be easier than having us write all these numbers down. It would be just as quick as doing it this way.

Dave: Says he should be able to find some clean sheets.

Rep. Kempenich: Some of these are larger increases than decreases. We need them on every thing?

Chairman Svadjan: It's a tough call. It's hard to know, if you base it on a level of spending, you could request it that way. In other cases where utilization data is more important, we might decide on that basis. He would be open to requests on this. Thinks the document would be helpful, but doesn't know if it's worhtwhile to run off thick document...

(Committee discussions on the four documents that are being consulted. The OMB budget, the reprojection that shows the trends. Discussion on this issue, and the difference of the documents. Decided to get the one document for the drugs.)

Chairman Svedjan: Going back to utilization, when you do your projections do you work from from averages, or do you go in and look at the numbers of patients who are receiving this particular prescription, and do you work from individual categories, or do you average everything together and work from there?

Dave: It is an average.

Chairman Svedjan: Does your software go in and look at classesof drugs and see what the utilization and trends are there? Some drugs are so expensive and others are not. It could build in a certain bias.

Dave: We are using a period of time to try to even out the highs and lows. That's the 9 month period we are using to try to average.

Rep. Delzer: On these frugs, we had $50 million last time, and you project to spend $63. Is it all in the cost that's up, or is it in the utilization that's up?

Dave: It doesn't look like the units were that far off. Would guess that they are closer on the number of scripts on the actual average cost was. Does not have the information to tell a correct answer. Made some calculations. The number of scripts are up, and the cost is up.

Rep. Svedjan: That's my point. The shorter span you look at the higher the numbers are going to be.

Dave: Explains some more how the calculations are made, how the projections are calculated. This is not an exact science. We have to look at what is happening, costs and usage are both going up.

Chairman Svedjan: Proceed to Physician Services.

Dave: There is a slight increase of about $600,000. There the cost per unit is increasing, the number of units were decreasing. There is about a 3 ½ % increase in the cost per unit that would indicate the intensity of the service going up. We have a base rate multiplied by the intensity of the service that's provided. This appears to be reflecting an increase in the intensity of the services. There was a slight decrease in the number of units. We went from $20.07 to $20.77 in the first year, $20.51 to $21.23 the second year. (Did some calculations). Decrease of about 2% in units. Built this on 1999 - 2001 numbers. (Explains how the numbers were calculated).

Rep. Delzer: Which funds are these, you need to tell us if they are mandatory or not.

Dave: Nursing facilities is mandatory, inpatient hospital is mandatory, IGT is not. It is mandatory going the other way. Drugs are an optional service, you have to drop all or none. Outpatient is also mandatory. Physician services is mandatory. Indian Health Services is mandatory, dental is not. The waiver is not, treatment services for children is a rehab service, that is not. Premium social security is.

The drug papers were handed out.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: FRIDAY, JANUARY 19TH, 2001

Tape Number	Side A	Side B	Meter #
1-19-01 HB 1012	**X-2**		**2507-6200**
#1012		**X-2**	**00-2871**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

2507-Chairman Svedjan: We'll call this section back to order on **HB 1012, MEDICAID & HEALTHY STEPS, Physician services.** Q? How these costs are determined? I'm going to take a look at this over the weekend. Q? Let's move to **OUTPATIENT HOSPITAL:**

2630-Dave Zentner: Director of Medicaid and Healthy Steps: (attachments #1-#12) We had a slight drop in the projections from using the first 8 months of the biennium and using the last 9 months that's available. We went from 30.8 million to 30.7. The cost per unit dropped about 1.65%, and there was a increase in the number of units of 1.25%. We want to go to APC to get away from estimating the money with the cost settlements.

2801-Chairman Svedjan: What's normally the overall outcome?

2806-Dave: Generally we pay.

2817-Barb Fischer: Manager of Long Term Care & Hospital Services: In the last couple of years, we haven't settled, we're still holding out on 95 settlements.

2852-Chairman Svedjan: Are you just doing the settlements now for 95' or are those the hold outs you were talking about?

2862-Barb: There's about 10 from 95' that are not settled yet. We contract with Medicare through those audit ??? BC/BS. We used to get a 2 year turn around and now it's 4 years.

3014-Chairman Svedjan: On Inpatient, Nursing Facilities, Physician Services and Outpatient, how much of this is utilization reviewed?

3051-Dave: Starting with nursing homes, we do have a contract with First Health. In Inpatient Hospital, we have retrospective review, ND Health Care does that. We look at the DRG's (diagnostic related group) to make sure that they are doing these correct.

3346-Chairman Svedjan: But the DRG was higher than the billing. How could that be up coded, because the DRG has a higher payment level than what they've billed you?

3381-Dave: No, the cost's that they're billing us versus the information they gave us so that we could develop what the DRG is. With Outpatient we have some prior authorization. For Physicians, we don't do any specific on sight review.

3841-Chairman Svedjan: Are you satisfied with the level of utilization review?

3854-Dave: Overall, yes.

3980-Chairman Svedjan: Are you under contract with PRO?

3984-Dave: Yes.

4038-Chairman Svedjan: What are the rates you've used for Outpatient, the new ones versus the old ones.

4055-Dave: The cost per unit for the first year is $40.02 is the original. $39.37 is the new one. The second year, the original was $40.90, the reprojection is $40.24. And the units went up from $36, 612 to $37, 072. It's an increase of 10,000 units for the whole biennium.

4245-Vice-Chairman Delzer: Do you have the units that you would have had in 99'-01'?

4267-Dave: We did change a lot of the way we budgeted.

4435-Chairman Svedjan: Can we get a side by side for each one of these service areas in Medicaid that shows the number of recipients, costs and the rates that were used for 99'-01' compared to the same thing for the 01'-03'?

4676-Dave: When we built the budget, we based it on recipients and cost per recipient. How we're tracking it and how the new budget is built is based on number of units and the cost per unit. We have 2 different methods that we've used.

4851-Vice-Chairman Delzer: How many of these separate ones did you change on how you're doing it?

4858-Dave: Most of them.

4874-Rep. Kempenich: When you switched over, how far off was it?

4935-Dave: We did it at the beginning of the biennium.

4983-Vice-Chairman Delzer: You did a number of these changes in retrospect of the way we did the budget last time?

5007-Dave: We do track cost per person also, along with the units of services and the cost per unit.

5120-Vice-Chairman Delzer: I want to compare the actual costs to what was budgeted last time and see how you're projecting for this time.

5177-Chairman Svedjan: We want numbers for patients, rates for patients, appropriation and the actual.

5408-Vice-Chairman Delzer: Dave, that's what you're doing here. But it's hard to understand how you're getting to it.

5545-Chairman Svedjan: You've given us the handout on the Drugs?

5712-Dave: What you have here is the original budget which excludes rebase, and then we have the one that shows the drug rebase, because we didn't do a net when we did this.

5796-Chairmaa Svedjan: I want to make sure we're on the same page as you. **You're on Drugs, right?**

5833-Dave: **I'm on Drugs. (ha, ha)** What I'm looking at is the one that is table 9.1. (see attached) These are the numbers of the original appropriation. Table 9.2 shows what we think the rebates are going to be.

6072-Chairman Svedjan: So this excludes rebates.

6134-Dave: Let's go to the actuals, table 11, as Net Drugs. This is the actual expenditures to date.

Tape 2, side B: 10-Chairman Svedjan: The weeks used, budget actual, is that just tracking how many weeks there are in the month?

21-Dave: It's the number of weeks that we make a payment. The significance is, you're either going to make a payment out 4 times a month, or 5 times a month. When you make an extra payment you're going to have more people who are going to get services because of the billing process. We account for that that way.

79-Chairman Svedjan: There are certain instances where you budgeted for 5 weeks and had 4 actually.

87-Dave: Right.

115-Sheldon Wolf: What happens sometimes is we just run month end program. Month end is what cuts it off and generates all these reports. It works with ITD.

341-Chairman Svedjan: How can that be? You said that we have actual numbers through November?

354-Dave: Right. In this case, we looked at what was happening in the actual expenditures, and what we were seeing is that we had budgeted $50 million. And there's no way that we're going to be able to keep it at $50 million.

415-Vice-Chairman Delzer: When we're just looking at the budget part of the money, you go down that first 7 months, and you're saying that you had over spent 3.8 million from what was budgeted. Then you reprojected and said it's going to take us $65 million? Now you come down to the next set of double lines, and for that section you had under spent compared to the $65 million by $525,000?

466-Lawrence Hopkins: Fiscal Administration: The $65 million includes both the February and the November correction.

478-Vice-Chairman Delzer: You don't in your department keep a running total of how far over the appropriation you really are?

489-Lawrence: If you go to your first graph, and look at Outpatient, the yellow line. **539-** We were at $63 million. After we did the February reprojection we thought that we were going to be at $63 million. Then we went down in November, and using the most current data updated it to $65 million.

572-Dave: The way I monitor this is, I have sheets that show me each of the services and then what the bottom line process is. But when I'm monitoring what's happening in the individual service, I want to know what is happening and that's why we do the reprojections.

751-Chairman Svedjan: So all those budgeted figures, the budget columns in the middle of that page, aside from the first 7 months are projections?

764-Dave: Yes.

790-Rep. Kempenich: So your actuals are 6-7 months behind most of the time?

802-Dave: No, we're through November.

948-Chairman Svedjan: Just for clarification, did you say the column that shows recipients should be under the units column? And the same for the cost per unit?

961-Dave: Yes. Yes.

1028-Vice-Chairman Delzer: If we were to look back on this, we could compare what you're estimating on table #10 back to your units of service numbers?

1050-Dave: Yes. On table #11, which is the actual.

1107-Vice-Chairman Delzer: Could you explain why April of 2000 is so low?

1156-Lawrence: We have rebates that we give on a quarterly basis.

1164-Dave: We off set the rebates, I think there was 2 million in rebates.

1170-Vice-Chairman Delzer: That would be the sum total off of the whole 7 months before that or 6 months before that?

1177-Dave: We do it on quarterly basis and we invoice all of the providers at the same time, so they come in all at once. That's the cause of that big dip.

1204-Vice-Chairman Delzer: What do you normally collect?

1206-Dave: It varies, because some months we don't collect anything.

1224-Vice-Chairman Delzer: When is the next one? In September?

1235-Dave: The next large one would have been in October.

1252-Vice-Chairman Delzer: And the one before that would have fell when?

1258-Lawrence: April, 2.2 million.

1270-Chairman Svedjan: The one before April.

1272-Dave: Oh, before April? August 99', 1.1 million. He explains how the rebates work.

1705-Chairman Svedjan: Q? Dave, anything else on Outpatient that you should be telling us at this point?

1789-Dave: Not that I can think of. We talked about the fact of doing away with the Retrospective and going to the APC.

1827-Chairman Svedjan: There aren't any other considerations on the horizon, government actions of any kind that will impact any of this?

1845-Dave: Not that we're aware of. One thing to make you aware of it is, Congress passed a law a couple of months ago that added another option to the Medicaid program. It happened in the Interim between when we built the budget and when the Governor presented it. There is a program that is operated by the health department right now that does screening for cervical and breast cancer. There is no payment mechanism for it. The Federal Governor did through the Medicaid program was offered an option to states to cover those women who don't have other coverage. We didn't have any dollars in the budget for that because the law didn't pass it. The Fed.'s have enhanced the match for that. It's at 80% rather than 70%.

2063-Chairman Svedjan: Let's go to **Indian Health Service.**

2078-Dave: Explains how the IHS works. It's passing 100% federal money through us to the IHS, for services that Medicaid recipients receive in an Indian Health Service facility. It's a wash.

2407-Chairman Svedjan: Refers to the administration side of IHS.

2425-Dave: Explains the admin. Side of HIS. Discussion on Physicians and Hospitals contracts.

2650-Chairman Svedjan: Q? On HIS? We will adjourn for today until 8:00 Monday am, the 22nd.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **1012**

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: **MONDAY, JANUARY 22ND, 2001**

Tape Number	Side A	Side B	Meter #
1-22-01 1012	**X**		**00-6220**
#1012		**X**	**00-6233**
#1012	**X-2**		**00-6237**
#1012		**X-2**	**00-4501**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We now call the session to order on **HB 1012, HUMAN RESOURCES.**

Roll call: We have a quorum.

174-Dave Zentner: Director of Medicaid and Healthy Steps: (attachments #1,#2, #3.)

245-Chairman Svedjan: Do you have any data that is numbers that show how many inappropriate admissions?

276-Dave: I can get you that.

387-Rep. Warner: Going back to the Indian Account and the lack of beds, does the State have any control.

1-22

423-Dave: We are a payer, we don't develop services. In-patient in the area of substance abuse, there have been less emphasis on new patients, more on other treatments. The tribes have all (as far as their substance abuse) taken over that portion of this service from the IHS, what they call a 638 Compact, where they actually get the money from IHS and have their own staff and employ their own people to provide the service.

546-Chairman Svedjan: What's been the experience with the 638, are the tribes in fact providing those services, or do they use those dollars also to purchase in patient service for their people?

562-Dave: They can use them for both. They do have their own staff of counselors and etc...

626-Chairman Svedjan: The department is a provider to the extent that you have beds in Jamestown?

635-Dave: That's correct. There are also some other inpatient facilities around the state. **Dental Services:** There's a shortage of Dentist's in ND. It's also hard to get to see one if you're not already connected with one.

888-Chairman Svedjan: As a starting point for all of these line items within the Medicaid budget, I suppose you have to use the same number of $42,510 as your starting point, right? I look at all of these reports and you start at the same point. It seems to me there are so many who don't use all of these services. That's how you come up with the utilization factor?

932-Lawrence Hopkins: Fiscal Administration: The utilization of the $42,510 is for Medicaid eligibles for the entire organization. And then I take each individual service and I look at how much, if this month, let's say for Dec. it was $42,727. If 750 people used it, I will take that and see what was the utilization. If there were 42,000 people out there today and 750 used it, what's

that number. And I do that using the month, and I come up with an average that identifies that for the next biennium.

1017-Chairman Svedjan: What is the number today? The number of eligibles?

1027-Lawrence: For Dec. it was $42,727. Nov. was $42,450.

1074-Dave: We tend to see a spike in late winter and early spring when the seasonal people lose their jobs and their income goes down, then they qualify for Medicaid. So that's why we went up between Feb. and March of 2000, we went from $42,000 to $42,500 in one month.

1139-Chairman Svedjan: What length of time did you take into account to determine $42,510 as your starting point? Was that a 9 month period?

1153-Dave: I think it's a rough average.

1164-Chairman Svedjan: How far back did you go to trend that number?

1170-Dave: 99' would take us back. We haven't changed the numbers between the first projection and the second projection.

1207-Chairman Svedjan: How it is that you determined that $42,510 in the first place, because that of course impacts the numbers right out of the shoot.

1229-Dave: We're assuming that when you predict a flat number, what we're suggesting is that in ND things for all practical purposes are going to remain fairly constant. Our birth rate continues to drop so that should mean eventually fewer children. But adults cost us more money.

1304-Chairman Svedjan: When you show the numbers of units here, I see basically you're showing 2 different sets of numbers all of the way through. Is a unit...anything?

1332-Dave: What we would be looking at here is a particular line item on a bill. So if we got billed for x-rays, office visit, and a filling, that would be 3 units. We're averaging all the units that we get billed in a particular month to determine what the cost is.

1436-Chairman Svedjan: Do you think a weighted average would be more reflective of what truly happens?

1450-Dave: I can't answer that.

1529-Chairman Svedjan: While we're dealing with averages and I understand how you arrive at your averages, but when I think of the higher cost of Dental service averaged in with the real low cost end of things. It makes me wonder if there's some "fluff" in there.

1577-Dave: We do make the assumption that the service delivery is fairly constant.

1662-Chairman Svedjan: I find it interesting that you use only 2 sets of numbers in your units column, 11388 and the 9111.

1687-Dave: We're assuming that the 9 month average that we use will be constant through the next biennium.

1753-Chairman Svedjan: Tell me again about the 4 and 5 week?

1765-Dave: What this amounts to is when we set this budget in March of 2000, we estimated the amount of payments we're going to make in a month. We pay them every Monday night. So if there are 5 Mondays in a month, they up the number of services and up the number of recipients that are going to be served, because we're going to have 5 payments in that month. So when you make an extra payment, you're going to be paying for more services to more individuals. So what we're accounting for there is really taking the 52 weeks and dividing it amongst the 12 months.

1870-Lawrence: If you go to the yellow sheets on Dental service, under March of 2000, a 4 week period, then go to your total on your actual column you'll see $358,000.

1940-Chairman Svedjan: You budgeted at 5 weeks, but the actual is 4?

1949-Lawrence: Yes. At the beginning of year the department sets up when they think we're going to have a five week month and when we're going to make a four week month.

1985-Chairman Svedjan: How hard is it to know whether you have 5 Mondays or 4 ?

1999-Dave: There are circumstances that might enter in, for example if we have a Monday that ends on the 31st. When they first calculated that they may say that's a 5 week month, but because of month end problems, generally we have to close, make sure we run month end before the start of the next month. So in that case we may decide to skip the Monday night, run on Tuesday and then we have a 5 week month.

2084-Lawrence: When we have a 5 week month, we're going to have higher payments.

2233-Chairman Svedjan: With regard to the weeks, about counting patient days, you count them as a patient day and a month if they're in 1 day or 31 days.

2263-Dave: What we do with that number is try to back into the 33,700 that we predicted. So we're looking at actual days first, then we're going back.

2344-Chairman Svedjan: I have concern of how we budget for those days in the nursing home category. I wonder if the 5 and 4 weeks in any way biases' the amount of money or biases' the expenditure picture? Is there a tendency to inflate the budget somehow because of how it's accounted for?

2416-Dave: I hope not. What we're doing is looking at a 9 month period for projections. It's an average per week, not month.

2491-Vice-Chairman Delzer: I would like to go through the yellow sheet and compare it to the green and how you make the differences. On the yellow sheet you got what you budgeted for the persons receiving, then when you reproject you change that, even under the actuals. Why do you change that under the actuals, compared to keeping the budget what it was? Why do you change

the budget numbers, why don't you keep the budget numbers the same as they were so you can look at what you budgeted compared to what it is?

2626-Dave: What I'm interested in knowing is what the true picture of the expenditures are for each service. So when we reproject, they are layering in what the actual costs are going to be. But if you go below again, the bottom area there, that's where I track how we're actually doing in comparison to the budget. We got the Legislative appropriation of 9.9 million there. And we didn't adjust that because unless we get permission from the emergency commission or something. There I show the projected need and the under funding.

2879-Vice-Chairman Delzer: You still haven't answered my question. Why do you change what the budget is when you reproject in the middle of the budgeted year?

2909-Lawrence: We're not changing the budget, this is now a reprojection. If we didn't change the budget numbers there'd be no need to do a reprojection. So this is our internal document and it shows what we now (with the most current information), we do a reprojection and say where we're going to be. The budget was $9,800,000. We've not changed that and not going to change it, not without your permission. But out guess is going to change, because now we have new actual information saying that number's going to be different.

2962-Vice-Chairman Delzer: Do you do that after the last 4 months again?

2969-Lawrence: We do that off the actual that we have for the period.

2972-Dave: In this case we've reprojected twice during the biennium.

2977-Vice-Chairman Delzer: You go over your utilization rate then and all your numbers here are anywhere from .009 to .03, and yet does that number compare to what you're using on your green sheet?

3019-Lawrence: It would be an average of those numbers.

3022-Vice-Chairman Delzer: It doesn't seem to work out that way, you're using .05 on everything on your green sheets. And you've got nothing anywhere close to that, you know you need a .10 and .01 to average .05. Did you change all of them?

3086-Lawrence: That number is a utilization of rate, and we're using utilization of units. The majority are now on units because we found that that's a better way of doing it.

3150-Chairman Svedjan: So it's on units instead of individuals?

3157-Lawrence: Yes, which also takes into consideration a low cost unit and a high cost unit, as opposed to a person that has low cost or high cost services.

3194-Vice-Chairman Delzer: If we have to work under the cost per unit, over here on the middle of your yellow sheet. Down here under your total, what does that number represent, the average of those 15 weeks that you have actual for? The **SFY2000**, what's that? Which 12 months?

Lawrence: That is the average for the 16 month period. Just the 12 months. August of 99' through July of 2000.

3328-Dave: Because of the accounting process, for the most part we're paying June services in July. When the cut off comes, those July services really get charged back to the previous biennium and we start August 1st for the new biennium.

3369-Vice-Chairman Delzer: Your **SFY2001** then is the projection of the next 3 months averaged out?

3379-Dave: The 4452 is at the actual, it would be the 4 month average.

3434-Chairman Svedjan: The 5 months would be the last 5 months in the actual in the year 2000? To get the 4452, which 5 numbers did you average?

3488-Dave: 2001. Aug., Sept., Oct., and Nov., 4 months.

3555-Chairman Svedjan: How did you decide to move from 4452, which was your projected average to the end of the current biennium, what was your logic for moving from 4452 up to 4563 as a starting point for the next biennium?

3591-Lawrence: You have to take the average of March through November to get a different average, which would then be lower, to $42.71, and then that is inflated because the inflation that we're going to give is going to be given on the first couple months of the biennium is 2.2%. So 42.71 x 2.2% = 4552.

3682-Chairman Svedjan: Is $42.71 the right number that you're talking about here or is it 44.52?

3700-Lawrence: $43.77 was the number that I showed was the 9 month average. Dental is unique, because we decided 2% increase. That also is factored in.

3782-Chairman Svedjan: The 9 month average was 43.77 x the inflator?

3864-Vice-Chairman Delzer: When you do the math, you take 2.2% x 43.77, you don't come up with 2563.

3883-Lawrence: In Dental, we did have a 2% inflation just after this month and so I factored that in.

3965-Dave: I just want to say that we take a look at the spin down tables and you're using it for one purpose which is to take a look back at the budget and come up with what you think is a reasonable number. On a ongoing basis we use this data somewhat differently during the biennium.

4094-Rep. Kerzman: When you talked about the reluctance of the industry to accept Medicaid patients, what is your plan of reimbursement, the actual. Do you know the ball park figure and also, does the position have the ability to shift costs like your other medical professions do?

4131-Dave: For kids, about 82 or 83%, and that's based on what they bill us. We assume they're billing their usual customary, we tell them to. For adults, it's in the high 60 or low 70%. I can get you those figures. And yes, like any other provider they can shift costs and actually Dentistry is probably more dependent, have more dollars coming from directly from private pay than other payors.

4271-Rep. Kerzman: When you talk about kids, how many of these kids have been shifted to Healthy Steps?

4296-Dave: We can't shift within the program, you're either Medicaid eligible or Healthy Steps eligible. One option that kids do have, if they're on a medically needy program where they have a recipient liability. They can opt out of Medicaid into Healthy Steps.

4409-Chairman Svedjan: You have to determine if they're Medicaid eligible first if they aren't then they could qualify for Healthy Steps?

4418-Dave: Yes.

4431-Rep. Warner: Do you compensate the providers the same rate for Medicaid as for Healthy Steps?

4446-Dave: No. The Medicaid program has it's own set of fees based on the amount of dollars that you provide to us. With Healthy Steps we have a contract with BC/BS and they use the same rates that they use for payment in their regular business that they have with their providers. The fees are higher and that's reflected in the amount of dollars that you pay per kid.

4549-Rep. Kerzman: In the private sector, we hear every once in a while where someone will go across the border for orthodontics or dentist. Does the department pay for those that go across?

4591-Dave: If you're referring to go to Canada, the only time we pay for services in Canada if it's an emergency. We'll pay to stabilize them and then expect them to get back. For border states, we have a 50 mile radius around the border.

4699-Rep. Kerzman: I was thinking about the line of cost, where they go up there and get treatment for 10 times less the cost in the US.

4729-Dave: The fellow rates are pretty clear on payment for foreign services. It's limited to emergency's.

4758-Vice-Chairman Delzer: How do they handle citizenship, are they dual citizens?

4802-Dave: We're one of the few countries who permits the child that's born in the country to be a citizen.

4970-Lawrence: I need to clarify on the units on the bottom line, they don't match. The way **SFY2000** is calculated, it's the total dollars divided by the total units for that same period. To come up with the 4469, it would be the total dollars of 341,015 divided by the my units of service, 7,631. That should give you the 44.69.

5128-Chairman Svedjan: Then to get to the starting point of 45.63, that process is still the same is it not? You're taking the actual average cost per unit for a nine month period times the 2% late inflation, that you just awarded, times the 1.22, that's projected in the next budget to get you to the starting point of 45.63?

5151-Lawrence: Yes. No, 2.2.

5228-Vice-Chairman Delzer: Why are you late with the inflator now? Is that going to be the same in the next biennium?

5247-Dave: Unfortunately it was a work load issue, had a lot of things going on, and for some reason it got delayed.

5311-Vice-Chairman Delzer: Is this the only place we're going to run into the late inflator or did you do that all the way through?

5320-Dave: This is the only one.

5332-Vice-Chairman Delzer: So no where else will we have to add that extra inflator?

5343-Lawrence: One other item is in Indian health, and that's because Indian health, for whatever reason we give the inflation in December.

5369-Dave: (attachment #1 page 43) That's primarily because that's when we get the information from the Fed's on what the increases will be, and those are all federal funds. **Waiver:** This is the **Elderly and Disabled Waiver**. This is home community based service for individuals who would otherwise qualify to be in a nursing home, but choose to remain outside the facility and receive their services either at home or in an Assisted Living facility. We're projecting a slight increase.

5710-Chairman Svedjan: To get to your starting point of 264 units, have you used the same approach? Have you gone back and averaged the 9 months and then applied some projection for % increase?

5756-Dave: What we have done is started with a promise that if we start, we were going to have 264 individuals. And then we increased it one per month with the hope and anticipation that these alternative services will continue to be utilized and excepted by the general public, rather than moving into the nursing home.

5961-Vice-Chairman Delzer: What's the difference between sped and expanded sped because they are Medicaid eligible too?

5986-Dave: The difference is these are individuals who are Medicaid eligible who have gone through this screening process to establish whether they have enough, the conditions are such

that they could enter a nursing facility. And in those instances, the waiver can pay for those alternative services if the individual chooses not to go into a nursing home. In fact, they would have to meet the same criteria as those who enter the facility. Then they're offered the alternatives: do you want to go into a nursing facility, do you want to remain at home, and here's what we can provide you.

6089-Chairman Svedjan: But this is not the medically needy program? There's no recipient liability here?

6094-Dave: No. There may be. These people may be medically needy, and likely are going to be medically needy. If they choose to go into a nursing facility, they get $40.00 a month. The rest of it goes to their care. If they decide to use home community based care services, and they're alone, they have no spouse, they get $475.00 to meet their maintenance needs, and then we'll pay for those eligible services within the waiver, primarily in this case it would be personal care services.

00-Tape1-side B-Dave: Sped has two situations: #1- They're receiving a service that isn't Medicaid eligible, for example Family Home Care. #2- They may have people that are Medicaid eligible who can use the services of Sped, but don't qualify to get into a nursing facility. Expanded Sped was designed to be an alternative to Basic Care. Those people are all Medicaid eligible and those services that are designed around Expanded Sped are designed to keep the people out of Basic Care.

110-Vice-Chairman Delzer: Expanded Sped is all Medicaid eligible?

114-Dave: Yes. In order to access Basic Care assistance you have to be Medicaid eligible, that's why the criteria.

136-Vice-Chairman Delzer: Why has that been all general fund money?

144-Dave: The only possible way we could look at it would be for personal care services.

159-Chairman Svedjan: So the difference is the service. How do you arrive at your starting point for your latest projections?

211-Lawrence: The average for the 9 month period is $1266.75, March through Nov. And you apply the 2.2 to that, and factor in the 1 person per month increase.

280-Vice-Chairman Delzer: Your actual number of persons receiving is the actual #, like for Nov., it was $271?

297-Dave: Yes.

302-Vice-Chairman Delzer: Is that a case of there may be more people, just let the nursing home, if someone uses the services for 5 days at out of the month, they'd still be counted?

325-Dave: Yes, this is an average cost by recipient.

429-Vice-Chairman Delzer: That'd be on your projected, but on your actual it shouldn't be that way?

443-Dave: This service is a little different, it's not always a daily rate. It depends on the type of service that they're getting.

551-Vice-Chairman Delzer: This one is wavered Medicaid, elderly and disabled. You cannot pay a spouse. This one has to hire outside service or can they pay a spouse?

567-Dave: If they're going to use a spouse, they're going to have to use the Sped program.

593-Chairman Svedjan: The inflationary adjustment of 2.2 %, is that per year?

605-Dave: Yes, we've budgeted for 2 increases. 2.2% per year.

629-Chairman Svedjan: Off of the green sheets, I can get to the 129462 by applying the 2.2 to that 9 month average? But then do you apply the 2.2 to the 1294?

651-Dave: Yes.

711-Chairman Svedjan: Is the rate allowable each year of the biennium?

721-Arvy: Yes.

732-Chairman Svedjan: We're going to stop here. We'll start again at about 2 or 2:30.

Stopped on #937.

944-Chairman Svedjan: I call the session back to order. We'll proceed with **Treatment Services for Children.** If there are variations in terms of how you budgeted, that is compared to some that we've already looked, I want you to highlight that.

1092-Dave: If you remember Southwest Keys, they used to provide treatment services for children, they left the state and left 16 beds available. We anticipated when we built this budge' that all 16 beds would be on line starting with the new biennium. That's why you'll see the difference between the 5 million and the 7 million.

1186-Chairman Svedjan: Are the original 12 will be up and running?

1191-Dave: Yes, by February of this year.

1239-Chairman Svedjan: The 64 beds is the maximum # of beds?

1246-Dave: Yes.

1251-Vice-Chairman Delzer: Does this have anything to do with what's going on down there at the Dakota Foundation? Didn't they put on some extra beds in reference to Southwest Keys closing? Manchester House, where do they get their funding?

1270-Dave: This does have to do with Dakota Boys Ranch. That's who we're talking about. Manchester House comes through the Human Service Center. The Medicaid dollars are already in their budget.

1310-Vice-Chairman Delzer: Is part of this going to fund that?

1318-Dave: Not for the treatment services for children.

1362-Vice-Chairman Delzer: Didn't we have a moratorium on these beds? How could they increase Manchester House if you're given basically the same system, the same service even though one's in the HSC and one's through Medicaid. How could the # of beds get increased?

1391-Dave: I can't answer that. I wasn't aware that they increased.

1427-Chairman Svedjan: Are we talking Basic Care beds?

1441-Dave: No, these are residential treatment centers that are licensed by the state.

1448-Chairman Svedjan: Is there a moratorium on this?

1459-Dave: There's language in the current legislation that talks about it. It's in SB#2012. The 64 beds were within the moratorium with Southwest Keys going out of business, it freed up 16 beds.

1534-Chairman Svedjan: Would the beds here be considered residential treatment as are the beds in the Manchester House?

1544-Dave: Yes. They are licensed the same way.

1598-Rep. Kliniske: On your yellow sheet, what does a unit represent?

1607-Dave: I assume it's days. It's 64 X 31.

1649-Chairman Svedjan: What you have done is averaged the cost per unit for the last 9 months? So that average is 152.88?

1660-Dave: Yes. The original budget has 158.82, the new reprojection has 159.00.

1727-Chairman Svedjan: Are we looking at the same thing here as we were on the previous one, to determine your cost per unit actual of 154.21, and you average 9 months data or 4 months? **1767-** And that's 2 and 2? **1798-** The point I'm getting at is that the 9 month average is 154.21, the starting point for this budget is 159.40.

1754-Dave: Yes. 9 months. And then inflated it. **1770**-Yes. **1817**-Yes. And that would be anticipating the 2% inflation at the beginning of the biennium.

1834-Chairman Svedjan: Does that calculate? The 154.21 is 16 months. But the 159.40 is built from 9 months data?

1899-Dave: 9 months data, inflated.

1932-Vice-Chairman Delzer: Did Southwest Keys close before we did the budget last time?

1947-Dave: No, I think they were operating at that time.

1964-Vice-Chairman Delzer: The reason for that question is it looks like the budget was built on 48 beds last time. **2036-** Because there's 16, then you're talking about taking it to 64, is just to do what is currently or was being done with Southwest Keys in there?

1974-Dave: It might of been about that time that we understood that they would no longer be available. **2079-** I can't answer that question.

2169-Chairman Svedjan: We'll move to **Premiums:**

2221-Dave: This is premiums that we pay to Social Security Administration for part B coverage of the Medicare program for individuals who are eligible for supplemental security payments, we are required to pay their premiums. And what has happened here, based on our analysis, it looks like the premium costs are going up.

2307-Chairman Svedjan: Part B, for the committee's benefit is physician and related services that go along with that. **2394-** In this budget it looks like you built it on people?

2399-Dave: Yes, this is a payment per month, a premium payment, this is one of the services that you do base it on the numbers because that's how the premium's calculated.

2427-Chairman Svedjan: So you're starting at 50. You're 16 month average is 45.48, is this one 16, or 9, or 4?

2448-Lawrence: That rate was just set and it is $50.00. The rate changed in December. It's determined for us.

2509-Vice-Chairman Delzer: How did you come up with the starting number of 4 thousand? The reason I ask this, if you look in your spin down, and you run around $3800 For the last 4 months.

2576-Chairman Svedjan: No you're not because the averages even are ???? The averages would be under $4000.

2628-Dave: I assume we didn't do any adjustment for the numbers then. We took a number and then increased it by 2 a month.

2796-Chairman Svedjan: How long are the rates in place as determined by the federal government?

2813-Dave: Yearly, so they would change every January.

2878-Chairman Svedjan: We'll move to page 2, **Durable Medical Equipment:**

2906-Dave: We have a reduction of about $400,000. It is an optional service, it is not a medical issue.

3011-Rep. Kempenich: How did this fall into recycling?

3024-Dave: At one time we looked at the issue of recycling equipment. In that review we looked at what other states did, the potential of having someone do it for us, and we concluded that administratively it would cost more than what it would be worth.

3143-Rep. Warner: What's included in Durable Medical?

3155-Dave: It would be any piece of equipment that would enhance an individual's ability to function. Anything from a crutch to a wheelchair.

3215-Rep. Warner: Does it include things like condensers, insulin, blood sugar machines?

3234-Dave: Yes, any device that is medically necessary.

3294-Vice-Chairman Delzer: What drives the usage of this? Is it going to be steady?

3307-Dave: We hope so, you try to use the averages to establish what's happening. So much of this is out of our control, if you have a lot of people with accidents at any one time, you'll need a lot of services, new equipment, the cost can go up and then they may level off again once those people have the equipment.

3395-Chairman Svedjan: Regarding the number of units, again your actual shows an average of $5.44, is that one 16 month?

3445-Dave: When you look at the spin down table, you're always going to be dealing with the top line being the 16 month. That's always the case.

3474-Chairman Svedjan: Then with the numbers of recipients, that $15,926 would average out to less than $1,000 per month?

3512-Dave: Right. The number we're budgeting off of would be the number under units of service there, the total of $474,430.

3577-Vice-Chairman Delzer: The Durable Medical equivalent, do a lot of these people have them for just a short time, while they're recuperating from the accident or is this something that they're going to keep forever?

3600-Dave: It depends. If we know that it's of a short duration, we'll authorize rent. If it looks like it's a permanent situation, we generally buy the equipment in that case because it's cheaper than renting.

3696-Vice-Chairman Delzer: Is there any place for families who have had someone pass away, to donate things? And where to ?

3717-Dave: Some of them will give it back to the equipment dealer, some may donate them to the organizations that are out there.

3762-Chairman Svedjan: We receive some of that at the Hospital, rehabilitation facilities, not in all cases can we accept them. In regard to DME, you're seeing a small drop in the cost per unit but basically the numbers are dropping, the demand is dropping.

3829-Dave: Right, and again we make the assumption that that's going to continue.

3857-Chairman Svedjan: Which are optional and which are mandatory?

3874-Dave: Durable is optional, Home Health is mandatory, Rural Health-mandatory, Healthy Steps- optional, Premiums for health maintenance organizations- optional, Medically Needy-optional, Transportation services- mandatory, Premiums for qualified Medicare beneficiaries-mandatory, Hospice- optional, Speech and Hearing- optional, Family Planning- mandatory.

Home Health: We're down by about $500,000, due to a reduction in utilization. The units are dropping 14.4%.

4202-Chairman Svedjan: All of that came up and was corrected during this biennium.

4212-Dave: Right, and I think we're seeing, is a reflection of that.

4255-Chairman Svedjan: The fact is we're spending ahead of budget. Even you're first projections are more than what was approved. That $500,000 reduction is a result of your second set of projections, which is still more than what we appropriated last time. **4345-** It seems to me that we would see growth in this area.

4283-Dave: That's correct. Yes. **4382-** We're really kind of a residual service for home health because most people who need home health are over 65.

4515-Chairman Svedjan: Then you're starting point here is 5625 units? **4556-** It's still up from what your 16 month average is, which is below 5,000 units.

4533-Dave: That's down about 14 ½ % than the original estimation. **4649-** The correct units of service for August we have overstated the numbers? The $74,894, that's 16 months.

4746-Vice-Chairman Delzer: What months do you build the budget off of? This one you used June to Nov.?

4811-Lawrence: This one I used August 99' to June 2000.

4854-Chairman Svedjan: So this one's built on 11 months? On your spin down sheet, the cost per unit, who would account for the big blimp in June of 2000?

4933-Dave: I'm assuming it's an adjustment. So technically we showed only 97 units, that's why you would have that.

5024-Chairman Svedjan: Just looking at those #'s, that still yields an average of $42.55?

5054-Dave: Yes. Aug. 99' to Nov. 2000, should give you an average. The total is the 16 months for the $42.55.

5170-Lawrence: The correction was done in June, but you'll see that July and August were also substantially higher at $54.61 per unit.

5299-Dave: **Rural Health Clinics:** They are clinics in under served areas, rural areas primarily. It's a required service, there are new regulations out again, that will require us basically to pay them based on their cost up to a limit. We do have to establish rates to pay them actual cost. We allow the regular inflation to these services.

5386-Chairman Svedjan: Regular inflation?

5396-Dave: The 2%.

5511-Rep. Warner: Could you describe the services provided, how many and their locations?

5533-Dave: They are rural area's that are under served, where there aren't physician services available, so often times you will have a clinic in a small room, where they're likely served by a

nurse practitioner and possibly a physician. Rather than pay on a fee per service basis, what the rural clinics do is they look at what their costs are and then we pay them based on an average rate per visit. They take all of their costs at the end of the year, divide it by the number of services that they have, that's what they use in the future to estimate what the costs will be.

5735-Rep. Warner: These are actually physical locations, 5 days a week?

5739-Dave: These are physical locations, and it varies, you'll have situations where they're there one day a week, simply because there isn't enough business out there to justify them being out there. There are 70 some Rural health clinics in the state. **5891- Healthy Steps:** You'll see a slight reduction. Based on the # of eligibles, we had originally set a flat amount of money in premiums per month. When there was an adjustment, we didn't reduce the inflation when we took out the increased #'s, so the inflation stayed in this situation. When we originally built the budget we were going from 3,000 on up to 3,500.

6034-Chairman Svedjan: The executive budget is built on what you just said. It also has the inflation figure in there?

6060-Dave: What we did was when we asked for the dollars in the executive budget, we were looking at from the 3,000 to 3,500 plus inflation. The executive budget brought it down to the 2,885 figure, but did not subtract the inflation off, where the difference is between what we had originally asked for and what was originally allowed. So what this does is adjusts that amount back out and takes the inflation away that OMB originally left in. So that gets us down to the 28.85 and the 16.4% inflation.

6175-Vice-Chairman Delzer: What's your actual cost for premium right now?

6185-Dave: It's $108.69 plus for those who have cost sharing. **Tape 2, side A-00-** When we built the budget, we built it at 7% and then we got information from Blue Cross/Blue Shield.

38-Chairman Svedjan: Your premiums of $126.52 are based on that 16.4% increase.

56-Vice-Chairman Delzer: That's going to change at the start of the biennium?

63-Dave: Yes, I believe the contract runs to the end of June 30th.

84-Vice-Chairman Delzer: Are they going all the way to the 126 or half way there now?

93-Dave: It's a two year contract. Someone had asked about Healthy Steps and whether BC/BS would be interested in taking over the eligibility, we did check with them and they have indicated to us at the present, they are not interested.

153-Chairman Svedjan: That gets back to that FTE that you requested? Looking at these #'s now, it looks like you're planning to get up to where you want to be? So you're not anticipating any growth during the biennium?

183-Dave: That's our goal. Not in #'s but I think realizing that with at the level of 140%, we'll reach a plateau that we hope that we can maintain. What this means is on an on going basis, you'll have people going off and on.

264-Chairman Svedjan: Did you say this is reviewed monthly, with 4 and 8 month checks?

268-Dave: Every month, we're going to have people come due for their 12 month review. And we also do a 4 and 8 month check.

283-Vice-Chairman Delzer: Do you have the actual #'s for December? **302-** That was at the end of the month?

290-Dave: Yes, it's 2,175. **305-** That would have been the payment we made for January 1st.

317-Vice-Chairman Delzer: How did they base that?

336-Dave: The way the law's written is, when we have someone new come on, we have to determine their eligibility before we can put them on.

400-Vice-Chairman Delzer: When someone drops off, and looses their eligibility, that goes to the first of the next month also.

411-Dave: Yes, we go to the last day of the month that they dropped.

506-Chairman Svedjan: How would you cap it?

510-Dave: What we would probably have to do is go to a waiting list. If we got to the point where we're exceeding the dollars available and we had no other mechanism to move money, that's what we would do. And as people came off the program, we would then bring those on the waiting list on.

554-Chairman Svedjan: Because this is technically not a Medicaid program, you can't move funds into this from other line items in Medicaid, right?

564- Dave: If you line item this money into the overall budget, yes I think we could.

593-Vice-Chairman Delzer: It's currently in the Medicaid line item?

599-Dave: Yes. We do have the flexibility now.

616-Chairman Svedjan: So that could allow you some flexibility if the members for one reason or other jump? **626-** That's if we appropriate enough money in all the other lines?

624-Dave: Yes. **632-** I have confidence.

641-Rep. Kempenich: Then this $28.85 is that 75%?

648-Dave: We had originally estimated, and when you estimate, it's very difficult because our data was based on gross income and we have the allowable deductions for child support and for taxes, and for child care, so we had to try to extrapolate how many people would actually be eligible. We came up with about 4,000.

698-Vice-Chairman Delzer: Didn't we use 50% of 38.80 last time?

708-Dave: Yes. It was around **3,900. 1900** something. On to **Premiums-HMO's:** This number is dropping as the number of recipients taking advantage of programs. We're estimating 100 fewer recipients per month.

765-Vice-Chairman Delzer: Just a question of timing, are we going to get into the CHIPS program further than this sometime and look at the actualario? Or when are we going to take that up? To look at where the costs are being driven from?

802-Chairman Svedjan: I think I made the **request** during the overview about wanting to see the utilization figures relative to the Healthy Steps program. What's driving the increase?

823-Dave: I believe along with the actuals, there is some data that shows that also. Would you like that also?

1062-Chairman Svedjan: Are those that are currently involved in the HMO product, they're given the option, are they not? Of going to what the movie called all true choice under Blue Cross or going on the Medicaid program?

1095-Dave: That's correct. The Traditional Medicaid program.

1139-Chairman Svedjan: Is it to early to know who exercise's that option?

1146-Dave: Yes, and again we'll continue to have discussion with Blue Cross/Blue Shield on this.

1172-Vice-Chairman Delzer: Any kind of any of these are fully federal funded, you've told us, right? Other words, everything is a 70/30 split basically?

1188-Dave: Yes, and again there are exceptions, Healthy Steps of course is a higher match, at about 79/21%. Family Planning is at 90%.

1224-Chairman Svedjan: Is the Healthy Steps ratio down because of ??. It's a 80/20 program, isn't it?

1241-Dave: It's a formula based off of the Medicaid match. It varies every year the same way that Medicaid program varies.

1281-Chairman Svedjan: The cost per premium in this case is a negotiated thing, annually?

1293-Dave: Yes.

1377-Chairman Svedjan: There's something written into that, that there's an expectation for a 3% reduction, annually?

1386-Dave: Yes.

1439-Chairman Svedjan: From their side of it was, the more efficient you get with it, you reach a point where you can't get much more efficient.

1478-Vice-Chairman Delzer: What's your current rate?

1483-Dave: It varies, it depends on the age and gender of the individual. So there are 20 some rates out there.

1510-Vice-Chairman Delzer: Why did you build an increase in the premium for the second year?

1533-Dave: This one does, we do negotiate every year.

1557-Chairman Svedjan: What is the expectation for 3% reduction? How's that factored in? Is it the reduction in payouts, or the reduction in premium?

1583-Dave: What we would look at is what we would normally expect to have paid them on the fee for services. So we look to have that premium rate somewhere about 3%.

1646-Chairman Svedjan: If we were to ratchet this down for example, it wouldn't help us because people would just revert over to the flat.

1659-Dave: Yes.

1663-Vice-Chairman Delzer: If you can't get a contract with somebody, where is the cost going to show up at?

1673-Dave: If there's no longer a contract, they would just go back into the Medicaid.

1735-Vice-Chairman Delzer: If the budget is built this way, so you just disperse this money into the other parts of Medicaid.

1751-Dave: Yes it would move into the regular Medicaid program.

1761-Chairman Svedjan: About your current rates, you said they're about 20 of them or so. On the average, how did you arrive at the 120.59 as your rate for the first year? Did you factor up the fiscal 2001 average cost per unit? Because you're fiscal 2000 as well as your average for the 16 months are both higher than what you started.

1827-Lawrence: The average rate at 117.08 increased by 3% inflation.

1849-Chairman Svedjan: And where does the 117.08 come from?

1852-Lawrence: The other 3.

1909-Sheldon: If you look at the spin down table there at the bottom row of the state fiscal year 2001 is 117.22.

1923-Dave: That's lower than the previous 12 month average.

1956-Vice-Chairman Delzer: Your actual numbers of units of service there for the last 4-5 months is pretty low, why is that?

1979-Lawrence: When the company in Grand Forks that has this right now decided that they wanted out of this thing, they did absolutely no promotion of this program what so ever. So when we eved that aspect, one of the things that BC was committed to doing is to promote this program and to market it and advertise it. So when this company said we're out of it, it did not

make that we saw the decline, and now based on the fact that we're going to have BC promoting this, we expect to see the results of those numbers turn out.

2029-Vice-Chairman Delzer: These are all Medicaid eligible? What's their plus to going on this HMO?

2043-Dave: There's no cost sharing for them, and they don't have a Medicaid card, they have an HMO card like anyone else. It has the impression to people that they're in the main stream process of obtaining services that no longer a Medicaid program. We try to sell them on the fact that through this process, they're going to get good preventive on going care.

2141-Chairman Svedjan: Can this product now under Meridian be marketed to just Medicaid eligibles?

2162-Dave: For that portion of the business dealing with Medicaid program, they can market. It's limited, they can't induce people with gifts or anything like that, but they can try to sell the product.

2216-Chairman Svedjan: But someone under that arrangement who is not Medicaid eligible could buy that product?

2230-Dave: Not our specific product.

2328-Chairman Svedjan: We call this section back to order.

2434-Dave: (refer to attachment #4) What you have in front of you is the information that will be going through the Insurance Commissioner, justifying the rate increase. The first 4 pages deal with the regular medical services.

2546-Chairman Svedjan: If they got below 65%, they'd have to adjust the premiums downward.

2581-Rep. Warner: Is the 11.4 their commission?

2586-Chairman Svedjan: Well that's how I read it. Do you know the retention charge?

2604-Dave: I'm assuming it's admin. plus maybe they're margin. I don't know how much of that is reserved.

2621-Rep. Warner: That would correlate the .6 maximum ratio?

2631-Chairman Svedjan: I would presume that's what that is.

2638-Dave: The last page of this exhibit 1, (attachment #4), the 4th page, does show information on earned premium income current rates, claims incurred, terms: estimated completion factor, I assume that means that if they've paid out 72.2% of what they anticipate for this period of time.

2713-Chairman Svedjan: Is there something else that gets us up to 16.4?

2719-Dave: Yes, the Dental and the Vision.

2899-Vice-Chairman Delzer: How many other states have a dental? So you expect this to level out? Do you expect dental to go down?

2936-Dave: Most states do have dental in there CHIP program. A lot of states did a Medicaid expansion. 80-90% of the states do have dental. On to **Vision:** here they examine lens every 12 months, and $80.00 frame allowance every 24 months.

3306-Chairman Svedjan: The inpatient is the white area at the top I presume. (attachment #4)

3324-Dave: The inpatient is the bottom one.

3700-Chairman Svedjan: You don't cover deliveries?

3727-Dave: Yes, we're paying for the actual child, not the delivery. It's a situation where you would have a mother for example, who is pregnant, we're not covering the mothers charges, but once the child is born, that child will become eligible at that time.

3788-Rep. Kliniske: Wouldn't that child be eligible for Medicaid? The new one?

3802-Dave: In these cases, these are mothers kids are eligible for Healthy Steps. They may exceed the 133% of the poverty level.

3872-Rep. Klinske: If this is to cover the cost of a child, the child is actually being born to a child, and I can't imagine that a teenage mother will be over 133% of the poverty.

3892-Dave: What you're seeing here is a mother who already has 2 kids on the program, she's 25 years and she's pregnant.

4018-Chairman Svedjan: So there's no family cap on this like there is in TANNF?

4028-Dave: No.

4048-Vice-Chairman Delzer: Would Medicaid pick up the cost of that delivery?

4068-Dave: The mother is never eligible under the CHIP program. So unless she could qualify for Medicaid.

4088-Vice-Chairman Delzer: If she's got other kids under the CHIP program already, and this one's being born, who's covering the cost of that birth?

4111-Dave: The parent may have insurance of their own through a company. If not and if they can't qualify for Medicaid because of the income limitations, then they're going to pay for it themselves.

4207-Chairman Svedjan: In this case, there's nothing yet that I've seen that shows, for example under surgical, $112,000 there. I would guess there are a lot of tonsillectomies, and a lot of things for children, but do you have anything that breaks out what's driving that part of it?

4253-Dave: No I don't.

4289-Rep. Kempenich: Is there any discounts?

4332-Dave: There are maximums out there that BC/BS won't pay for.

4368-Rep. Kempenich: Is this actual bills?

4387-Dave: Actual payment is what the provider's going to pay.

4496-Chairman Svedjan: Is this paid out on a DRG basis like any other health insurance plan?

4518-Dave: Yes. They have maximum fees that they're going to pay physicians.

4746-Rep. Warner: In your testimony this morning that more money under CHIPS than they are under Medicaid. Is there some way you can monitor for cost shifting?

4791-Dave: They have to bill based on the eligibility of the individual. They can't shift that.

4840-Chairman Svedjan: The Dental represents a little less than half of all those spent for medical.

4871-Dave: The grand total is about 1 million dollars for all of those services.

4997-Chairman Svedjan: On to the **Medically Needy:** I think you've already talked about that, at least in terms that the dollars are spread elsewhere in the Medicaid budget. Are we not appropriating a line item for that this time?

5066-Dave: Yes, what we ended up doing is voting those services into the services where they're actually being expended. What this was again is an opportunity to raise our Medically Needy income level, you permitted that last time. We had a specific amount that we identified that we thought it was going to cost us to do that.

5162-Chairman Svedjan: How would we know what you budgeted for the Medically Needy program? Do you know what that number is?

5184-Dave: No. What it did was reduce their recipient liability, because we raised the Medically Needy income level. So they're going to have more money for their maintenance needs.

5221-Chairman Svedjan: I'm thinking in terms of budget. We appropriated 1.8 million this time, what have you got built in elsewhere in the budget? It could be 5.6 million for all we know.

5252-Dave: What it would be based on, is how those services are being utilized and what the cost of service is. It's melded in to all the services you see here.

5360-Vice-Chairman Delzer: What did we raise that from?

5370-Dave: What we did do is accept for the household of 2, we raised it up to the maximum allowable by federal regulations at the time.

5452-Vice-Chairman Delzer: Did we raise it from 100% poverty?

5459-Dave: No where close. Back when TANNF was passed, there was a regulation that said that the Medically Needy income levels on the average could not exceed 133% of what your income levels are that you established for the AFDC. They brought that forward and allowed states to prevent index to that based on amount that could be raised back in 1997, so in 1999 we raised it up as far as we could.

5598-Vice-Chairman Delzer: What's their reason for doing that?

5615-Dave: To provide enough money for individuals to function on independently because what primarily you're going to find are these individual who's 80 years old and has SS.

5704-Vice-Chairman Delzer: Do we have any kind of gauge as to how much good we've done with that?

5729-Dave: I can't answer that. What it has done is put a few more dollars a month in the hands of these elderly, disabled people to meet their needs. $20.00 more a month.

5886-Chairman Svedjan: Looking at the yellow sheets, it looks like you went through February of 2000, before you melded this program in with all others?

5945-Lawrence: Before the reprojection was done in Feb., that # that you see the $75,000 is all the way down the sheet. Once I got to this, I zeroed it out.

5985-Chairman Svedjan: In all the other line items where you're basing it on an average unit cost or basing it on average numbers of recipients for a stated period of time. You've done that for 9 or 16 months, are these people appropriately reflected in those numbers, and we appropriated 1.8 million last time, how much is in there this time? Because you melded this in after 8 months of time, are you're averages going to reflect the melding of this program into all the other lines?

6143-Lawrence: It really wasn't a melding at that time, that's when we did the reprojections, we would have looked at actual data and at that time would have included with ??? Payments.

6198-Dave: We couldn't tell you whether it was 1.9 million, 2.3 million or 1.5 million because it's been melded in and the actual figures reflect what the needs are for the individuals service.

6247-Chairman Svedjan: So in future years you're going to be pulling this line out of here?

Tape 2, side B- 00-Dave: On to **Transportation:** Our units are down. We rely on volunteers to provide transportation for us and we were paying them .20 a mile. When the gas prices went up, we had an out cry from people saying there's no way I can transfer people for .20 a mile, so we increased it to .24 a mile.

126-Chairman Svedjan: Your starting point on numbers of units must be based on the last few months?

137-Dave: I'm assuming the last 9 months. It's down almost 5%.

153-Chairman Svedjan: In other situations, you have not factored in those months where you'd have unusually high numbers of units, in this case you showed in August a very high number, but it's still factored into your projections. If I average all 16 months, I get at a starting point of $86,024. Your starting point is $95,811 and I see it moved. And it moves because of the number of weeks in a month.

254-Vice-Chairman Delzer: If the price of gas goes down, will you adjust this downwards?

267-Dave: It's difficult to do that once you get people used to the fee.

323-Vice-Chairman Delzer: The .24 put you an average cost per unit of 101 to start and then you inflate that, so are you figuring to give a mileage after a year?

344-Dave: That one dollar and one cent is an average of a service. We pay for taxi cabs, airline tickets, train tickets and motel rooms and etc...

423-Chairman Svedjan: Did you simply inflate that 101 for the second year?

434-Dave: That 101 to 103 is the terms.

442-Vice-Chairman Delzer: How are you going to put that out? Are you automatically figuring the raise after the 12 months?

459-Dave: What we would look at is to see where the anticipation was and we would probably look to give an increase.

516-Rep. Kempenich: That's what the DOT hands out?

531-Dave: Yes. On to premiums- **QMB's: Qualified Medicaid Beneficiaries**: This is a group that the federal government requires that we cover. They are individuals at 100% of the poverty level. We are required to pay their part B premiums plus the co- insurance and deductibles for these individuals. The # of premiums looks like it's going to increase about 2.3%.

713-Chairman Svedjan: This is your estimate, not a requirement by the federal government?

722-Dave: Again we're estimating that it's going to be 6%. We don't set it, the government does and the last one was 10%. It's the 9 month average adding 4 per month more.

777-Vice-Chairman Delzer: What's your reasoning for that? Granted you had some increase, but it seems to be pretty for the last 6 months? What's your justification for increase of 4 a month?

799-Dave: We do anticipate in the coming years more people turning 65 in the state and more elderly being eligible.

838-Vice-Chairman Delzer: Is this for Medicaid eligible people or used for the Medicare?

851-Dave: This particular group of individuals are Medicare eligible already. Because of their income, what the federal government has said is people who have incomes at or below 100% of poverty. Medicaid programs, if they apply, you're required to provide the service, and that service you absolutely have to provide. Many of these people can also qualify under the Medically Needy program, so they're dually eligible.

1038-Chairman Svedjan: Again moving from 45.50, which is your average cost per unit, to the starting point of 50.

1057-Dave: 50 is a known. That's what people are paying for their part B premiums right now.

1083-Chairman Svedjan: Any Q on QMB's? On to **Hospice:**

1109-Dave: Part of it is optional. The part that we spend most of our money on is not. If we have an individual who is on Hospice in a nursing home, those services are mandatory. And that's 85-90%. We pay Hospice who pays the nursing home.

1160-Chairman Svedjan: What seems to be causing your projected reduction here?

1167-Dave: Primarily it looks like the number of individuals choosing Hospice who use the nursing home are dropping.

1237-Rep. Warner: Could you describe the services offered in the Hospice?

1251-Dave: It is a full package of services. They provide a lot of nursing services, volunteers to provide support and 24 hour care and anything they need. On to **Speech and Hearing:** This one can be a roller coaster. What we have seen here in this instance is kids in school-the cost goes

down, kids get out of school- the costs go up. During the school term, most of the services are getting provided through Special Ed.

1422-Vice-Chairman Delzer: How did you come up with your units on this one?

1434-Lawrence: Again it's the March through November utilization.

1517-Rep. Kempenich: I can see the numbers but how come the cost per person is different?

1561-Dave: It depends a bit on the intensity of the services provided. You may have speech going in maybe once a week, depending what the need is, or if you have a situation where you need more intensive services. It varies. On to **Family Planning:** This is a 90% figure, it is a mandatory service.

1760-Vice-Chairman Delzer: How do you access the federal money on that, is it off of your budget or is it off of services after they're used?

1774-Dave: Within the system we have all those services earmarked that are family planning related. The system identifies what they are so when we pay the claim, we got to match at the 90/10 rate.

1873-Chairman Svedjan: Are these 9 month averages?

1876-Lawrence: This is such an erratic service, at 16 months.

1903-Dave: It's partially who does the billing. It's not as timely. We had a 8.3% drop in the cost per unit and an increase in the numbers.

1997-Chairman Svedjan: In the numbers of persons? You said 8.3% drop.

2001-Dave: Of units. 8.3% in the cost per units.

2061-Chairman Svedjan: What else goes into this? The numbers seem very high.

2074-Dave: You'd have all the preventive services like birth control pills and what else they use to prevent pregnancy.

2103-Rep. Kliniske: When you're talking about birth control pills, is this eligible to Medicaid recipients only?

2119-Dave: Yes, this is the dollars specifically for individuals that are eligible for Medicaid.

2134-Rep. Kliniske: This program would pick up 90% of the cost of their choice of birth control through this program?

2165-Dave: Actually we're going to pay the provider 100% of our allowed amount.

2217-Vice-Chairman Delzer: Under Drugs, they won't pay for birth control?

2228-Dave: Because of the requirement with them in mind, it is a requirement that we pay for.

2246-Vice-Chairman Delzer: Up under your Drug plan, there's nothing in there for birth control, it's all down here in this plan?

2265-Dave: Yes, it would be all those dollars associated with payment.

2273-Vice-Chairman Delzer: In previous discussions about drugs, it's been said that birth control does not get paid for and now we're finding out that under family planning they do.

2299-Dave: If I confused that issue, I apologize. We have always paid for those services within the Medicaid program. Now Healthy Steps is a different story, it's not covered under here.

2325-Vice-Chairman Delzer: I think there is some mis- information out there because I've heard a number of people say they'll pay for Viagra, but they won't pay for birth control.

2334-Dave: We do pay for both through the Medicaid program. On to **Refugee Assistance:** This is a mandatory. **Optometry:** is optional. **Lab and Radiology:** are mandatory. **Ambulance:** is optional. **Special Ed:** is primarily optional.

2585-Chairman Svedjan: So you're anticipating that a number of these people will go off or to exceed the 9 month?

2608-Dave: What's happening is the number actually qualifying is down because many of them coming in the country are eligible for the Medicaid program or Healthy Steps.

2692-Vice-Chairman Delzer: How did you come up with building your numbers, especially in light of the fact that now it seems to me that I heard that Lutheran Social Services have come to sort of agreement, at least in the Fargo area, about how many they're going to bring in for a little while?

2732-Dave: This is based on what the average of the last 9 months have been.

2751-Lawrence: When I do the spin down table, I don't have people or units. When I calculated this number, we're seeing the downward trend at the average of the entire Aug. to Nov. divided by 16.

2838-Rep. Kempenich: How close do you track these?

2885-Dave: What would happen is, once they reach the limit they would either qualify for Medicaid or other programs. **Optometry:** This is one area in our OAR's where we had asked for additional dollars, to bring the rates for optometry up to least Medicare. It was not included in the executive budget. What this does is provides the regular increase of inflation of the 2.2% per year.

3071-Chairman Svedjan: In this one are your averages calculated on 9 month?

3084-Dave: June through November. 6 months. **3161-** There's no change, we had a decrease in the cost of the unit. For our frames and lenses we have a contract with a lab.

3482-Rep. Warner: Are they eligible for one pair for one year?

3496-Dave: Kids are one, adults are two. **Lab and Radiology:** These are independent labs. We're seeing an increase, units at cost, up about 7% apiece. This was based on the last 3 months.

3932-Chairman Svedjan: The units of service, you used the last three months. And then you factored that up by 2.2% to get to your starting point?

3947-Dave: Yes.

4036-Chairman Svedjan: When I run those numbers, I don't get to the same starting point. Is that a late inflationary adjustment again?

4098-Dave: This might be because of the fed.'s

4139-Lawrence: One of the possibilities, the inflation in that is issued in January. So this January we're going to have this 2% that was appropriated. It's not a late adjustment, that's when the fed.'s gave us the update.

4191-Vice-Chairman Delzer: Well then it could be late in the next biennium too, could it not? Shouldn't that carry over and you now have your next adjustment for a whole year?

4223-Dave: What you would have in that case is an adjustment on January 1st, 2002, and another on January 1st, 2003.

4273-Chairman Svedjan: When I do the tally on the 3 months, factor in a 2.2% increase, I always get to the same point.

4309-Lawrence: Your average should have been $91.74.

4314-Chairman Svedjan: I am working on the units of service, rather than the cost per unit. Any other questions? We will close this session on HB1012.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, JANUARY 23, 2001

Tape Number	Side A	Side B	Meter #
1-23-01 HB 1012	**X-1**		**00-6250**
#1012		**X-1**	**00-6300**
#1012	**X-2**		**00-6180**
#1012		**X-2**	**00-6154**
#1012	**X-3**		**00-6208**
#1012		**X-3**	**00-2794**
Committee Clerk Signature Mickie Schmidt - Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We will call this section to order on HB 1012, on Medicaid and Committee work.

108-Dave Zentner: Director of Medicaid & Healthy Steps: Explains about providers, **214- disproportionate share-** Garrison, Devils Lake, Watford City, Dickinson. Rates, State Plan Amendments, APC format, APG, format- Medicaid consistent with Medicare. Impacts, inflation rates, critical hospitals, **710-** Ambulance Services- (table #5 -yellow sheets). **1157-** Fiscal note on ??, general funds. **1245-** HB ?? **1288-** diagnose, safeguards, coverage, risk, First Responders, Medicaid transfers, units, mileage, **1914- Ambulance transportation, Special**

Education,- (Table 38 - yellow pages #1 hand out.), therapy, general fund, requirements, federal funds. **2390- Health Tracks-** (table 21- yellow sheets), costs, nurses, screenings,. **2700- Spin down table**, actual costs. **3032- Federally Qualified Health Centers**, (TABLE #14- yellow sheets), medical and dental, population. **3630- Waiver- Traumatically Brain Injured-** (table #44- yellow sheets), recipients, beds, Soaring Eagle, costs, HIPAA. **4600- Psychological Services-** (table #35- yellow sheets), decline. **4916- CHIPS- Phase 1-** (table #6 - yellow sheets), eligibility, services, match, coverage. **5804- Premiums- Special Low - Income Medicare beneficiary,** (table 3 32 - yellow sheets), growth, promoting, federal government.

<u>Tape 1, side B-00-Dave:</u> **Chiropractic services-** (table 37, yellow sheets), x-rays, services. **182- Premiums- Group Health Insurance:** (table #27, yellow sheets), cost, premiums. **798- Physical Therapy-** (table #24, yellow sheets), units, cost. **930- Targeted case Management for Pregnant Women and Infants,** case managers, funds, providers, Healthy start, referrals. **1360- Private Duty Nursing-**(table #34, yellow sheets.), Home health, units. **1759- Occupational therapy-** (table #22, yellow sheets), Units, costs, Administrator, averages. **2110- Premiums- acquired Immune Deficiency Syndrome Insurance**, (table #26, yellow sheets), vouchers, eligibility, financial status, FTE's, HIV Positive. **2450- DJS Targeted case management-Alternate care,** (table #47, yellow sheets), Foster care, federal funds, state match, social workers, Intensive in home, billing process. **3100- Premiums for Qualified Individual 2,** (table #29, yellow sheets), home health portion, federal dollars. **3580- Targeted case management:** HB 1117, cost, amendment, funds, Sped. **4516- Medicaid program:** (attachment #1, 2, and 3) inpatient, evaluations.

<u>Tape 2, side A-00-Barb Fischer; Manager of Long term Care and Hospital Services:</u> units, unduplicated count, moving average. **395-** exceeding limits, direct and indirect, nurse aides,

treatments, certified, beds. **1499- Critical Access Hospitals-** (table #8), gains and losses, DRG, 24 facilities, discharges and days of stay. **1790- Hospital Medicaid Days** for DSH calculation, (#9 and 10), **pro reviews-** #10, readmission's, prior authorization. **3053-** vision and Optometry- (attachment #12, 13, 14) **3599- Optional Adjustment request-OAR. 3900- Child welfare Services** (attachments #15, 16, and 17), temps., under funding, split, Operating expenses, telephone, Travel, IT Software Supplies, Postage, Equipment, Building rent, Professional Development, Operating fees and services.

<u>Tape 2, side B-00-Jerry Houn:</u> repairs, Insurance, Office supplies, Printing, Professional supplies, buildings and grounds, equipment, **400-Break out of funding-Operating expenses, 998-** Grants. **2244-** (attachments #18 and 19), costs, reports, studies, contracts, 4 E issue. **5365-** foster Care Services, (attachment #19), budgets, inflator.

<u>Tape 3, side A-00-Jerry:</u> **Family homes, group homes. 150- Family Preservation**: increases, childcare, special projects, cases. **465- Adoption Services**: increasing, reprojections, grants, federal and general match. **847- Early childhood Services-** mandated federal funds, quality programming, title of report, MOE, splits. **2380- County reimbursement-** decrease, county cost allegation, cases , court cases, foster care, adoption. **3545- F match adjustment**, subsidized, OAR's, adoption rate, tribal match, daily maintenance rate.

<u>Tape 3, side B-00-Paul Ronnigan:</u> FTE's, grants line, services, match, counties, SWAP, actuals, rates, funding streams, non 4-E case, state adoption, inflators, OAR's.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: WEDNESDAY, JANUARY 24, 2001

Tape Number	Side A	Side B	Meter #
1-23-01 HB 1012	**X-1**		**00-6230**
#1012		**X-1**	**00-6200**
#1012	**X-2**		**00-6149**
#1012		**X-2**	**00-4705**
Committee Clerk Signature Mickie Schmidt - Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We call this section to order on **HB 1012, Mental Health and Substance Abuse.**

Roll call: We have a quorum.

88-Karen Larson; Director of Mental Health and Substance Abuse: (attachment #1 and 2) evaluation component, measure progress. (attachment #3), Salaries, FEMA, temporary positions, global policy, funds, block grants. **960-** Dues and professional Development, membership, Witchy, mission, responsibility. **1290-** Operating Fees and services,: increases, Native Americans, Adolescents, needs, MOE, funding sources, posters, videos, contracts, DARE, match. **2955-** Grants: cost centers, partnership money. **3436-** Mental health: direct service, IMD

exclusion, FUNDS. **3889-** Gambling: transferred into operating, contracts, sliding fee scale, requirements, support from tribes, training, funding for treatment, MOE, staff, utilization.

Tape 1, side B-00-Karen: OAR's,

163-Public Comment: (see attachments #4-19)

1900-Gene Hysjulien: Developmental Disabilities: Voc Rehab, organizational chart-(attachment #11 and 12, and 13), transfers, status license, moving benefits, FTE's. **3600-** Independent Living: general and federal funds, OAR's, match, current budget, optional adjustment.

Tape 2, side A-00 Gene: Split, age.

202- Public comment: (attachments #18, 19, 20, 21-23)

2925-Gene: DD: vision, FTE's, special funding, IT Telephone, Travel, Rent for buildings, Dues and Professional, Operating Fees and services, Professional services, Office supplies, Printing, Professional supplies, Equipment.

Tape 2 , side B-00-Gene: Grants, Benefits, and Claims: increases, Medicaid, Infants. **424-** federal Part C, authorization, DD, general and federal funds, case loads, extended services, beds, group homes, growth, OAR's, rates, client load, current usage.

1-25

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Operations Division

☐ Conference Committee

Hearing Date January 25, 2001

Tape Number	Side A	Side B	Meter #
01-25-01 tape #1	0 - 6240	0 - 6239	
01-25-01 tape #2	0 - 6239	0 - 24	
Committee Clerk Signature Karen Hall			

Minutes:

The committee was called to order, and opened the hearing on HB 1012.

(The committee was working on the DD portion of the bill).

Chairman Svedjan: He has asked Mark & Colleen to take the committee back to the three heavy sets of documentation they got yesterday, the executive recommendation, the re-projection, and the DD tables, spend down to date (through November). We need to get a good handle on how the department arrived at the re-projections. Would like to go to the spend down tables and work from averages.

(Mark & Colleen and committee discussed the spend down and looked at some examples. Colleen explained with handout #1, why unduplicated numbers are not always the best numbers to look at when determining how many people are receiving services per month. Discussions continued on units of service and cost share and co-pay rules).

(Mark explained how the budget was calculated for the biennium the numbers were inflated for the second year. These numbers and the calculations were thought to be more user friendly, and to make the paperwork easier. Rep. Delzer has a problem with re-projections as a matter of principal. Mark explained how the rates for extended family care and extended family care room and board were set, by provider costs and inflationary rates allowed by the legislature. Their costs are received from the providers and their year end's are different. The department looks at the provider costs and an audit report, begin with actual costs and historical past data. Supplies, food and salaries are all increasing costs. They then give the providers a budget to begin with. They will be giving some turn back. They are able to spend within the lines of the budget).

(The committee moved to a new subject, the ISLA tables. Colleen explains why the units show up different. The unduplicated count averages must lower than what is budgeted for the 01-03 biennium. The unduplicated count, numbers appear to be higher than what is really happening. They coordinate with the DD center. The committee discussed the numbers of clients in the DD centers, and how the projected numbers are arrived at, and what the actual numbers are. They discussed how they account for persons added into the system and those dropping out of the system.)

(Rep. Delzer asks to discuss swap. Mark explains swap, and that they pick up the costs and the paying end of the swap. They pick up the county share. This money is not going to the county, they used to pay this share. The counties do not put this in their budgets. Lawrence Hopkins, fiscal administration, explained that the counties don't put this in their budgets. 3,487 persons receive case management. Colleen reminds the committee that each account is built on

different numbers, goes back to the unduplicated counts. Colleen handed out document #2 to try to show the projected caseload/rates, and explained it.)

[tape #1, side B]

(Mark explains that growth is limited next biennium, the numbers are closely looked at, and growth is built into the table. They did not even budget growth or movement out of the Grafton DD center. Mark goes on to the re-projection summary. In the governor's budget they projected an occupancy rate of 97 ½ %, except for children's, which was looked at what was being paid at the time, re-projected budget the looked at the actual %, which comes to about 96.%. The rates increased possibly due to the rate increase or the number of persons. Arvy, from OMB, gives an explanation that might help, regarding how they calculated the budget for the governor, and then the re-projections that are back in now.)

(The committee went on to discuss the family subsidy table, that the unites paid for changes, that the budget is not near paying for the number of persons, and that they have backed into these numbers and projected from that. This is not medicaid eligible, they are not paying for a provider, and this is 100% general fund service.)

[tape 1, side B, 2300] Chairman Svedjan: Expresses his concerns that this is like a bottomless pit of money, that whatever state dollars you can put up against the federal, you can get as much as you want. There is no incentive to keep costs down, to keep the cost of providing the service down. It builds and builds. The higher the costs get, with the inflators applied to them, the higher it gets yet. Would like to see this capped.

Rep. Delzer: Comments that there has to be a limit as to what the state can pay.

Mark: Says that there are some limits on family subsidy. The client needs are driving their spending.

Colleen: There is some talk about reevaluating the system and the changes to be made. They are in the very beginning stages of the evaluation.

(The committee and Mark discussed copays and that the copay is built on the philosophy of ability to pay, the incentives are to keep the children at home. Rep. Kempenich says that families are not gaining revenue from this program. They are just trying to cover some costs and the committee needs to be more humanitarian. Rep. Svedjan says that there is only so much money. Mark reminds the committee that emergency services are usually a one time cost.)

[tape #1, side B, 3477] (The committee quickly covered the OAR's, #102 was restored, was funded. #104 was restored, not funded. #107 was restored, inflation was added. #113, not in the budget, not in the re-projection. This if Family Care, a new program, no general funds, except the state medicaid funds. A handout was given #3, regarding the Family Care Program, which is a result of state wide meetings with families. The proposal does fit with medicaid/ medicare requirements of waiver services. This can be partially funded. #116 repeals the copay and was unfunded. #121 was not funded and #122 was not funded, these were the lowest priorities in the request package. Rep. Kerzman would like to see if these can be funded. Concludes the DD portion of the budget).

[tape 2, side A]

(Mike handed out a couple more papers, these numbers are not in the budget. Some discussion on these handouts, 2% and 3% inflation options. OAR #259 was not funded, all general funds, no federal funds.)

[tape 2, side A, 429] Chairman Svedjan: Moving on to the Vocational Rehabilitation part of the budget. The committee had discussed previously the FTE's.

Gene Dishman: Went through FTE position numbers and where they went. These numbers were from the organizational chart previously distributed. He handed out papers #6, and #7 line by line budget items.

[tape 2, side A, 650] (The committee went through salary lines, travel lines, software, supplies, postage, lease-rent-buildings, dues and professional development, training, and operating fees and services. They went on through repairs, professional services, printing and professional supplies. There were reductions in medical dental and equipment. Office equipment is a loan library for vision impaired on a funding split.)

[tape 2, side A, 3150] (Committee, Colleen and Gene Dishman discusses the grants line item. In the area of older blind the current budget is understated in the report. They went to the emergency committee for more money. That was because of a change of being a discretionary grant to a formula grant. Older blind is a 90-10 split. The number in the executive budget includes federal and state dollars. Client assistance is all federal funds. There are 4 different contracts for rehab services with 4 regions. That is a 78.7 - 21.3 split, all the funds are being used. Explains that this does not include the emergency commission money that would change this figure. This funds the bulk of Voc. Rehab and employment. Jim Leary of Voc. Rehab explains the contracts. And who they are with. SSA reimbursement are federal funds collected from SSA to reimburse the state for payments previously spent. Because they are federal funds they will not show up as other funds. The committee discussed independent living at length yesterday. There were also emergency funds added to correct the budget, all federal funds. There was one emergency request, with 3 areas affected. Extended services are all general fund moneys. Rep. Delzer questioned why only $63,500 were spent in the first 16 months, and in the next 8 months $107,000 would be spent. Will they have to go look for expenses? Jim Leary

answered that no, it just appears to have happened that way. The department ties to conserve these funds as long as possible. They have been extending the client time in other areas to keep the draw down of this category as late as possible. Supported employment is 100% federal funds.)

[tape 2, side A, 5165] (Committee goes through OAR's. #235, independent living, discussed earlier. #244 denied. #245 denied, restoration of funds for assisted living. Rep. Kerzman says #244 was funded, but answered that should be #235. After some discussion, the committee was told that #119, #120, #123 are for the Development Center, and will get that information later. They completed the review on Voc. Rehab.)

Allen: from LC answered a question from yesterday regarding ambulance services, that is a permanent line, HB 1038 from last session.

A handout on co-pay requested by Rep. Delzer was distributed.

The chairman closed the hearing on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: THURSDAY, JANUARY 25TH, 2001

Tape Number	Side A	Side B	Meter #
1-25-01 1012	**X**		**00-6240**
#1012		**X**	**00-5508**
Committee Clerk Signature Micki Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

00-Chairman Svedjan: We will call the section back to order on **HB 1012.** We will proceed with **Developmental Disabilities Council.** If you're looking for it, it is page 22 of 131.

24-Tom Wallner: Executive Director of the State Council on Developmental Disabilities. (attachment #1 and #2) What I've handed out to you (attachment #1 and #2), is a comparison of our projected expenditures for the current biennium with the executive budget recommendation.

178-Chairman Svedjan: The entire budget is all federal funds. Your FTE's are remaining the same, 1.3?

203-Tom: Yes, that FTE is one full time Executive Director which at the present time is me. And then .3 for a secretary, who we share with the State Office of Vocational Rehabilitation.

239-Chairman Svedjan: You have explained that there are the variances that occur. In some cases you over spend your budget. And in many cases you're under your budget, and that you have authority to spend within the line items.

277-Tom: Yes.

300-Vice-Chairman Delzer: Is this federally mandated and what is it exactly that you do?

317-Tom: The DD Council is a program authorized under the federal Developmental Disabilities basic state grant program, there are three components that DD asks. One is P&A, another is the University Affiliated program which is at Minot State University and the third is the DD Council which administers the basic state grant program under that act. DD Council serves as a policy advocate and in that capacity we fund a number of grants under 4 priority areas that are mandated by the DD act.

432-Vice-Chairman Delzer: Why is this not part of the DD, what makes it so that it needs to be separate?

442-**Tom:** The DD Act, that authorizes us to Federal Legislation calls for separate council that are atominous and separate from the Disabilities, the Adult Mental Disabilities service providing ennities of state government.

469-Vice-Chairman Delzer: Are you serving the same people or different people?

473-Tom: The target population is people with DD. To that extent I would say there's probably some over lap in terms of the people we serve.

516-Vice-Chairman Delzer: Do all the other states do this?

520-Tom: Yes, every state does have a DD Council to participate in the Basic State Grant program under the Federal DD Act.

550-Chairman Svedjan: The funding that you get, does it come in a block grant form or are each of these grants separate from each other?

567-Tom: It's not a block grant, a categorical grant, with the specific purpose of funding the Council.

583-Chairman Svedjan: Do the grant's lines also allow you to commingle those moneys?

621-Tom: Yes they do. The DD Act provides funding for us in a lump sum and we are required to allocate a minimum of 70% of our state allotment towards grants, the remaining 30% is for operating and staff salaries.

711-Chairman Svedjan: If you have a situation where you don't spend your Federal authority, so those funds just stay in the US Treasury?

725-Tom: We have never turned back Federal money. We have a two year obligation and a three year liquidation period to expend those funds.

767-Chairman Svedjan: Q? Thank you Mr. Wallner. On to the **State Hospital.** We will be working off of the blue sheets. Mine doesn't start with Salaries and Wages. **1046-** Can you tell the committee just a little more about that Arvy?

1018-Arvy: That's because they're in a lump sum, they're not on a special line item, so you see nothing in salary or operating. **1057-** Last session the Legislature moved it, and what that does is puts it into a special line item, and that is the level of quality and control and in the bill it is broken down.

1133-Chairman Svedjan: So when we look at the total FTE's, the $511,000, is that just the State Hospital?

1152-Arvy: Yes.

1180-Chairman Svedjan: You said this and I missed it. The salary dollars that are reflected on the State Hospital sheet are only the State Hospital salary dollars?

1192-Arvy: Yes.

1205-Vice-Chairman Delzer: This is some of the stuff that Alex provided to us in the overview. Do you have this page?

1233-Alex Schweitzer: Department of Human Services, Superintendent of Institutions. Yes, you're talking about attachment C, we provided this in the overview. It's a summary.

1246-Vice-Chairman Delzer: That is of what you built your budget and is this what went to the Governor's office or came back out, or were there changes?

1260-Alex: It includes what went to the Governor's office and Executive office. (attachments #3-#6)

1314-Chairman Svedjan: Let's start with **Capitol Improvements.**

1327-Alex: Also, with your indulgence, may I hand out some requests you made during the overview? It's a copy of the average length of stay that you had asked for. This is just a summary of projected expenditures. Mr. Gene Wahl is the Chief Financial Officer of both Institutions is here as well. He was involved in putting the budget together.

1683-Chairman Svedjan: You must have patients that move within these wards?

1690-Alex: Yes they do.

1784-Chairman Svedjan: Is this basically psychiatric?

1788-Alex: Some chemical dependency, but mostly psychiatric disorders. There are 8 kids in the program. And then the TL program (Transitional Living), is more of an independent program. It is broke down on the sheets and then after that it showed by every ward that we have within the Hospital.

1946-Chairman Svedjan: Just by way of comparison, looking at 99', the TL you had 155 day length of stay, then it dropped to 93 and now it's 71.

1966-Alex: That variance will be sometimes because of a type of a resident you get, they just are more difficult to deal with.

2017-Chairman Svedjan: Your Adult Psychiatric, that moves around a lot also.

2039-Alex: Again, the little bit of growth that we've seen in 99' seems to be consistent with what our Doc.'s are telling me and that they're seeing much more difficult people.

2106-Chairman Svedjan: With your earlier testimony, you did distribute this, that's the capitol improvements? **2120-** Could you run over that again?

2114-Alex: Yes. **2126-** These are listed by priority. The landfill closure which we've been asked by the EPA and Health Department for a number of years to close it, we don't utilize it anymore. There's concerns that it's located close to the James River, so that's our top priority.

2177-Chairman Svedjan: You say you've been requested to fill it? Is it a request or a requirement?

2191-Alex: It's actually a requirement. They've given us waver after waver for quite a while. The money is from the IGT fund. The 2nd priority is to do some roof repairs throughout the campus.

2274-Chairman Svedjan: Are these based on your own estimates or have you actually taken bids?

2285-Alex: They're based on our estimates.

2342-Chairman Svedjan: Do you charge anyone for using those facilities?

2349-Alex: Anytime that there's a utilization of the interactive video network, there is a charge and I'm not sure what we do with Valley City?

2378-Chairman Svedjan: The reason I ask is that we see that between and among agencies there is a lot of rental charge that goes on.

2392-Alex: They provide all the computers for the classroom. The majority of the building is utilized by the Hospital. That's about $94,000. The statewide Psychiatric Nursing Ed building, this is the program that we talked about where the student nurses from all the colleges' in the state of ND utilize that facility. That building belongs to the State Hospital and by Legislative intent, it was built in 1959, specifically for the use of providing nursing ed. for all of the state universities. This $295,000 is for some ventilation and mechanical update. Nothings been done in that building since 1959.

2506-Vice-Chairman Delzer: Your Asbestos abatement, have you used up all the funds you got from the lawsuit?

2524-Gene Wahl: Yes we have. It was about $67,000 that we used to remove the asbestos in the Nursing Ed building.

2552-Vice-Chairman Delzer: That's all? .

2554-Alex: That was the only building included in the lawsuit.

2562-Vice-Chairman Delzer: Which buildings are you doing here?

2571-Gene: We have an asbestos ????, where we're removing asbestos. Most of the asbestos in this budget is in the utility tower, it's coming off of the pipes.

2636-Alex: The bond payment shift is $566,000. It gives you a total of 1.6 with general funds at 1.2.

2662-Vice-Chairman Delzer: That bond payment shift, that's not anything that we have a choice on, so why is that not your #1 priority when it's in your budget and it's got to be done? A bond payment, if you got to do it, it should be #1.

2686-Alex: It's not actually a capital improvement. What I tried to do with the priority list was to show you was actual capital type of improvement. It could be #1 and I wouldn't have a problem with that at all. The bond is a capital expense.

2779-Rep. Kempenich: On this landfill, what did you estimate it was going to take? Did you ask the Guards?

2800-Alex: Yes, we asked the Guard to do it. In order for them to do it you have to get signed off from the associated general contractors and they refused. It's state law. We're going to half of this work. We have some staff that have some equipment.

2886-Rep. Kempenich: How big a area is this? That's a lot of dirt removal.

2895-Alex: It's a pretty large area. 15-26 acres. It's a landfill that's been used by the State Hospital for 50-60 years. They have allowed us the last few years to throw some of them demolition materials away.

2954-Chairman Svedjan: Is this technically a landfill or is it a dump?

2977-Alex: I'd call it a dump, but the Health department calls it a landfill.

3002-Chairman Svedjan: Is it exposed?

3006-Gene: This landfill is right on the side of a hill. The concern with the Health Department is back when that landfill was used by the SH, the stuff was covered up by dirt. Whenever we have drainage, it drains right down into the James River, and that's the health concern. We did get bids to have an outside contractor come in, we're talking about $770,000.

3090-Rep. Kempenich: What are they going to do, put some type of a draining system around the landfill?

3101-Alex: I understand they're going to cap it somehow, with the use of dirt and clay.

3275-Vice-Chairman Delzer: When was the request of the general contractors made?

3285-Gene: About 6 months ago.

3317-Vice-Chairman Delzer: My reason for that is with the amount of money that came in to the highway situation last time and again, is there any appeal process? I guess I find this a little bit surprising because they seem to be as busy as they can possibly want to be.

3359-Alex: We can check the exact date but I know it was rather recent because as we started putting the budget together, of course we wanted to find out if there's a way to get this accomplished by the National Guard, they were looking for projects.

3385-Vice-Chairman Delzer: That would be done within their budget then. Maybe we should look into that statute and see if there's an appeal process.

3413-Alex: I'm sorry, I do have the letter. It was actually November 16th of 1998.

3463-Vice-Chairman Delzer: Did the letter state in there that you're very much afraid there's not money enough in the budget to do it and request their variance?

3489-Alex: That's what we asked for. We mentioned the fact that we're going to the Guard because of the fact that at the time we were looking at our guys not even doing much with it and that price tag was about $800,000. So we just didn't have the money to do that.

3542-Rep. Kempenich: I think you should run it up the pole again and see what they say. A lot of things have changed in the last 2 years.

3581-Alex: I wouldn't have a problem doing that. We certainly can ask.

3680-Chairman Svedjan: All of it comes out of general funds except where the landfill is now and that's the IGT money. About these estimates, how good are those estimates? And do you build contingencies into these?

3729-Gene: We're talking roof repairs of $100,000. This is a continuous estimate because the roof needs repairs every biennium.

3779-Chairman Svedjan: So this isn't associated with a particular project, it's just that you got money built in to repair the roof?

3795-Alex: We do get some square footage cost for service material, and some square foot cost for insulation. We usually ask our head engineer to do that, and then we try to figure out what we anticipate what we need to repair, and then we use that number. The most recent is about 50 sq. Ft of insulation. **3911- FTE/Capital Operating Comparison:** (attachment #7)

4278-Chairman Svedjan: The continued current programs, what is that column?

4300-Gene: The continued current program are basically the adjustments to get to the hold even budget.

4332-Chairman Svedjan: So then you get to the hold even, do you also have numbers that show spending to date?

4351-Alex: Yes, that's the handout I gave you today. (attachment #8) 16 months. On to **Salaries:**

4517-Chairman Svedjan: It looks like you're coming in a little under. **4544-** You're showing a decrease of 12.1 FTE's. I know some of those have been transferred into other area's of HS.

4525-Alex: Yes. **4581-** Not those 12, those are just eliminated.

4672-Vice-Chairman Delzer: It was close to 20 that we moved out last biennium.

4687-Alex: There was an alcohol program, we closed it.

4873-Chairman Svedjan: What about your temporary and overtime. You're bringing that part of the budget down.

4919-Gene: We budgeted it as far as temporary and overtime. Yes we budgeted $203,000, our current spending rate in the temp line item, at least when the budget was built, it was $292,000. We used temp. staff to fill clinical gaps in nursing.

5055-Chairman Svedjan: Is most of that temp.?

5069-Alex: Most of it is temp. and shift differential.

5243-Chairman Svedjan: Benefits, that reflects the proposed adjustments?

5251-Alex: Yes.

5289-Chairman Svedjan: On to the **Operating Lines: IT Data Processing:, IT Telephone:** I see you're working to bring these costs down. Q? **Travel:** You're coming in quite a bit below what your budgeting for the next biennium, what explains that?

5462-Alex: Our Travel budget is made up of two different chunks of money: we got our fleet services, which is for the license of a hospital vehicle, and are driven approximately 430,000 a biennium. When we built our budget, we contacted Fleet services and realized at that time the gas rates were high, they projected it at a 30% increase in our fleet service rate. Our total budget increase in the end for the new biennium compared to the old one is only up by 2%. Also decreased other travels to make up a good chunk of that 30% increase. Most of this travel is taking patients to medical appointments, hearings.

5749-Rep. Warner: I'm a little bit surprised to hear that you're responsible for transporting them to law enforcement hearings at all.

5777-Alex: Preliminary hearings are the Sheriffs responsibility. We have some responsibility if they have an appointment with an attorney, or medical. **Utilities:**

5863-Rep. Kempenich: What is your power plants, natural gas?

5874-Alex: Natural gas, coal or ??? The main boiler works off of natural gas.

5953-Gene: The reason why utilities have gone up so much is because the DOCR utility needs will be about $190,000, and I have a break out of that revenue budget as well as the natural gas. We contacted the natural gas company to get their best guess as far as what our utility rates

would increase, their projection was 22%. Natural gas in Dec. was in the low $20,000, this Dec. It was $60,000.

6105-Chairman Svedjan: Do you also have your own generation power for electrical?

6116-Gene: No. We have 2 providers.

6204-Vice-Chairman Delzer: When you look at your spin down, you only used 15 months, but I would guess that was actual at that time? And your projection of 1.1 which is actually less than your budget this time?

6240-Gene: With our utility, especially with the electric, those billings go through Denver.

00-Vice-Chairman Delzer: That's OK but you had the actual billing all the way through for 15 months, that's 740?

09-Alex: Yes, that's 15 months and it was 1.1 million.

21-Vice-Chairman Delzer: 1.1 is calculated out.

27-Alex: Yes, projected.

32-Gene: That's at the current utility rates. We negotiate our natural gas prices.

73-Vice-Chairman Delzer: when do you negotiate that?

76-Gene: We negotiate every biennium.

99-Rep. Warner: Your utility rates when you negotiate for a biennium, are you able to lock in with that rate for biennium or is it fixed to some standard which varies?

139-Gene: Usually in our contracts we have a 30 day out on a contract.

172-Chairman Svedjan: **Postage:** You're projecting to be way below what you're budgeting.

182-Gene: What happened this biennium was we have some postage equipment, we do a lot of mailings out of the State Hospital, therefore the Postal service provides us with some postal equipment. One thing they asked us to do to have that postal equipment free of charge is when

we buy postage, to buy $10-15,000 at a time. Just prior to the end of last May we ran out of postage and tried to hold off till the new biennium, but we didn't, so we ended up buying $10,000 worth of postage right at the end. So our usage is higher than the expenses. We have purchased $15,000 worth of postage since these projections.

257-Chairman Svedjan: So had it all fallen into place when this was prepared, you would be at about $40,000 rather than $15,000?

270-Gene: Yes. On to **IT Contractual Services:** This is our on line library services. On to **Lease Rent Equipment:** This is pharmacy, IV pumps, cable TV for the patient area's, oxygen concentrators, video's for kids, engineering rentals: power tools.

535-Chairman Svedjan: How about your building rental?

545-Gene: We rent some land from the Jamestown resevore where our patients to go out, and they charge us $80.00 a year. We also rent propane tanks, milk crates, and booth and room rentals for conferences.

639-Chairman Svedjan: **Dues and Professional:** Would you have the same for operating fees and services, a break out? While we're waiting for the copies, let's take a short break. **762-** OK, we have your handout #9. It's obvious joint commission requires at least $29,000 total.

794-Gene: We do contact again like Western state, hospital association to get their best guess of what the dues will be. The $172,000, staff development, we budget $250.00 per employee for staff training.

924-Vice-Chairman Delzer: Your hospital is unique, what is the values to the ND Hospital Association and the ND Long Term care?

940-Alex: ND Long Term Care, the $500.00 is essentially gets us a break on their workshops.

975-Gene: We're a member of the hospital association and because we're a member we can also be a member of the advantage purchasing group. We get discounts on many of our medical drugs and so on. We save from $100,000 to $200,000 a biennium.

1053-Chairman Svedjan: Is this the only purchasing group you belong to?

1057-Alex: Yes.

1059-Gene: Other than the State contracting system. **Operating Fees and Services:** We have annual service awards, sheriffs fees, contract with ALPHA, patient allowance, land taxes.

1303-Chairman Svedjan: **Repairs:** These will be repairs other than your capital type improvements, so is this an on going maintenance line item for you? So is there a dollar amount attached to what goes into this line versus capital improvement?

1339-Gene: Yes. In this item we use repairs such as a contract to repair elevators, pest control contracts...

1403-Chairman Svedjan: **Professional Services:**

1410-Gene: The reason for the big jump here is, included in our budget for the first time is a contract for Progress Enterprises. The previous one is in the Karen Larson's budget, and that was transferred to the State Hospital, and that's $223,182.

1478-Chairman Svedjan: What was the Progress Enterprises #?

1497-Alex: We have contracts with Dakota Clinic for physician services of $203,520.

1529-Gene: I gave you the #'s before.

1597-Rep. Warner: Do you share the same dentists?

1607-Alex: It's very difficult to get dentist's to work at the State Hospital.

1684-Chairman Svedjan: **Insurance:**

1690-Gene: The reason the insurance has gone up is because the department of HS has our risk management program. We budgeted $67,288 for the risk management program which previously was not in our budget.

1725-Chairman Svedjan: Otherwise it's your liabilities.

1729-Gene: Other than that it's boiler insurance for $60,243, Fire and Tornado insurance is $79,000. On to **Office Supplies:** is simply calculating out at no inflation. On to **Printing:** We do our own printing. It's also paper supplies, dietary paper products. **Professional Supplies:**

1952-Gene: In this line we have spray for weeds-$12,000, print shop chemicals-$984.00, testing material for site testing program-$10,076, audio visual tapes-$8,022, educational supplies-$12,896, periodical subscriptions-$46,144, books-$22,090, cleaning chemicals-$6,864.

2020-Chairman Svedjan: With the bill that we passed out of the house where you're selling some land in the city of Jamestown, how many acres was that again?

2041-Alex: 53 total acres.

2063-Chairman Svedjan: But you still have a lot of acreage.

2068-Gene: Yes, but we have just a little bit under 3,200 acres in the hospital.

2076-Chairman Svedjan: Some of that's till able, right? **2086-** So that shows up as a revenue?

2080-Gene: Yes, we lease a lot of it. **2089-** Yes it does. **2106-Food and Clothing:** Our budget is actually down 2.2%. That includes groceries, meat, food supplies, dry goods, incontinent briefs, and patient clothing. Those numbers are all based on what our expense level was at the time. **2208- Medical, Dental and Optical:** The big item in here is the drugs. You got $1,264,000 built in our budget for drugs. That's up $110,000 for the current biennium. As well as lab supplies, we got $212,000. Optical supplies, $3,000, Dental supplies, $1,200, etc... The drug budget being $1.2 million.

2313-Rep. Kempenich: Do you get rebates on these?

2323-Alex: We have contracts because of our association. We're trying to take advantage of every discount that we can get in terms of pharmacy. Psychiatric drugs are expensive.

2373-Chairman Svedjan: There's no restriction to prevent you from moving to generics, is there?

2380-Alex: No, as long as our medical staff approves it and they look at these as far as their effective for patient treatment, they don't normally have a problem with it.

2395-Chairman Svedjan: You mentioned before that you receive a lot of benefit with your membership to the advantage purchasing group. But because of the significant number of Medicaid dollars in the State Hospital, is there any way you can purchase drugs through Medicaid to give yourself a larger break or not?

2426-Gene: That's something we'll check into. **2509- Buildings and Grounds:** This is our recently new Plant Director, plumbing supplies, janitorial supplies, paint, road, vehicle repair parts, electrical supplies, misc., metals, lumber, cement, seed, fuel and oil, and hardware.

2703-Rep. Warner: I know that James River uses some of their inmates as labor for painting and things like that. Do you access their labor pool?

2717-Alex: We can not, because of creditation during commission would not allow us to mix prisoners with patients in the hospital. We would lose our Creditation and that would mean that we would lose Medicaid and Medicare payments. We have saved on some costs by using inmate labor in the laundry area, because it's located close enough to the prison where we're bringing them across and providing a free service for them in terms of labor. There's no patients in that area, so we can do that.

2843-Gene: **Misc.:** We've got big items, equipment under $750.00, small furniture, TV's, VCR's, chairs, file cabinets, dishes, small tools, laundry supplies, recreation supplies, arts and crafts.

2933-Chairman Svedjan: **Office Equipment:** So here we're talking about equipment that's greater than $750. You've lumped these 2 together. We have 2 different lines here.

3141-Vice-Chairman Delzer: Why is some of those 2 you've spent so little this biennium, when you had so much budgeted and it's still the same way, did you use that as roll up dollars?

3165-Gene: We have just recently approved about $60,000 worth of equipment purchases.

3246-Chairman Svedjan: Q? With regard to your split of funding for this, $32 million, general funds? Federal is mainly Medicaid dollars?

3296-Gene: Yes, federal is all Medicaid dollars except for $3,940 for HIV testing. **3333-Special funds:** collections, third party payments, land rent, room rent, sale and salvage, dietary meals.

3364-Alex: We have a schedule if you would like that. That will break out for you what the other funds are about. We have the DOC as well.

3462-Chairman Svedjan: What would you like to look at first?

3474-Gene: The DOC. (attachment #11, 12, and 13) This is the share of the utilities.

3570-Alex: The Tompkins Center is a revocation program that we partnered up with the DOC. They provide the alcohol and drug treatment program for the few that have been revoked because of parole or probation violations. They're housed at the Stutsman County Correctional Center. We do the treatment.

3628-Gene: The other sheet is basically we went through and at the time the budget was built, projected what our current collections were in these various line items, and projected that out for a 2 year period with no inflation.

3673-Chairman Svedjan: This is chemical dependency? CD?

3688-Gene: Yes.

3693-Chairman Svedjan: So the training here is for training these people? **3753- Revenue projections:** Committee, do you see the disproportionate share? The $3900 for HIV, all the third party payors. Estates, would that be people who are leaving money to the organization?

3821-Alex: It's collections from people that owed the state.

3842-Chairman Svedjan: How hard do you work your accounts on the private pay part?

3857-Ken Schultz: **Works with the collections officer:** We send out several statements, if they don't respond then within 90 days we have the collection officer contact them, if he can't get anywhere, we turn the account over to collection agency.

3938-Chairman Svedjan: The collections agency keeps what %?

3943-Ken: I think it's 30%. I'll have to check that.

3972-Chairman Svedjan: Q? What you show is room rent, is that a State Hospital related number.

4000-Alex: Employee's building that we rent out to the staff.

4032-Rep. Warner: Where do your student nurses live and are they charged what other institutions charge?

4047-Alex: They live in the State of Nursing Education Dorm, the 2nd floor is the dormitory.

4072-Gene: They do pay $5 a night.

4102-Chairman Svedjan: Q? Hearing none, that takes care of our review of the State Hospital budget. I want to commend you for the job you've done on this budget, I think you're exhibiting a real effort to run this place as a business. You're trying to control your costs, and we appreciate that. You're supporting documentation to is very helpful. Thank you Alex.

4229-Vice-Chairman Delzer: The under funding in the vacant positions, did you do that just at the hospital or is that just their share of what you did to the whole department?

4253-Arvy: We put that salary under ??? And then the vacant positions adjustment was lost. There were a number of vacant positions at the State Hospital and we considered to link those in. We did leave the FTE in there.

4353-Vice-Chairman Delzer: I too think you did a pretty good job, but you know we still have to look at how much our general fund cost is on the State Hospital for the number of people we have. I think we probably talked about this before but, have we pursued any more of industrial uses on the campus or renting any buildings out or anything? I know you're selling some of that land for industrial park. Do you hope in the future to be able to lease some of your land or have some revenue from that?

4427-Alex: We lease out all the property that we have available. It is utilized for filling, crops or for pasture land.

4462-Vice-Chairman Delzer: What is your FTE for grounds?

4471-Alex: We have 4 FTE's on the grounds area. We have one building that is not being utilized now. It would be available for use beyond the needs of the hospital. The prison has taken most of the vacant buildings that we have. We have one building that is 4 stories that is the only building that would be available to rent out.

4654-Chairman Svedjan: Back to vacant positions, do you still carry quite a number of vacant positions?

4686-Alex: We have 12 positions we're actively recruiting, and we have 5 that we're holding for anticipated growth in the sex offender program.

4899-Chairman Svedjan: Do you have any idea of how many of those positions you're assessing right now?

4909-Alex: Looks like 8.

4967-Chairman Svedjan: Any OAR's?

4983-Alex: We had 2, but they weren't funded. We have no OAR's.

5031-Chairman Svedjan: Q? We'll close our work on this today. We'll pick up here tomorrow at 10:00 am. and then probably start with West Central because they're here in town.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: FRIDAY, JANUARY 26TH, 2001

Tape Number	Side A	Side B	Meter #
1-26-01 HB 1012	**X**		**00-6223**
#1012		**X**	**00-2333**
Committee Clerk Signature Micki Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

00-Chairman Svedjan: We now call this section to order on **HB 1012, HUMAN RESOURCES.** Roll call: We have a quorum. We will proceed with the overview of the **State Hospital.**

73-Yvonne: Early on you asked about the cost of the State Hospital and the HSC's, if they're related to what's been happening with outside fees being served in the community. The table, (attachment #1) that I'm going to go through with you helps analyze it. Table A takes actual costs at the State Hospital (SH), and it takes the HSC cost for addiction treatment services and services to seriously mentally ill people, plus the cost center that has the Medical Director and all of the Psychiatry in it. These are the actual costs except for the removal of Capital Improvements

from the SH. We took those #'s and used the CPI, (consumer price index) to inflate that to go up to 01'-03' in order to be able to see what our costs would have been at those 2 types of services.

524-Vice-Chairman Delzer: Is there any cost that would be related to DD, VocRehab, that would not be showing up here?

540-Yvonne: There could be.

575-Vice-Chairman Delzer: But some of them that are out in individual living, that wouldn't show up here?

584-Yvonne: No.

650-Rep. Warner: If you had used a multiplier, your savings would have been much larger, right?

666-Yvonne: Yes. (refer to attachment #1)

Rep. Warner: Since you've gone to mandatory sentencing of the penal system, and especially mandatory life sentences for repeat offenders that some states are experiencing significant numbers of criminal populations and that extremely old age that are in need of nursing home care. Do we have criminal geriatric units?

964-Yvonne: Not that I'm aware of. **1283-** When you do all the plus and minuses, you're going to end up with $53,000 over in that increase/decrease equivalent that isn't spread and that's almost 1/10 of 1% and it was due to rounding.

1267-Chairman Svedjan: Q? Shouldn't the plusses and minuses equal the difference between 44 million and 53?

1328-Yvonne: The plusses and minuses should equal 0. Because what they are is what is the difference between 8.7 and 7.9?

1372-Chairman Svedjan: Q? Thank you Yvonne. OK, we will proceed with West Central, (WCHSC)

1449-Tim Sauter: **Regional Director of West Central Human Service Center** (attachment #2)

1456-Chairman Svedjan: We have your expenditures to date? **1510-** We'll first look at your FTE's, you're going up 2-1/2 , one is child welfare county supervision, one for mental health substance abuse, SMI, and .5 for needy case management. Are any of these transfers from anywhere else?

1555-Tim: The fTE for the child welfare, again I have staff that's working 10-20 hours per week of over time. We have a 250 foster care placements that they monitor on an on going basis. 150 annual licenses for foster care plus we anticipate about 38 new foster care licenses a year. There are three residential facilities that they monitor, two of which they license and one is they do a review of but, because it's on the reservation they don't have a license. So this is why I requested the position for the child welfare.

1666-Vice-Chairman Delzer: Is that in a form of a OAR?

1673-Tim: Yes. #219-yes, #226-yes, #228-yes.

1813-Vice-Chairman Delzer: Why is the split so different? What is a County Supervision Social Worker?

1865-Tim: The staff and the child welfare programs do is technical assistance regarding regulations plus they chair the different teams, permanency planning and those type of committees. They don't do the town's social work.

1913-Vice-Chairman Delzer: How many do you have and how big a caseload?

1920-Tim: OK again, we have 2.7 currently assigned to that unit. They don't have caseloads like therapists do because most of what they do is supervision, technical assistance, and those kinds of things. They do monitor all these different things like the foster care, different kinds of licensing.

1981-Vice-Chairman Delzer: What I'm looking for is something to compare the workload to the other centers same type of personal.

1996-Tim: You'd have to compare those to the regional rep.'s from the other HSC's.

2005-Vice-Chairman Delzer: I need something to compare it to.

2008-Yvonne: We could provide you with a schedule that'll show you how many FTE's in each region.

2023-Vice-Chairman Delzer: We need some sort of common thing.

2054-Yvonne: We don't supervise the county staff, we supervise the programs, because the state law makes us responsible. We delegate the task's to them to administer the services.

2116-Vice-Chairman Delzer: For the reach and the cases that these people are actually over seeing.

2126-Tim: There's about a thousand child abuse and neglect cases that these people supervise.

2135-Vice-Chairman Delzer: When you say that you're saying solid cases or possible cases, are these the people that actually go out and decide whether or not somebody is liable for neglect and abuse? Is that what we're talking about here?

2163-Tim: Generally the abuse and neglect reports go to the county or depending on where it may have occurred. The counties would do the investigation and then meet as a team to review whether or not neglect or abuse occurred. Our person chairs that committee, and is part of the team making the decision.

2234-Chairman Svedjan: How many counties are in your region?

2239-Tim: We have 10 counties.

2244-Chairman Svedjan: So of the 2.7 you have now, they're dealing with 3 plus counties each.

2256-Tim: Yes. We will rotate that staff throughout so that everybody has some exposure to different counties and staff. They're working 10-20 hours overtime to meet the demands.

2299-Chairman Svedjan: If they're providing technical assistance and supervision, are they actually supervising the people who are providing the direct services?

2315-Tim: No, They're supervising the programs in compliance with the law, rules and regulations.

2350-Chairman Svedjan: You found it necessary for some reason to add some more technical supervision to the counties. But the 2.7 you have now aren't able to cover all of the aspects of the job that are required?

2376-Tim: Yes, and we are the licensing agent for the daycare, foster care, and etc...

2431-Arvy: I was just going to point out that we had funded a similar position in SEHSC, so you can compare it.

2472-Vice-Chairman Delzer: What about the money split, why is it so much general funds?

2477-Arvy: It depends on which federal grants you funded.

2503-Tim: As she was saying, the county supervision does not generate revenue, however, we are able to get some reimbursement or funding through foster care, and also some through title 19, for some administrative kinds of things. That would be proportionate to what we're allowed to build up the Federal Government. **2614-** The second position is for Mental Health and Substance Abuse, which is a SMI case manager. We've had a major increase in the number

coming to the center for those services. We went from 858 in 97' to 1,040 in 2000', which is about a 38% increase, and we've had 11% in the last year. Based on the continued demand, I believe we're at capacity to serve those individuals with existing staff.

2692-Chairman Svedjan: Does this position in any way relate to the Manchester House?

2699-Tim: No.

2710-Vice-Chairman Delzer: Wasn't WC using case aides instead of case managers?

2719-Tim: Yes, we try to utilize case aide services as much as possible, which has allowed us to absorb some of this increase in demand without actually adding any FTE's but there's only so much services that the case aides can do, they're paraprofessionals.

2818-Chairman Svedjan: Q? Let's look at the .5 for DD.

2833-Tim: We've had 19 on a % increase in referrals or people who are receiving DD services since 1997. We've had an actual 10% increase this past year. We've gone from about 811 in 97' to 891 this passed year.

2894-Chairman Svedjan: Are any of these positions currently working as temp.'s?

2901-Tim: This would be a new position and we're not utilizing any temp.'s at this time.

2916-Chairman Svedjan: Are you experiencing over time in the latter two area's like you are in the first FTE you requested?

2931-Tim: We are not currently experiencing any over time, but I think we are at capacity.

2951-Chairman Svedjan: Is that true for both of them?

2953-Tim: Yes.

2981-Chairman Svedjan: Do you have some indication that you're caseloads are going to continue increasing. If you're at capacity, it sounds to me like you're handling it.

3001-Tim: I do believe we're at compacity. I'm anticipating the numbers will continue to grow. (attachment #3)

3622-Chairman Svedjan: Q? On this vacancy report, I see that you have one FTE that's been vacant for 8 months. You're assessing the most critical need for the position. $107,000 in general funds. That position is in the budget, right? What's the status of that right now?

3702-Tim: We're continuing to assess what is the best utilization of that position. The position is the Assistant Director, that's the position I vacated in May. Basically, I'm in the process of learning the Regional Director's job, and I'm trying to assess if I'm able to function without having an assistant director.

3820-Vice-Chairman Delzer: Do you have an easy organizational chart to look at?

3835-Tim: I can get that.

3889-Vice-Chairman Delzer: How much do you use your board? Do you use your board at all when you're building your budget, do you discuss with them what is needed and what isn't.

3931-Tim: We have had discussion with our regional council, they are supportive of the FTE's.

3978-Chairman Svedjan: Q? **Salary Lines:** There's no change in this. Why would there not be some change in that if you are requesting new FTE's to alleviate the overtime?

4047-Tim: The overtime that these individuals are working are uncompensated time.

4067-Chairman Svedjan: Does overtime comprise this $413,000?

4079-Tim: No, we do have a number of temp. positions at a variety of service units that would make up that plus some overtime when people go on family medical leave.

4127-Chairman Svedjan: How many temp. do you run?

4138-Tim: The majority of those temp. are at Manchester House. (Refer to the organizational chart, #4) There are about 15 temp. FTE's. Not all full time though.

4192-Chairman Svedjan: But approximately 15 temps?

4224-Tim: We also have 2 cooperative education students through the Bismarck Public Schools. They're half time individuals. We do some temp. secretarial backup.

4359-Chairman Svedjan: OK, so they're spread through here, identified by the legend at the bottom of the page. Of all the temp.'s at Manchester House, how many do you have in the budget related to the expansion that's occurred there?

4399-Tim: There are none. We have not increased staffing at all. **4469-** That's an adjustment that all the HSC's received. There were some pay grade adjustments.

4517-Arvy: During the current biennium, the pay grades for all positions were adjusted. When they made that adjustment, some positions fell below where they were supposed to be. We made an adjustment of $18,750 in each center.

4646-Chairman Svedjan: So the amount of money didn't necessary correlate to the positions in that center that needed to be brought up to par. Center's cannot only transfer dollars between lines, but they can transfer them between Center's?

4696-Arvy: Yes.

4750-Vice-Chairman Delzer: Is this part of the 5.4 million critical need assessment? Where did this come from?

4787-Tim: This was a result of the action of the last Legislative session.

4890-Vice-Chairman Delzer: Have you got these anywhere else? Have you put them in every other? I haven't seen this anywhere else. Where's this money coming from, is this just general fund money over and above the 3 and 2?

4938-Arvy: Yes.

4960-Vice-Chairman Delzer: And the Centers is the only place that this happens?

4966-Arvy: In all kinds of different departments also.

5011-Chairman Svedjan: So it's a $150,000 total? 8 centers at $18,750? All general funds? We're going to have to get a read on what it actually is. If it doesn't fit with the adjustments we made last time, which would have been built into the base. What actually is this $18,750?

5107-Arvy: That was the pay grade adjustment to bring them up.

5168-Vice-Chairman Delzer: Shouldn't that be part of that 5.4 million? The only thing I've ever read was the 524 in the critical adjustment.

5214-Arvy: Not in the Executive budget under salaries?

5349-Vice-Chairman Delzer: This is over and above the 3 and 2, the 5.4, and the 183. **5400-** I guess I would ask the council to research this for us and get us these #'s.

5433-Chairman Svedjan: Our concern is that this may be showing up throughout the whole budget. Arvy said the bulk of it is probably in the service area.

5510-Vice-Chairman Delzer: I don't know that I disagree with it, I just don't understand why it's not part of the 5.4, it seems to me that that's what that was supposed to be doing too. It's a mid point adjustment and a range adjustment. If it was a range adjustment from 2 years ago, it should have been done.

5602-Rep. Warner: Is this related to the study we saw the other day?

5633-Chairman Svedjan: I think that's the 5.4 we're talking about. **5667-** Does this perhaps relate to in any way to, I remember last session that we looked at all the Directors of the various agencies and so on.

5729-Arvy: Another part of this came back to me, we looked at the information that central personal provided us, and some departments, the amounts were very minor or else we thought that the agency would have room.....????

5922-Chairman Svedjan: Onto **IT Telephone:** keeping it about the same.

5950-Tim: Yes.

5989-Chairman Svedjan: Your projections are higher, the projection is to where you think you'll be by year end. Have you incurred some changes or is this a function of how it was allocated to the end of the biennium?

6155-Tim: I'm assuming it's based on the rates that we currently have and the history of what we've been spending so far.

6184-Roxanne, LC: I do know the ITD telephone rates are going down by 2 dollars per month. That could be a factor.

Tape 1, side B: 00-Vice-Chairman Delzer: Are you budgeting for a # of cell phones in this line item also?

14-Tim: Yes, for 22.

28-Vice-Chairman Delzer: How do you decide who gets one?

36-Tim: We try to assess what are the needs for cell phones. We have some areas where a number of people share phones and they check them out. We have some people who are on the road a great deal and some are out stationed.

77-Vice-Chairman Delzer: Do you have the number of your budget for the cell phones? How much of this line item is cell phones?

86-Tim: I don't have that number, but I can get it for you.

102-Chairman Svedjan: Q? On to **Travel:** you're coming in way below where you're budgeting. What accounts for the increase over your projection?

130-Tim: A good share of that travel is associated with training. The projection is based on how much is expended to date, or for 16 months.

208-Chairman Svedjan: Q? On to **Postage:** not a lot of change there. Do you meter your mail?

256-Tim: Yes.

266-Chairman Svedjan: Q? On to **Equipment Rent:** Here you're projecting to come in below budget. **299**-You're holding the number the same as what you have for the current. Are these contracts?

332-Tim: That is rent for our postal meter, and also for some pagers.

367-Chairman Svedjan: Do you use a lot of pagers?

370-Tim: We have 12 pagers.

390-Chairman Svedjan: Q? On to **Building Rent:** is that what you pay to the Dakota Foundation?

401-Tim: Yes.

405-Chairman Svedjan: And that's been factored by an inflator?

412-Tim: There is a base rate for the rent plus a rent adjustment.

432-Chairman Svedjan: It seems like a pretty hefty increase.

437-Tim: That does include the increase, due to the expansion of Manchester House.

449-Chairman Svedjan: Can you isolate the added costs for the Manchester expansion?

466-Tim: The additional cost is $34,739 for rent. $2,080 for operating fees and services, $11,200 for food and clothing, $3,000 for misc. Supplies. And the general fund portion for that will be $15,306, and the federal fund is $35,713, so the total is $51,019.

591-Vice-Chairman Delzer: Did you have to do anything about the moratorium that's on residential care beds for kids? Did you think about that at all when this expansion came in?

613-Tim: I don't believe there was a moratorium on those type of beds.

626-Yvonne: It was either the mortuum on RCCF, different from the residential treatment center, that 5% in addition to that during that course of this biennium, Southwest Keys closed down, and so there were beds available.

679-Chairman Svedjan: What is the status of the Manchester House expansion? Is that completed?

692-Tim: We're utilizing all 12 beds. This passed year we have admitted 34 children to Manchester House. Of the children that were places there, 22 were diverted from out-of-state placement.

784-Chairman Svedjan: With the closure of SW Keys, those beds would have been paid for out of the Human Services Department anyhow?

797-Yvonne: Yes.

809-Chairman Svedjan: Q? The rest of your rent is for Dakota Foundation, you don't pay rent anywhere else?

823-Tim: We do have an office in Hazen, ND.

843-Chairman Svedjan: On to **Dues and Professional Development:** Do you budget travel money in here?

875-Tim: Most of that money is sub money for registration for the training of staff received, and the rest is for membership fees.

908-Chairman Svedjan: Q? On to **Operating Fees and Services:** It's going down..

930-Tim: That reduction relates to a reduction in the budget for the Infants and Toddlers program.

966-Chairman Svedjan: Q? On to **Repairs:** Are these basically service contracts?

984-Tim: Yes, that would be to repair dictation equip., furniture, copiers, things like that.

1002-Chairman Svedjan: Q? On to **Professional Services:** What constitutes that number?

1013-Tim: We're required by licenser standards to have a staff that manages your house to have an annual physical.

1041-Chairman Svedjan: So that's annual for all of your people? Why is that? We don't see that requirement in other facilities?

1070-Tim: I would assume it has to do with the safety for the children and for the staff as far as disease.

1132-Chairman Svedjan: Q? On to **Office Supplies:** Q? On to **Printing:** Q? On to **Food and Clothing:** You had talked earlier about providing food and clothing, wasn't there some of that in another line?

1201-Tim: No, it's not in the grant line item.

1254-Chairman Svedjan: What else is in here? What all falls into this?

1270-Tim: It is strictly food and clothing and it relates to the residential program at Manchester House.

1286-Chairman Svedjan: It's the eleven-two that's the increase because of the expansion.

1299-Vice-Chairman Delzer: Your expenditures to date, are they up to date, would they be for the full 16 months, or would you be a month behind?

1322-Tim: It's based on the 16 months expenditure and then prorated out for 24, so it wouldn't be totally up to date.

1356-Rep. Warner: $11,000 seems to be an awful lot for food and clothing, does it have something with the high rate of turnover?

1369-Tim: We serve 34 children, I think the average length of stay is 4 to 4-1/2 months.

1467-Chairman Svedjan: Rep. Warner's Q? was a logical one, that is that if you're adding 2 beds, and you've assigned eleven-two to that.

1486-Tim: What we did was look at where we're at with 10, figuring out a portion if you add 2 more, based on those 10 and then that would be the number that he would have projected.

1510-Chairman Svedjan: Q? On to **Medical-Dental:** Do you retain professionals to come in and supply these services to the children?

1538-Tim: All that funding relates to purchase of medication.

1572-Chairman Svedjan: You're spending at a lower rate than what you're budgeting.

1581-Tim: We try to take a conservative approach the first year of the biennium and then try to assess what the needs are.

1609-Chairman Svedjan: I don't know how you would take a conservative approach on medication.

1633-Tim: We work really hard looking at indigent medication programs and other resources.

1667-Chairman Svedjan: Do your medications come through the Medicaid program?

1680-Tim: I'm not sure. We buy them through the State Hospital, but I would have to verify that.

1762-Chairman Svedjan: On to **Buildings and Grounds:** You're under here. Those are repair kinds of things, right?

1790-Tim: Yes, it's repairs for office equipment and furniture.

1813-Chairman Svedjan: On to **Misc. Supplies:**

1841-Tim: It helps purchase some of the supplies for occupational therapy type activities. It includes the purchase of dishes and some replacement of some equipment that is under $750.

1891-Chairman Svedjan: On to the **Operating Budget Adjustment:**

1906-Tim: It has to do with the 2.5 FTE's and the operating associated with those, the travel and equipment.

1943-Vice-Chairman Delzer: What's in current statute about FTE's, does the department have restrictions on FTE's?

1958-Arvy: The departments restrictions on FTE's would be the total number of FTE allotted through the department. Or is it by State Hospital Developmental Center?

1985-Vice-Chairman Delzer: Isn't there something in the bill that allowed HSC?

1997-Brenda: Are you talking about adding FTE's?

2009-Vice-Chairman Delzer: But it has to be within your total FTE count for the department?

2016-Brenda: No, that's to add and stay within the budget constraints.

2031-Vice-Chairman Delzer: The fact that you're adding 2 FTE's doesn't really make a whole lot of difference if we didn't want them the key is to take the money away. Because taking the FTE's away, you can still put them back in if you can find them within your budget?

2054-Brenda: Yes.

2073-Chairman Svedjan: On to **Office Furniture:** You're not projecting to spend anything there this time.

2092-Tim: Yes, we haven't expended any money. It's for replacement of our copier.

2113-Chairman Svedjan: Q? We'll pick up here on Monday, January 29th, with the grants lines for WCHSC at about 8:30 am. We will stand adjourned.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: MONDAY, JANUARY 29, 2001

Tape Number	Side A	Side B	Meter #
1-29-01 HB 1012	**X-1**		**3925-6248**
#1012		**X-1**	**00-6238**
#1012	**X-2**		**00-6220**
#1012		**X-2**	**00-6128**
#1012	**X-3**		**00-3719**
Committee Clerk Signature Mickie Schmidt Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

3925-Chairman Svedjan: We will proceed with HB 1012.

4140-Dave Sautner: Cell phones, medication purchase. **5120-** Spin down table, Respite Care, older adults, Grants, medical consultations.

Tape 1, side B-00-Dave: **200-** Older Adults, funding, grants, OAR's. **687-** Mental health and Sub. Abuse, Medical Director and psychiatrists, screenings, Schools, OAR's, reductions, fiscal offset. **1103-** safe beds, contracts, general and federal funds. title 19, arbor House, Manchester House, beds, services, rates, MOE, Lobbying, resolutions.

3085-Public Comment: (as attached)

4589-Dave: Salaries, Temps., rates, phones, cell phones, contracts OAR's, rent ;easing, offices, crowding issues.

Tape 2, side A-00-Dave: Escalator clause, travel, testing, education materials, OAR's, Printing, Repairs, medications, decreases and increases, MOE, cut programs, admissions, costs, rates, space, SMI and TANNF correlation.

2945-Keith Welsh: Northwest HSC: contract line, Tillman House, salaries, FTE's. **3984-** merged those facilities, Temp., vacancy, cell phones, OAR's.

Tape 2, side B-00-Keith: scanning, OAR's, training, MOE, voc. Evaluation, grants, Speech and occupational therapy, private provider, funds, set aside requirement, payee cost, addiction issue.

3275-Rolf Storstein: NW: OAR's, FTE's, therapy. **4218-** Expenditure chart: case aides, nurse, comp. Time, salary budget adjustment, allocation to HSC, office space, IPS program, cell phones.

Tape 3, side A-00-Mark: OAR's, offices, Transitional living, Early periodic screening, volunteers, Part c moneys, Partnership transfer, maintenance, copiers, lab work costs. **900-** Historical information, software purchase, video tapes, meals, prescription drugs, under spending, janitorial products, gas, vehicle repair, copiers, grants, infants and toddlers. **2188-** turn back money, costs, funds, progress enterprises, contracts with providers, inflators, rationale, title 19, training program, VR money, chronic patients, Lutheran Services.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, JANUARY 30, 2001

Tape Number	Side A	Side B	Meter #
1-30-01 HB 1012	**X-1**		**00-6251**
#1012		**X-1**	**00-6100**
#1012	**X-2**		**00-6129**
#1012		**X-2**	**00-6111**
#1012	**X-3**		**00-4592**
Committee Clerk Signature Mickie Schmidt - Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

00-Chairman Svedjan: We call this section to order **on HB 1012, Badlands HSC.**

Roll call: We have a quorum.

Joe Fry: (attachments #1 and 2) Discusses general funds, roll up, share program, residential training program, temp. Over time, IT telephone: rates and buildings, costs, vehicles, travel, partnership program, utilities, postage, lease rent equipment, copier, Buildings/rent: lease agreement, rental cost,. **1424-** Dues and Professional Development: workshops, memberships, staff, CPI, national crises, history. **1874-** Operating Fees and services: increased, advertising , staff recognition, wrap around partnership, reductions, foster care, OAR's, FTE's client data, video presentation. **3010-**Repairs: chairs, VCR's, Professional services, CARP, Office supplies,

1-30

printing, Historical respective, testing supplies, in house forms. **3600-** food and clothing: groceries. **3840-** Medical and Dental: medications, title 19. **3900-** Misc.: equip. under $750, Flex and wrap around funding, general funds, detail codes. **4093-** Office Equipment: 5 offices, MOE, leases, copier. **4818-** Grants, Benefits, and Claims: Respite care, count, low income, TANNF, OAR's **5348-** Support Employment program: For DD, MI, contract with Community Action. Aging Services: contract with Stark County. #6128- Resident program: Day treatment, AL & Drug Clients, beds. Partnership: Individual contracts, Community action, SAD children. Operating, salaries line, Global Assessment functioning.

Tape 1, side B-00-Rep. Warner: Is there a normal recovery, or a % of them that expect to lead normal lives into adulthood, or do they become an on going problem?

16-Karen Larsen: It's difficult to make a prognosis, there are instances where children continue to have that diagnosis. .

125-Joe fry: SMI Social Clubs: all state money, #6279- Contract with Community action, short term inpatient, admissions, roll up, OAR's.

1096-Doug Seller: Fargo: Southeast HSC: **1548- FTE's**: #0920, removal of OAR's, (Chart #4), temp.'s, partnership, WAC. **3590- Capital Improvements:** Own building, decrease federal funds. **4054- IT Telephone:** costs, buildings, phones, IST, rates. **4550- Travel**: Historical costs, training, regional training. **4770- IT software**: Propieter Software, buildings, costs, projections. NSB. **5300- Postage**: utilization, OAR's, area of building. Costs.

Tape 2, side A-00-Doug: **Dues and Professional Development**: Memberships, Chamber of Commerce, dues for professional staff, staff training, costs, computer training, licenses. **281- Operating Fees and Services:** specials on property, staff and center licenses, advertising and recruitment, staff awards, and boiler inspection. **472- Repairs:** snow removal, elevator contracts,

service contracts, repairs for office equipment, building repairs, carpet, paint, office remodeling. **756-** Insurance: costs for support services, for liability insurance, notary's of republic, costs. **866-** Office supplies: Central supply, and Office supplies. **1008-Printing:** paper products and paper, central duplicating, outside printing budget. **1095- Professional supplies:** educational supplies, books, subscriptions, film, video's, resource materials, testing arena. **1193- Food and clothing:** groceries for programs. **79-1254- Medical Dental:** costs, gloves, syringes, medications, lab screening. **1350- Buildings and Grounds:** electric supplies, lights lamps, janitorial supplies, dispensers, mops, fuel for the forklift, and snow blower. **1499- Miscellaneous supplies:** equipment under $750. **1587- Office equipment:** replace 4 copiers. **1713- Other Equipment:** tying machine for postal. **1879-Grants, Benefits and Claims:** Child welfare, emergency beds, safe visitation services, inflex of immigrants, services. Central office budget, SMI homeless services, Merit care. **4550-- OAR's. 6078- concludes Southeast HSC.**

<u>Tape 2, side B-00-Chairman Svedjan:</u> Public Comment: (attachments #6-7) (89-274)

<u>2845-Duainne Bourey: Regional Director of Lake Region HSC:</u> I have with me Clinton DeVier, who is the Business Manager. **Lake Region HSC:** FTE's, vacancies, Operating line items, OAR's, **3957- Temporary, OT, and Shift differential. 3969- Benefits. 3990-- IT Telephone. 4325- Travel. 4697- Postage. 4750- Equipment Rent. 4897- Building Rent. 5690- Dues and Professional Development. 6057- Operating fees and services.**

<u>Tape 3, side A-00- Duainne:</u> 177- Repairs. 348-Professional Services. 518- Insurance. 836- Office supplies. 879- Printing. 912- Professional Supplies and Materials. 1028- Medical, Dental and Optical. 1161- Building Grounds and Vehicle Maintenance supplies. 1269- Misc. Supplies. 1325- Operating Budget Adjustment. 1493-Office Equipment and furniture. 1710- Grants, Benefits, and Claims. 3460 - OAR's.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date January 31, 2001

Tape Number	Side A	Side B	Meter #
01-31-01 tape #1	0 - 6220	0 - 6220	
01-31-01 tape #2	0 - 443		
Committee Clerk Signature			

Minutes:

The committee was called to order, and opened the hearing on HB 1012.

The committee began where they left off, at the insurance line, Northeast Human Services Center. Begin at line #3011 - office supplies. Lynn Bingham and Bob Sanderson are present and answering questions from the committee.

Chairman Svedjan: Questions on various line items. Why office supplies are up, and they are overspending now? Goes on to printing, professional supplies and materials, food and clothing, medical/dental, buildings and grounds, miscellaneous supplies, and office equipment.

Lynn Bingham and Bob Sanderson: Based on historical spending they did increase office supplies line slightly, believes that one of the federal programs did go up. The increase was in federal funds for supplies needed. They are holding the budget on printing, they are currently overspending, but are trying to control that. They are dropping the cost of professional supplies and materials because $20,000 of that line item was in the infants and toddlers program part c,

that splits it into three programs. We didn't need the money in that area, but it does appear in different object codes. The food and clothing expenses are basically the Ruth Myers adolescence center, mostly food items. Medical/dental will basically stay the same, and most of this line item is medication. Building and grounds is being held about the same. There was some extra expenses due to moving into the new building. Some of these expenses are for cleaning supplies. Miscellaneous supplies had a drop in the line item, in that they had a $30,000 change in part e of the infants and toddlers budget. Miscellaneous supplies include health and beauty supplies for the kids at the Ruth Myers facility, recreational supplies, laundry supplies, etc. This particular object code has a lot of federal moneys. There is really a mix of federal and state dollars. Office equipment has been cut back, that they are reducing costs in this area. They do need to replace a fax machine, a few desks, and some therapeutic equipment.

Lynn Bingham: Clarifies previous information on foster grandparent program. They did over budget the federal appropriation by about $15,000. There was some anticipation that there would be additional federal funds, but our best guess for the two years would be $850,000, of federal grants available to us for this program. That's one of the areas in the professional services object code. The other question raised was why we are under spending the federal grant in the current biennium. We receive a special grant to expand and enhance programs in Jamestown, in the foster grandparent program. We were allowed to have up to 20 volunteers, but we have only been able to recruit 2. That is why we have been under budgeted in this area.

Chairman Svedjan: Goes on to the grants line.

Lynn Bingham and Bob Sanderson: The first line on the worksheet is for rehabilitation employment services, shows a request of $10,000, under vocation rehabilitation and we use that for educational consultants. We are not spending at that level at this time. Discusses medical

and psychiatric and nurses hours needed. They explain that the nurses and nurse practitioners are used, but they need to have patients see the doctors and psychiatrists before they can get the funds. There is a back up of patients for drug and alcohol evaluations, and a bit of a waiting list for SMI clients.

Bob Sanderson: Explains CD social detox, and the part of the contract of on-site medical detox., short term residential, and the CD adolescence center. The contract is based on the utilization of the number of beds.

Rep. Delzer: Questions the 4 cost centers associated with the CD adolescence centers

Lynn Bingham: The costs centers are #8127, #8129 and #8130. The only one that new money is in the new biennium is #8129. #8124 is the detox through Altru Hospital, and #8126 is Center Inc. The 4 programs that will go in there are the CD adolescent residential facility, the CD short term residential for adults with alcohol and drug treatment, the hospital alternative/crisis residential program for SMI adults. They will be under one roof. They discussed the match requirements and rollover expected.

Lynn Bingham: Explains that #8134 is their Cornerstone Halfway House. Had mentioned earlier in the OAR process they had removed that to meet the $500,000 requirement. The OAR inadvertently ended up in the grants line item. It is an operating expense. There is $51,580 that is meant to be in the operating line and not spent from the grants line. The Partnership Grant has grants for 3 different types of services. SMI Case Management is a contract to provide a LPN for them for these clients. Other funds are collected from the LPN and the federal funds can be collected from therapeutic services.

Brenda and Lynn Bingham: Answers that in Grant #8129, the other funds may come from school foods, and third party insurance payors, nonfederal funds.

Lynn Bingham and Bob Sandstrom: Explain they have supplemented the social clubs some. But not much. They explain that partial care is contracted through Prairie Harvest Human Service Center. They contract two parts out of there. #8262 is a contract with Center, for the whole thing. #8269 is a contract with Prairie Harvest Human Services Foundation, which is a substantial contract with supported residential services. They support clients who live I the community, and includes the Harvest Homes facility. They service about 50 some clients per week, served in their homes, and the Harvest Homes is an 8 bed facility. SMI work activity payroll services is where we have clients doing various work functions under a work activity program. We pay Prairie Harvest Human Services Foundation in 2 parts. #8279 is a small contract for homeless, which is federal grant funded. The federal funds are capped, so it does include some general funds.

Karen Larson: Explains the path grant, designed for those who are homeless or at risk for being homeless, who have serious mental illness, find themselves outside the norm, and the services are designed to be done in an outreach fashion.

Chairman Svedjan: Will now go through OAR's.

Bob Sanderson and Lynn Bingham: #201 - That is supported residential services to the SMI contracted through Prairie Harvest Human Service Foundation. That was approved at that amount, #241, 237, 242, and 292 are outside the $500,000. #202 is for child welfare, and the request is for a family preservation social worker and their function is to keep families intact so they don't go into foster care, or reunite them back from foster care. Was approved. #203 is for DD case manager, and was approved at that amount. #204 is support staff, secretaries, temporary staff, and training money. #241 is for psychiatric hospitalization, part of the Altru contract, and

was restored. #242 is grants, outside of the $500,000 and was approved. #237 is partnership outside of the $500,000 and it was approved. #291 was not approved.

Tape #1, Side B - HIPAA Briefing

Chairman Svedjan: This technically is not a hearing. It is more like a briefing, relative to an item that has been in the medicaid services budget. It has to do with HIPAA (Health Insurance Portability and Accounting Act). Saw this as an opportunity to do this at the request or suggestion of the department to get a lay of the land as to what is happening in the private sector in regard to HIPAA implementation.

Sheldon Wolf: The industry can give you the information you should hear. He hands out a packet of documentation (#1) and goes through the history of HIPAA initiation and what is currently happening and the problems being encountered.

Dan Ulmer, Blue Cross Blue Shield: Explains where HIPAA came from historically, and the federal legislation in 1996. Main focus was to make health insurance portable, but there was some small print. All providers and payors speak different languages and there is a need to make everyone medical insurance compatible. Then they encountered communication and electronic data transfer confidentiality problems. Regulations by HHS are promulgated as of 12/2001. There are questions as to whether HIPAA was fully promulgated, and the talk is that it is a done deal and moving down the track. Everyone is supposed to be HIPAA compliant by July, 2002. Some providers are trying to have this date moved back a couple years. They are not really sure of what will happen, but assumes there will be non compliance penalties and sanctions. Blue Cross Blue Shield expects to pay somewhere between $3 and 23 million dollars on complying with HIPAA.

Chairman Svedjan: You are approaching this as it is in the process, and you are going forward with the project?

Dan Ulmer: Yes, they really are small potatoes. They process 2.6 million claims per year at BCBS. In medicare, they process 50 million. Who has the medical records? The doctors and hospitals have the real records. They have the number of claims that will be huge. They are committed to moving forward.

Rep. Kempenich: What is a good faith effort? That appears to be what everyone will be gauged on.

Dan Ulmer: Really not defined. As everyone becomes compliant, they cannot talk, share any information, to those who are not compliant. There is an issue. They would be held accountable to anyone they share information with. The group of persons dealing with HIPAA can get together and talk. However, we cannot share information and data with non compliant entities.

Chairman Svedjan: That seems unrealistic.

Rep. Delzer: How is Meridian handling the fact that there are only 2 of the 7 or 9 segments of this out. Are you looking at them all separate, and not worried that you will have to do some changes, that the new sections would conflict with the old ones?

Dan Ulmer and Rod St. Aubyn: There is a great deal of unknown. They still have to go in that direction. Just interpreting the directives takes a huge amount of time and staff. We have hired new persons and have reassigned some. We are purchasing new computer systems. HIPAA makes the Y2K problem small. This is a very big issue in the IT area. There has been communication between BCBS and the state as to sharing ideas, so no new wheels are being invented. They will probably have to at the beginning, run parallel systems, so that they can communicate with some smaller providers that are not us to speed with the new technology.

Karen Haskins, ND Heathcare Association: They are estimating about $22.5 billion costs to hospitals in the US to implement HIPAA. North Dakota hospitals will spend millions of dollars, and will have to hire compliance officers and security officers to administer. (In response to various questions, Karen responds as follows): Security and compliance officers will be needed by each facility. Right now hospitals have compliance officers for medicare compliance. Some smaller facilities may have their compliance officer also their HIPAA person. Larger facilities will need separate persons. She is on a conference call with the American Hospital Association every other week, dealing with the HIPAA task force. There has been no attempt to delay, but may request a judicial review to delay shortly. They also are investigating just helping the facilities get on track. It certainly is to the hospital's advantage to be electronically submitted and be computerized, because the turn around for payment is so much faster. It really is not cheaper for the smaller hospitals to go back to paper processing. She does not know of any ND hospital that does not do electronic submission. They have no choice but to become compliant. Any hospital, any provider that you deal with is considered your business partner, and they have to be HIPAA compliant also, if you deal with them. The issue of sanctions has not been challenged, really. AHA originally made this a controversial issue, but it did not make any difference. The costs will be difficult for the hospitals to absorb into their budgets. There had been some talk that maybe legislation would be sought to give hospitals financial relief, but has no idea where this will eventually end up.

Rod St. Aubyn: Comments that the cost of implementation, from the providers point, is one reason for requesting the delay, so they could spread the costs over a longer period. The privacy issue of this act affects everything, oral and written communication. The providers must have pushed this at the beginning, having to deal with all the different insurance companies and their

coding systems. The savings will come to the providers, long term, but will have short term costs.

Dave Peske, ND Medical Association: Had passed out a page from a newsletter (#2). There is a HIPAA coalition begin formed in the state, so the information can be shared, and everyone does not have to reinvent the wheel. His expectation for single practitioners and small clinics is that they will have to comply. They could revert to filing paper claims if they chose.

Todd Bortke, Medical Group Management Association: He is director of their information systems. He works with the implementation of HIPAA and the time frames. Through the Y2K problem, and the 24 months prior to that, they converted about 17 small clinics into his computer system. They have 17 clients who did not have the time or expertise to deal with those issues. They do not have that option with HIPAA. They started following this closely about a year ago. The comment period for privacy issues has already come and gone. The cost is great, 4 times the dollars that they spent on Y2K. They have to touch each and every application system for HIPAA. He gave a synopsis of day to day transactions for being HIPAA compliant. He does see the end result of 1 set of transactions much better than the different sets that are happening now. So there is good news for the future, but the details are huge.

Sheldon Wolf: Speaks about the penalties and fines. See the second to last page of his documents handout on this issue. He reviews more pages of his handout. They are trying to maximize all federal matches. But they have to come up with the upfront money first. He also hands out a document on Medicaid Claims Processing Facts (#3). HIPAA will not go away, and will be here in 2 years from now. They are also already talking HIPAA II and HIPAA III. There will be coding changes and whatever changes are required we will have to do.

The chairman closed the briefing on this issue.

2-2

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources

☐ Conference Committee

Hearing Date 2/2/01

Tape Number	Side A	Side B	Meter #
1	X		0-4454
Committee Clerk Signature	Robin L. Brown		

Minutes:

REP. SVEDJAN called the subcommittee to order. With all committee members present, which consists of himself, REP. DELZER, REP. WARNER, REP. KERZMAN, REP. KLINISKE and REP. KEMPENICH.

SVEDJAN: Today I invited TERRY TRAYNOR in. He is going to give us a commentary on the Indian county issue, and we will need this information before we proceed with any action. I know that you have distributed information, if you would like to go over that at this time.

TERRY TRAYNOR, NORTH DAKOTA ASSOCIATION OF COUNTIES: (Please see testimony) What the chairman is referring to is a letter that has been addressed to him. My understanding is that the issue is really raised because of the significant change in the amount that is in the budget. I want to go through a little bit of the background, if I may. Why that fund is there and what is driving some of the changes. Really as this committee knows better than most, the program was set up for those counties that have a large amount of nontaxable land,

because of reservations, but they also have a disproportionally large economic assistant case load. So historically they had a real tough time raising the funds needed for that. Prior to the realignment of social service costs. This was handled in quite a bit different way. The issue was still there, but there was a small state appropriation under a half million dollars. Really the Indian counties were protected by the grant formulas, to some degree. Because those formulas, when they were set up, they froze the amount of grants that each county paid at a historical level. Those Indian counties had a smaller share, a much smaller share, probably than the population would dictate. Therefore they were protected by the formulas that were in place at that time. So when we went through this swamp and those grant formulas were eliminated, because we do not pay those, and the full cost of administration fell back on to the counties. The Indian counties were immediately, and we knew this going in, going to see a tremendous increase unless there was additional funding for them. So the legislation was written to provide for a state appropriation for those counties, with a large amount of Indian lands. Recognizing that we could not go after all of the state funds, immediately there was legislation put in to really let the other counties contribute to that. For the first two years of swap implementation, the funds were shifted to what we call negative impacted counties. The Indian counties as well as a couple of others. For the last year and a half we shipped the funds from other counties just to the Indian counties. There are six counties there. What we did was some of federal title 20 bought land, that those counties were entitled to. Increase the allocation to the Indian counties, so really for the last three and a half years, we have been doing this with a combination of state funds and county dollars really. Prior to that really there was a process in place where a small amount of state funds and much more protection relief provided by the grant formulas. What does the funding do? It really is direct money to those counties with 20% of their case load, residing on nontaxable reservation

land. The way the formula and stacking is set up, is annually the department calculates what every counties administrative thoughts are. Just for economic knowledge, I really want to point that out. This doesn't cover all of the costs. The also have foster care, they have home community based services. They have subsidized adoption, all of those other social service programs. There is no subsidize for those, this is just the economic assistance. The programs that were covered in the SWAP agreement. These costs are calculated based on those counties mill rates, or their ability to pay, and anything over the statewide average mill rate, is eligible for reimbursement based on the statute. On the back of that page we look at some of the costs. In the current biennium, collectively we are sending to those counties 2.26 million dollars. The estimates for next biennium, this coming up biennium, is 2.8 million. There is just a little bit of a break down there that shows of that 2.26, that is in current biennium, almost a half of a million dollars comes from the other counties that are titles 20.

SVEDJAN: What numbers are you referring to?

TRAYNOR: I have some updated numbers.

SVEDJAN: So it has been reprojected, because it does not fit with the testimony.

TRAYNOR: Yes, I am looking at the reprojected numbers. I also want to apologize that the $491,000.00 of other titles, county title 20, that is actually about $1,000.00 off. I have new numbers from the department. But for this discussion I guess that is not a big amount. So that the state or federal reimbursed dollars, are basically, the way that we look at it, that the administrative costs of all the counties are being recognized as retained dollars within the departments budget, and I also recognize that they want to acknowledge that the philosophy behind SWAP, was those increasing administrative reimbursements were also there to help reimburse the state for the grant costs that the counties are no longer paying. But based on the

reprojections, the state budget needs slightly over a million dollars more to cover that. I want to go through why that is, well first of all there is almost a half of a million dollars, $492,000.00 of grant funds that based on state law that no longer come from the other counties. So the rest of the counties get their money back so they do not have to raise their property taxes to cover that. The remaining comes from a really of combination of sources. I haven't even listed all of them there because I guess that I didn't understand it as well as I have been educated since then. Over all economic assistance administration in all of the counties has increased by above 1.4 million in the last 3 years. That is all of the counties. That has leveraged about $700,000.00, about 50% of that back to the department in increase in federal reimbursement. 25% of the increase in county costs really do the child support enforcement's. In their costs is another area that has the largest percentage growth, and that as I have mentioned in the second one, all administrative costs, but particularly the indirect costs have grown more on the reservation counties than the other counties. Because proportionally their staffs are a much bigger share of county government in those counties than in non reservation counties. But probably the overriding thing that we see, because we are basing that subsidy on the costs over the average mill rate. Something that drives us tremendously is the fact that the non reservation counties property values are basically increasing about the same rate on the average across the state, as are their administrative costs. So really there amount of money in mills that it takes to fund economic assistance in the other counties is staying about the same in the mills, but not in the reservation counties, because their costs are increasing faster and their property values as a whole are going up much slower. Only about 1.6%.

KERZMAN: Before we get to far, that 25% increase of county costs do to child support, would you expand on that somewhat? Is that the case in all counties, or why is it so much higher in the Indian counties?

TRAYNOR: That is really the case in all counties, that the Indian counties in that particular program is actually slightly less. Because the way the costs per enforcement, there are 8 regional units that are hosted by those 8 largest counties. The cost of running those is allocated 100% out to the counties in the region. By cooperative agreement. The cooperative agreement has historically protected the Indian counties quite a bit. Most of those are based on case load. But because of the involvement of the child support units in cases that originally are much lower, they count those cases, they rate those cases lower, so that the Indian counties get a little bit of a break there. But over all the administrative costs have gone up quite a bit there. Largely due to the increase of federal regulations that really came out of the welfare reform effort. Triggering more staff. In this last biennium quite a bit more over time. At the bottom of that I just put a little discussion to kind of get at why we are doing this. Really it is a property tax issue, and compared Bottineau county, which gets no subsidy based on these costs. Based on the most recent analysis, they are looking at about 12 mills of property tax to cover there economic assistance costs. That isn't their social service budget, because foster care and other programs are not in there. Their average value in Rolette county is about $6.00 per quarter of farm land. In Rolette county, with out any Indian counties reimbursement, they are looking at 87 mills or $40.00 property taxed on the average value of quarter of farm land. With the reimbursement as proposed in the reprojection, that would basically bring them done to the statewide average of 14.65 mills, or $6.76 of property tax on an average value. So that is really the issue of where we are getting at is trying to keep those counties property taxes into a reasonable level. Roughly 5% of the taxable

in the state, is in Rolette county, but they have like about 12% of the economic administration costs, because of the large case load. So it's really truing to get that down to a more equitable thing. I have another sheet that DELZER asked me to put together some numbers that would look at what would happen if rather than 100% over the statewide average, we looked at a percent, if I could just go through the chart really quickly. The first three columns are the current biennium. As you can see that, that is the 1.776 million of general fund or retained dollars that went out. You see how the, which is actually $492,986.00 of title 20, was shifted. So you see that the total reimbursement to those counties were 2.26 million. I want to point out that was what was appropriated, that was what was allocated. Based on their reprojection of their actual costs, it would have really taken $154,000.00 more to make that 100% actually happen this biennium. But because we did not have numbers we are going by that was not in the budget. In addition the full weigh t of the formula, I guess you would say, didn't go into effect until 6 months into the biennium. If it had been in effect for the full 24 months, it would have been another $291,000.00. So actually if this statute was in place and was totally funded for the whole biennium, it would have taken 2.7 million. As compared to column B, which is projected in the reprojected budget, of 2.9 million. At the request, I did look at what 85% of reprojected amounts would do. It does decrease the appropriation needs by $420,000.00. You can see where it comes from, then in the last column there I just compared what that number is to what actually went out to those counties. So in their budget for the next two years, how would it change form their budget in these tow years, just to give you an idea. It is kind of a mixed bag, but because there cross change and their evaluations are not equal it varies.

DELZER: That last column is if there are no changes to the other counties. That is not taking anything away from the other counties is it?

TRAYNOR: Very good point, that is correct. That is taking no money from the other counties.

DELZER: One other question, to your knowledge is there anything in the language that is in the century code, that addresses this if a tribe takes over their accounting?

TRAYNOR: No, I do not think that there is anything specifically in there. I guess in theory if they do take over the administrative burden or a portion of the administrative burden, that counties administrative costs should go down, and move it closer to the statewide average cost. Whether that would happen I do not know. It doesn't address it specifically. If the counties costs were relative to all the other counties were to decrease, then there would be a less need for it.

DELZER: Let me put it this way. Do we have any knowledge that if a tribe takes over, and takes the money away from the state, whatever that amounts to that, would they still get some of this funding? Would there be any problem of putting something gin the language that if they did take that over, that they then would be ineligible for this type of funding?

TRAYNOR: I guess that the problem that I see is if the tribe does take over at random, granted, and if the state would allow them to have more state money or what ever, it would be a burden to the state, But whether that would relieve the burden to the county, I do not know. It would still have the Medicaid, the food stamps, to fuel assistance programs to administer. Presumably if their case loads would go down, they would need less staff and their cost would go down.

DELZER: The problem is that to my understanding of the only plan that is floating around out there, is that they are going to take the states share of what we use for the assistance and use it for their administration. Then in turn they would leave us with the problem of paying the assistance. Even under that scenario, if we do not change anything they would still receive some of this money, to help pay for some of the administration on top of that.

TRAYNOR: My understanding is that the county would still have an obligation, even if the tribe would take over the administration. The county would still have an obligation to serve those non-reservation clients, as well as any reservation client that chose to deal with the county rather than the tribe. So there would still be at some level of administration responsibility that comes. On the back of that, I have just put together a proposed amendment that would coincide with this. The reason I did that was just to make a point that if the committees intention is to reduce the amount, I guess the feeling of the counties is that we would like to see the amount in statute, rather than just an under funding of what is there. Because I think it make sit more solid. Then to strike out of subsection B, is simply to remove the requirement that no longer is in effect at the end of this biennium. That is all of my comments, but I would be glad to continue the discussion as long as the committee is interested.

SVEDJAN: So the 85% then equates to the column to the middle right.

TRAYNOR: Essentially all of the numbers were all put together with the cooperation from the department, I think that we were pretty much in agreement, in what calculates to what.

SVEDJAN: So then what that would amount to is about a $608,000.00 increase, from what was compared to what was originally to be a $995,000.00 increase?

DELZER: YVONNE SMITH (DEPUTY DIRECTOR), maybe you can answer this. has it ever been considered to use impatic dollars for this? It apparently is general fund dollars. Is it not?

SMITH: To my knowledge we never looked at using it for appropriations.

DEB MCDERMOTT (ASSISTANT TO THE DIRECTOR OF ADMINISTRATION): Actually none these expenditures would be federally available at all. Because we are already drawing them federal expenditures on costs that are incurred, in getting retained dollars in. There for any

of this additional money that is paid out to the counties is not an allowable federal reimbursement.

SVEDJAN: Are there any other alternatives, as to how this could be handled? Have you considered any other options?

TRAYNOR: We have looked at it this session, much more thoroughly last session. We really did not see, frankly these counties, I think if you polled them they would say why doesn't the state just do it? They would be willing to, on that assumption of course.

SVEDJAN: But is there any other option, with regard to title 20 funding?

SMITH: I think that the agreement that the counties reached to was to shift some of the money that is allocated to them, up until the end of this biennium. I am not aware that they have any discussion about that. Title 20, has been decreasing. Right now they allocate money to the counties. 40% to the counties, 60% to the state operations, and it is all has to be used up before the year is up.

SVEDJAN: What does this mean, using the 85% projection, I am not reading this clearly right now. But in the current biennium, Benson county for example, gets $71,275.00 title 20 money, from all the other counties.

TRAYNOR: That is correct.

SVEDJAN: So under the 85% proposal, that number is increased, right?

TRAYNOR: The amount of money that the county gets would be increasing, but it would be all state generated money.

SVEDJAN: So that part does not change.

TRAYNOR: A point above the title 20 money, is the way the law is currently written that struck out language in that amendment, it was set up on a decreasing amount. So actually only 7 1/2%

of all the counties title 20 was taken off the top and shifted this last 6 months. So it has been a smaller and smaller amount. To back in and a larger chunk from the other counties would necessitate them raising more money and increasing their mills, I would suspect to cover those costs.

SVEDJAN: What has the total decline, in title 20, amounted to for the state of North Dakota? More of the title 20 grant, how much of that has been reduced?

MCDERMOTT: Per calendar year, 1999 the county shares 40% of $2,200,000.00, and 2000 it was 1.7 million and for 2001 it is 1.6 million.

DELZER: In 1999, you were taking 15% of that 2.2 and shifting it over?

TRAYNOR: That is correct. The counties share of the total title 20, is about 40%.

DELZER: 20% of 2.2? This is countless. Where did that percentage get cut at? The 60/40 split or whatever it is.

MCDERMOTT: That has been set for ten years. It was in statute.

SVEDJAN: So it is not based on any federal formula? Or anything like that?

MCDERMOTT: No.

SVEDJAN: It wasn't determined as a part of the SWAP process?

MCDERMOTT: No.

DELZER: TITLE 20 is social service what? Section 24 of SB 2012, last year, I talked to Brenda the other day. But I don't know that we have ever, Are you aware of that section of the bill? That it has to do with social service block grant, and relation to the dollars. Is there a report that has been put together, I don't think that there has been one.

SMITH: No.

DELZER: I am not saying that you have to do that, but it might be worth sometime to go through that, and for the committee members, but I don't have it exactly with me, but it basically said that we wanted an understanding of the difference in the social service block grant money that is coming to the state, and whether or not we using general fund money to supply that social service block grant expenditures form the previous biennium.

SMITH: The general fund equivalent, I think that is your point of discussion.

DELZER: I think that I will talk to the chairman to see if that is something that we should pursue or not.

SVEDJAN: Are you thinking that we should have that before we decide this issue?

DELZER: Certainly.

SVEDJAN: Well then I think that we should get it.

DELZER: Before we actually make the request, let's think about it just a little bit.

SVEDJAN: All right , we will let you know on that. So then this really becomes a function of land evaluation, doesn't it?

TRAYNOR: Ours is based upon the counties to raise the rent.

DELZER: If I understand it right, what you are trying to do is replace the fact that the Indian owned land is not taxed by the county.

KEMPENICH: I guess that is why Rolette is so much larger and stuff, because it is more Indian owned, there is more Indian controlled land.

TRAYNOR: That is part of it. In Rolette their case loads are so enormous. I mean it is the largest population base, on really nontaxable land. It is a combination, they have fair amount of nontaxable land in a fairly small county. But they also have tremendous case loads to the staffing ratio in that county is pretty high.

WARNER: It isn't obvious that the map of Rolette is much bigger than all of the other reservations, as far as population goes.

DELZER: Do the tribes pay any of this at all? Do they pay anything, is there anything that goes from the tribes to the counties for taking care of the social service work?

TRAYNOR: My understanding is no. I know that the tribe runs a tribal foster program. They do provide some of the social service programs. As far as I understand they have absolutely no roll in economic decisions.

DELZER: Is that by federal statute, do you know, or is that just the fact that everyone considers them sovern?

SMITH: I think that it is a combination of things. I know that the native American population is taken into account, whether there are block grants on board to the state, from the federal government. With the assumption that the state is responsible for the services. I think that is basically the underline.

DELZER: The title 20 money that does go out to the counties, how is that distributed?

SMITH: It is based on ratio. A formula that has to do with the population of the county and the case load for the year.

DELZER: Do you have the list of how much each county gets, it is not in here, is it?

SMITH: It's a block grant.

TRAYNOR: I think that a important thing may be with that information is to look at what the formula amount is. Then to look at what the actual amount is, and then what the actual amount might be. Because they have changed in the past year, because of the shift.

SVEDJAN: I guess what I was thinking, when I said that about land valuation, it isn't so much a function as the evaluation of the Indian counties. I understand that, but it has to do with all of the other counties.

TRAYNOR: That is true. It is looking at those costs over the state wide average in mills.

SVEDJAN: So should dit be our expectation that we are going to be seeing these kind of increases every session:

TRAYNOR: No, I do not believe so. First of all, one of the reasons, half of a million dollars of the increase is because the other counties were shifting that. So another $291,000.00 is because we went from 18 months to 24 months. The increase is close to a quarter of a million dollars I suppose. Part of that is the very significantly increase in child support enforcement and indirect costs. Indirect costs, talking with the people that prepare that, do not see that big change coming again. Child support enforcement, I guess I can't say, we are very hopeful at the county level that those costs won't continue to go up. But we have very little control over that.

KERZMAN: What would you get now, the way the bill stands, with this amendment?

TRAYNOR: The 2.8 million there, column B, I believe that the statute would require to reimburse.

KERZMAN: So you are actually asking for a reduction?

TRAYNOR: I was asked to prepare this and take a look at it, and discuss the impact. I think that I wouldn't have my job very long if I was asking for it.

KERZMAN: Just so I got that clear.

DELZER: I requested that they do this for me.

KERZMAN: Oh, I was confused here.

KEMPENICH: What you currently are getting would be approximately about 81%, is what the 2.268, that comes close to 81%, if you were looking at the 2.8. If they went to 85% they would be getting a little bit of an increase.

KLINISKE: I guess I would kind of disagree with that. So really they are getting g a reduction.

DELZER: I need to understand the 18-24 months better, because this program has been going on for a long time. Where does the 18-24 months come in?

SMITH: Because the statute went into effect on Jan. 2000.

SVEDJAN: So we enacted SWAP in 1995, and it didn't carry this provision with it?

SMITH: No.

DELZER: In the last session , we did appropriate the $700,000.00 for this?

SMITH: We did Jan. 1.

DELZER: But this whole thing did not go into effect until January of what year?

TRAYNOR: There wasn't an appropriation for that first six months, based on the historical Indian counties. A number of biennium's, there has been a $440,000.00 appropriation to the three most seriously affected counties. That money was in the budget for those first 6 months before the program kicked in. It was prorated to the six months.

DELZER: Where does your testimony come up with the $900,000.00 end page then? It should actually be a lot more than increased than that.

MCDERMOTT: The $900,000.00 increase, is the difference between the appropriation that we have this biennium, and what we have in the Governor's budget, of 1.7.

DELZER: So in other words, what you are telling us, is that last time we appropriated 1.7 under his, plus $700,000.00 besides that.

MCDERMOTT: No, it was just 1.7 million was appropriated for the allocation during that time.

DELZER: That is the combination of the 18 months plus the $700,000.00, which is 1.7?

MCDERMOTT: Correct. Just to back up a little bit, maybe this will help. Originally there was $440,000.00 for ever that was allocated, I do not know when that started, but that is the number I know. The dollar amount that was allocate for along period of time. Then a spot cam into effect, there was another $619,000.00 that was appropriated for those counties, to get to 65 to 1 case ratio. So then appropriation $1,069,000.00 for the 1997-1999 biennium. Then it went up to the 1.7, that you have now, that is in the current budget. Part of that is because of the new levy, doing that for 18 months. Now the Governor's budget is 2.7, and that is to account for increases in administrative costs over the average mill levy and to run that mill levy calculation for a full 24 months, which is 18. Does that help any?

DELZER: This information that we have here, is suppose to be the total cost of the administration?

MCDERMOTT: On the back page?

TRAYNOR: The first column of numbers on this, that is the administrative cost per the economic systems program.

DELZER: Do we have a list of case loads by count?

MCDERMOTT: Yes. We can get that for you. Those costs do include the regular administration.

DELZER: I am not sure, you were referencing the fact that this is based on statewide average, I am not so sure that is where we should be looking either. You know that I do not have a better answer right now, but I would like that information, to take a look at it.

SVEDJAN: That information that we have requested..

DELZER: The case load by county and title 20 dollar by county.

SVEDJAN: I have to admit that I am still confused about the timing of this. I am still not clear on the 18 to 24 months, what am I missing?

DELZER: I do not think when we passed this a few years ago, we quite realized what went through this.

SVEDJAN: When we passed this two years ago, did we say it would be implemented on Jan. 1?

SMITH: I believe that was the case and I think it's because the counties run on a calendar year. So much of the budgeting is done for county. So yes, that part of the appropriation, that dealt with using this formula until the counties kicked in on Jan. 1.

SVEDJAN: That would have been Jan. 1, 2000?

SMITH: That is correct.

DELZER: I do not remember catching that either, last time. I am not arguing that that was passed. I just did not catch it that way. That is not what I remember.

SVEDJAN: I am not sure how soon you can get that information, is that public information as well?

SMITH: No it is not. (talking about the many different case loads)

SVEDJAN: We will be adjourned until 8:00 tomorrow morning.

The hearing was then closed. No action was taken at this time.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: MONDAY, FEBRUARY 5th, 2001

Tape Number	Side A	Side B	Meter #
2-5-01 HB 1012	**X-1**		**00-6251**
#1012		**X-1**	**00-104**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

Tape 1, side A-00-Chairman Svedjan: We will call this section to order on **HB 1012, the State Hospital.**

Roll call: We have a quorum. We will start working on the amendments for the State Hospital. Do any of you have any concerns about FTE's? They can move the FTE's, but not the money for them. For the client, they can actually move the dollars. There was a decrease of 12.1 FTE's.

302-They're recruiting 12, they're holding on 5, and they're assessing a continuation of 8.

328-Vice-Chairman Delzer: Where do we need to put it in the bill that we want Legislative intent for cyber to come back with the exact same number and shows us the change during the Interim that you make. Is that going to be a big problem to update the cyber numbers?

393-Arvy: Are you looking for so that the budget comes back exactly as it came out of session?

2-5

404-Vice-Chairman Delzer: I would like somewhere on the **cyber sheet** to tell us **what the number of FTE's there were when session got over before, and what the change was giving them what number of FTE's they got in at the time of the current budget.**

432-Chairman Svedjan: So, we're looking for the number that was approved in this budget, we're looking for any changes that occurred during the biennium, so that we can have a clear picture of what it is you're asking for in the next one. **559-** We could go two different ways on this, we could try to come up with some language which would require a change of how Cyber is put together. Or, we could just make sure we remember to request this next time. Ha! Allen, could you take a run at developing some Legislative intent language to capture what it is that we're talking about here?

644-Allen, LC You want them to report to the next Legislative Assembly?

Yes, department wide.

715-Chairman Svedjan: Yes, department wide. Let's just take requests today. Q? On FTE's or Salaries? On to **Capital Improvements:** Any requested amendments?

793-Vice-Chairman Delzer: We need to remove the $413 for the land fill closure from the IGT funds, and would also like to have committee consider intent language to hope that a deal can be made with the National Guard can do this. We want the land fill done by them.

995-Allen, LC: The attorneys did a search for that and couldn't find it in the Code. I think it's in Federal, it's a Federal requirement.

1139-Chairman Svedjan: We will ask you to draft that language for us, Allen. Anything on Capital?

1161-Vice-Chairman Delzer: I would like to have the committee consider reducing the Capital Construction line by $300,000. It would not restrict them to that, it would just be taken away from the line and allow them to use it wherever they want.

1260-Chairman Svedjan: Anything else on Capital? **1380-**On to the **Operating lines:** High on travel, postage, professional services, misc. supplies and equipment.

1466-Vice-Chairman Delzer: I have about $196,000 total, when I add up all the ones that I have.

1509-Chairman Svedjan: This would be your request to adjust the operating line without going into each one of these individually?

1525-Vice-Chairman Delzer: Yes, I have no problem if anyone else wants to make a different number.

1529-Chairman Svedjan: Any other suggestions in that regard? Q? Discussion on the operating line, about moving funds. **1737- You got that Allen, $196. Q?**

1851-Vice-Chairman Delzer: Is there not an Equipment line or is that part of the same thing?

1863-Arvy: It's within the lump sum also, salaries, operating and equipment.

1874-Vice-Chairman Delzer: It seemed to me when we had testimony there was some discussion of a **pay loader** that they did not buy and did not expect to buy again, **so I would request another amendment for $50,000.** We'll just keep this one separate.

1979-Chairman Svedjan: Q? OAR's, there were only 2 and neither was approved. **2713-** OK, nothing else on the State Hospital on to the **Developmental Center: Capital Improvements: We need to request the one having to do with the Switch they were talking about, the $70,000 item. That can be removed, Allen.**

2778-Rep. Kliniske: There was also the **$41,000 added to the equipment list that had been removed one of their projects, but the funding wasn't matched in, so it could be removed.**

2824-Arvy: We removed the $41,000 from the Capital line items.

2876-Chairman Svedjan: Do you want to do that? OK. Mr. Schweitzer did say that there was a duplication there. **Allen, we'll request it anyhow.** Q?

3149-Vice-Chairman Delzer: **I'd like to request $15,000 to remove one humidification project.**

3210-Chairman Svedjan: Anything else on Capital? Let's move to **Salaries and FTE's:** Q? Or requests? **3602-** Let's move to **Operating:** The professional development line seemed to be high. Discussion on Travel, Office supplies, Professional services, Telephone, Repairs, Med.'s, Building grounds, and Misc. Supplies. **4180-** That $41,000 was for the steam line, it was removed so the tray line is still in the list, at $40,000. **4212-We have requested removal of that. The request has been made for the reduction in Operating of $225,000.** Q? Or requests? Discussion on general funds, federal funds, and federal authority.

4924-Rep. Kliniske: In my notes, Capital improvements are all general funds, all else is a 70/30 split. Special funds are the collections from the Collette Health clubs.

5405-Chairman Svedjan: Discussion on Traumatic brain injury and DD patients in institutions **6089-OAR's**, 3- all denied. Q?

Tape 1, side B-00-Chairman Svedjan: Q? On the Developmental Center? We're going to stop here. We stand adjourned until 8:00 am February 6th.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, FEBRUARY 6, 2001

Tape Number	Side A	Side B	Meter #
2-6-01 HB 1012	**X-1**		**00-6248**
#1012		**X-1**	**00-6238**
#1012	**X-2**		**00-5969**
#1012		**X-2**	**00-1505**
Committee Clerk Signature	Mike Schmidt		

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We will call this section to order on **HB 1012, the HSC budgets.** We'll take up with **West Central HSC. FTE's: increase of 2.5. 330-** Are there any requests for amendments on FTE's?

474-Vice-Chairman Delzer: I'd like an amendment to remove the Assistant Director position.

746-Vice-Chairman Delzer: I would request that we remove one of the 3, OAR #228, which is a .5 FTE, aligning IMD services with that position. That's because that's the bottom one on their list.

26

1635-Chairman Svedjan: Any requests there? OK, Let's move to the Operating Lines: Any requested amendments in the operating line?

2039-Vice-Chairman Delzer: I have them a little high on travel, dues, repair services, printing, professional material, food, medications, buildings and grounds. **The total I have is $55,500, just make a request for $50,000 of that.**

4190-Chairman Svedjan: Let's take a look at the Grants line. Here's where access and visitation show up.

4265-Vice-Chairman Delzer: In my notes, I don't have them broke down, **but I think we should look at between $50,000- $100,000** in there, just by looking at the spin down table and the projected budget. I know this is all subject, it's just like DD grants, Medicaid, or anything else.

4400-Chairman Svedjan: In Adult Protective Services, there's about a $210,000 increase in general funds over all. In Partnership, there's an $337,515 over all increase in general funds. **So you're request is $75,000 in general funds?**

4536-Vice-Chairman Delzer: Mr. Chairman, if we're going straight general funds, let's go $50,000. 4586- $75,000 in general funds is good, if you're comfortable with it, then I am.

4597-Chairman Svedjan: OK, Let's request it at that.

4618-Vice-Chairman Delzer: I would request that we change our request up on the FTE's, the half time DD, to allow them that OAR, but I would request that we take the OAR's for the IMD, for both of those new positions out. My reason for that is that when we have somewhere in the neighborhood of 2,200 computers in the department of HS, I don't think that every time they add new position, they should have to add computer related costs.

4754-Rep. Klinjske: **Is there a way that we could put Legislative Intent that they start working at shared work stations. That's our intent to combine the IMD portion of it.**

4823-Chairman Svedjan: **We'll want that to apply to the over all HS budget.** Anything else on grants? In here I have that all grants for West Central, are hold even except for Adult Protective Services.

5912-Chairman Svedjan: We have focussed on the FTE's, Operating lines, OAR's and the Grants, is there anything else we should consider? OK, Let's move to **North Central.**

6126-Vice-Chairman Delzer: **Would it be proper for us to remove that $150,000 and say that we think it should come out of the 5.4 million?**

Tape 1, side B-00-Vice-Chairman Delzer: How would we do that? **52- It is appropriated above and beyond the 5.4 million.**

58-Allen: Your other option would be to reduce the 5.4 million in the OMB budget.

161-Chairman Svedjan: OK, let's move to **North Central. 307- FTE's: #0197 needs to added into the budget. It's not in the budget.**

1000-Rep. Kerzman: **I would like to request to add that position.**

3543-Vice-Chairman Delzer: **I would like to request to remove half of the Account Tech. (half of #246) 3627- I'd just remove the funding.**

5280-Chairman Svedjan: **I have gone through the listing of grants, comparing their projections to their request and exclusive of the Inpatient short term hospital line, I would request that we bring that down $50,000.**

5913-Vice-Chairman Delzer: Just so that we have this in front of us when we go to voting on these and we get the information, **I would request that we adjust that by $200,000 down.**

6161-Chairman Svedjan: anything else on the grants lines for North Central?

Tape 2, side A-00-Chairman Svedjan: Let's go to Operating.

560-Vice-Chairman Delzer: I would request $25,000 out of the Operating line.

1403-Chairman Svedjan: Q? Regarding **North Central**. OK, let's go to **Northwest HSC**. Discussed FTE's. There was a request move the dollars to the contract line. But the contract line is already in the operating line. So, we shouldn't have to do that. There was concern expressed because of the $675,953 that is currently in the contract line, do we need to adjust the salary- 3 and 2, because of that?

1565-Vice-Chairman Delzer: We should reduce the 3 and 2 reflective of those 5 positions

1750-Chairman Svedjan: Let's move on to the **Operating lines: Rent: needs to be reduced by $70,000. I'll make that request here.** There'll probably be some others, so let's treat that one separately. **Cell phones, Postage, Equipment Rent, Dues and Professional, Operating Fees and Services, Professional Services and Medical-Dental** all seem to be high. Their budget request is $155,000 higher than their projections.

2400-Vice-Chairman Delzer: Let's go with $70,000.

3186-Chairman Svedjan: I have in my notes that the CD Alcohol Services for Women, that we could remove that from the budget. 3295-We can leave it, they'll move it from center to center.

3383-Vice-Chairman Delzer: #6739 is general fund, I think we should reduce that by $10,000. The split is 3 to 1 general funds.

3420-Chairman Svedjan: Anything else on the Northwest HSC? Let's go to **South Central.** Discussed FTE's- no change. I did make note of the significant change in the Temporary OT line, $80,000 difference between the budget and the projection. Part of difference was because of the RN for 12 hours per week as a case aide.

3851-Vice-Chairman Delzer: I show a reduction of $40,000. **I would request an amendment for $20,000.**

3990-Chairman Svedjan: There are no OAR's. Let's move to the **Operating lines:** I show Travel, Postage, Dues, Operating, Office Supplies, Professional Supplies, Food and Clothing, Buildings and Grounds, Misc. Supplies and Office Equipment were all a bit high. The turn back for South Central is $580,000.

4343-Vice-Chairman Delzer: I've got Part C on #3014, which is Operating Fees and Services. Take that out, I'm still around $60,000.

4441-Rep. Klinske: In Postage, they're actually projecting $32,000 in expenditures and in Food and Clothing they haven't been billed for their meals purchasing and they're actually going to over spend their budget. They've over spent on Office Equipment because of their copiers. **4533- I had $37,000.**

4556-Vice-Chairman Delzer: Let's go with $4[illegible].

4626-Chairman Svedjan: Let's take a look [illegible] **Grants:**

4722-Vice-Chairman Delzer: #9058, the Respite care, why so low. It's all general funds. **4888- I would request we reduce that by $5,000, and keep it separate.**

4927-Chairman Svedjan: We're also seeing a disparity on #9202.

5260-Vice-Chairman Delzer: When you look at that Grant line for the break down of general/federal, it's almost all general in #9239. Part C was not being used hardly at all and neither was this one. It's such a small amount of money and I don't think we need to mess with it.

5386-Chairman Svedjan: Adult Protective Services: I've made note to adjust that in total, and we've already done that. **Social Detox:**

5554-Rep. Klinske: #9124, #9126, and #9211 are all under one contract to Progress Enterprises.

5790-Vice-Chairman Delzer: I would think instead of the one $5,000 in general fund request, let's reset to $10,000 general and have that for the whole Grants line.

5949-Chairman Svedjan: Is there anything else on South Central? OK, we've concluded our work for this section.

Tape 2, side B-00-Chairman Svedjan: Let's proceed with the **Badlands HSC**. FTE's, one vacant for 12 months but will be filling. There's a reduction of 4 FTE's. They will have a $350,000 turn back. (stopped #180)

515-Chairman Svedjan: $382,000 was in the budget for this year. Some was placed in that budget by other divisions in the department, $257,000 was part of the Mental Health Partnership. They never intended spending all of that and they have proposed in the current budget $135,000 reduction. Also in that line, DD division budgeted $35,000 for the budget code for Infants and Toddlers program. The difference between the current budget and the recommended is a reduction of $93,900. Partnership was reduced by $135,000, but the Infant and Toddler program was increased by $34,000. The difference between these two changes is a net reduction in budget operating code #3014 of $100,986. They expect expenditures of $133,000 this time and the budget next time is $288,000. (refer to attachment #1)

1284-Rep. Warner: Mr. McDonald from ARC gave me some amendments for the committee consider. I'll hang on to them.

1397-Chairman Svedjan: Anything else? We stand adjourned until tomorrow.

2-8

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: THURSDAY, FEBRUARY 8TH, 2001

Tape Number	Side A	Side B	Meter #
2-8-01 HB 1012	X-1		3327-6243
#1012		X-1	00-6206
#1012	X-2		00-6422
#1012		X-2	00-1270
Committee Clerk Signature Mikki Schmidt			

Minutes: CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER

3308-Chairman Svedjan: Let's move to the **Badlands Human Service Center.** This one they're anticipating about $350,000 turn back. We're actually seeing a reduction in FTE's, from 92-1/2, to 88-1/2. They have one vacant position and are interviewing for it now. Q? Let's look at the OAR's. #262- denied, #283- denied, and #284-denied.Q?

3587-Vice-Chairman Delzer: Arvy, why is that all general funds?

3597-Arvy: ?? They estimate their federal revenue.... And they spend all of those in their base budget.

3639-Vice-Chairman Delzer: That wouldn't be a situation of matching? If you're increasing your general funds, shouldn't you be able to match more federal funds?

3673-Deb McDermott: Assistant Director for the Fiscal Department: We would end up having again as our built into the rates. So the expenditures are increased for the 01'-03' biennium, that would increase the rates for the next year and then we'd be able to get federal money from them but not initially. They have to be built into the rate and the rates are increased from historical cost.

3717-Chairman Svedjan: So the fact that they have been paying psychiatric services has no bearing on it? We're at the rate increase here?

3725-Deb: Yes. Because the rate would still be based upon the goal rate that was paid before. Eventually we'll get the money but not until the biennium.

3758-Vice-Chairman Delzer: Deb, is it really 2 years behind?

3765-Deb: Actually it is 1 year's time. The next biennium you would start to see it.

3778-Vice-Chairman Delzer: You should see some in the second half of this biennium if the rate increase goes in on July 1. You should get half of whatever the match would be for the second year of the biennium?

3809-Deb: We wouldn't redo those rates until January 2003, the following year.

3852-Vice-Chairman Delzer: You have enough federal money in there that you're covered for any excess federal. You have enough federal authority in there that if you get this little bit of excess federal money , you have authority to spend it. Is that true? What's the federal on expended authority at most of these Human Service Centers?

3897-Deb: On the expended other? We don't have any that would be right now, but there would be some.

3912-Vice-Chairman Delzer: There would be some in almost all of those. So if you got some more federal money, you'd have the authority to spend it.

3934-Chairman Svedjan: Q? OK, let's take a look at the **Operating lines.**

4116-Vice-Chairman Delzer: Mine is around 30.

4150-Chairman Svedjan: Part of the action in the operating fees and services is that they had moved in the $15,000, the partnership was moved into that line item, but even with that, it looks like.... **4201-** Does anyone else recall what might have impacted the operating fees and services?

4241-Vice-Chairman Delzer: If I remember right this is another one of the partnerships that's rolling out. I don't know how much they'll get going, but I know they ended up with a bunch of extra money and I would guess they probably got a little extra for next time too.

4281-Rep. Kempenich: I think that they didn't get going as fast on that as they thought they would.

4321-Vice-Chairman Delzer: I guess I would request $30,000

4332-Chairman Svedjan: And that would be allocated according to the split.

4344-Allen: LC: For this one, it's 47% general funds.

4357-Rep. Kempenich: I'll make it $20,000 reduction.

4381-Chairman Svedjan: So you're requesting a separate amendment for a $20,000 reduction?

4403-Rep. Kerzman: I'll request one for $10,000 then.

4416-Rep. Kliniske: Just a question on how this works. If you request amendment for 30, we can re-amend that? We can change your number to whatever we want, just so that we have the work in.

4456-Chairman Svedjan: So, do we have 2 requests here or do we have three?

4465-Rep. Kempenich: Leave mine out.

4533-Chairman Svedjan: Any other requests on the operating lines exclusive of grants and benefits? Let's take a look at the **Grants.**

4640-Vice-Chairman Delzer: I think we should talk about Respite care, we have that all over and it's all general funds, and none of them seem to be close to what they're putting in there. Who's that going to or how's that being used?

4724-Rep. Klinske: I have this after school program contracted with Lake house. FTE and at risk.

4767-Chairman Svedjan: So they're expecting to spend $13,000 and are requesting $25,000 all general funds.

4791-Vice-Chairman Delzer: I think we could move that down $5,000.

4800-Chairman Svedjan: OK, we have a request for $5,000 decrease in general on the Respite Care grant. Rehabilitation employment services; that appears to be new. Supported employment.

5017-Vice-Chairman Delzer: Arvy, would that OAR be part of this, or is the OAR all in operating?

5035-Chairman Svedjan: The OAR is in operating fees and services. This one they're contracting for 2.5 Psychiatrists.

5140-Vice-Chairman Delzer: Deb, what's the difference? Why is there some in grants and come in operating?

5160-Deb: I believe that's for the OAR.

5176-Vice-Chairman Delzer: Oh, you mean that's just where it ended up? But it very well might have to do with this service?

5190-Deb: It could be.

5194-Vice-Chairman Delzer: You don't know. The only reason I bring that up is it appears to be a fair amount of room in there. If that's the case, then maybe we can give that $5.00 increase without the OAR.

5284-Rep. Klinske: In that case, would we just approve the OAR that we used to fund it?

5306-Vice-Chairman Delzer: I don't think that would be a problem. I don't think we set that rate. They can set the rate however they want. If they got the money, they can go up I believe.

5337-Arvy: The OAR would have indicated that they're going to be charged a higher fee by the contract, so they're going to get that charge to the contractor.

5373-Vice-Chairman Delzer: What if there's money there? Deb, could you find that out for us? If that OAR is part of the 60/40 on the grants?

5427-Chairman Svedjan: In the mean time, do you want to make a request?

5433-Vice-Chairman Delzer: Yes, I believe I would for $15,000 general fund there, depending on what happens with this information.

5515-Chairman Svedjan: We hadn't yet made any requests, a blanket request on partnership or did we?

5591-Vice-Chairman Delzer: No, the partnership is funded at the core level right now. And most of them through OAR's.

5638-Arvy: Many of the services did fall out in OAR's as they tried to compare holding budgets.

5709-Chairman Svedjan: Is it true for all that's in the budget for the partnership program is just for core services?

5735-Yvonne:

5760-Chairman Svedjan: I have some recollection of it being one that's outside of it. **5888-** But there again they contract with those hospitals, so they no what the contract is going in, right?

5910-Yvonne: Yes.

5924-Chairman Svedjan: Any other requests on the grants line?

5936-Rep. Kerzman: When you look at the total though, they're only about $100,000 difference. If we're going to request reductions, we probably should request $20,000 enhancement for CD Drug and Alcohol.

5996-Chairman Svedjan: You're asking that we draw an amendment to add $20,000 to the CD Alcohol and Drug Services?

6017-Rep. Kerzman: Yes.

6038-Vice-Chairman Delzer: That would be by the split under the 61/28, right?

6099-Chairman Svedjan: Q? Hearing none, are there any other requests or Q regarding the Badlands HSC?

6144-Rep. Kempenich: Are we just going to take the department...?

6198-Allen: The request was under aging services for vulnerable adults was to remove that from each of the HSC's, the $210,000 in general fund so that we have that.

6244-Vice-Chairman Delzer: That was mostly because we expect the case spanned and expanded case.

6262-Chairman Svedjan: That concludes our review of the **Badlands Human Service Center.**

Tape 1-side B-24-Rep. Kliniske: When you had asked for the reduction of the grants line, the poverty line was over the ??

37-Vice-Chairman Delzer: That means we can go with the 30.

56-Chairman Svedjan: We'll call the section back to order. We'll proceed with the **South East Human Service Center. 107-** Let's proceed, they're showing a net increase of 1 FTE. They had been approved for 181.75 and then they added in 3 partnership, 2 infant development, 1 state hospital, and 1 vision to get them up to the 188.75 which is the current budget. Then they backed out an unfunded position and a partnership position that got them down to 186.75. They

added back an OAR for the fourth partnership and then there were 2 additional FTE's, both of which were OAR's, 1 for a Ph.D. Psychologist, another for a County Supervision position which got them to 189.75, which shows a net of 1 FTE increase. Let's look at the OAR's.

237-Vice-Chairman Delzer: **I would request for the removal of IMD cost.**

245-Chairman Svedjan: **So we're requesting the removal of OAR #213, which is $3,196.00 in general funds.** OK, then the County Services position was approved with OMB costs as well. **Request removal on that one too, it's OAR #218** and then #232 restored the partnership staff, that was approved and was all general funds. #276 was denied, #277- denied, #281 #282- both denied, #289- increase in respite care- denied, #290, #292- denied, #295-denied. Any recommendations on FTE's? They have 2 part time positions that they won't be filling. The one full time Administrative Secretary position not funded. Was that the OAR? #292. OK. **492-** Regarding the Operating Lines: My notes say that we could reduce the travel some.

531-Vice-Chairman Delzer: My notes says at $400 a person?

541-Chairman Svedjan: Yes.

584-Vice-Chairman Delzer: My total comes to $41,288. **I guess I would request $40,000.**

614-Chairman Svedjan: That fits very closely to what I have. OK, **we'll request the amendment there, Allen.**

631-Vice-Chairman Delzer: And that's with the split?

633-Allen: It's 44% general funds.

636-Chairman Svedjan: And that was $40,000. **655-** OAR #233, the partnership position. Is that a position that they had on staff, but then moved it out to get to the hold even, or is that a new position?

698-Yvonne: I believe that it is a current position. I'll check.

724-Vice-Chairman Delzer: In my notes it says currently working, took out for budget.

732-Chairman Svedjan: OK, so that's what it is then. My reason for questioning that was , was that outside what's in the budget for core services?

755-Yvonne: It's what's outside of what SE could afford to restore in their base budget. It's not an enhancement.

778-Chairman Svedjan: Q?

787-Rep. Warner: Was the #233 a request to do withdrawn or was that just comments that's based on the information?

797-Chairman Svedjan: #233 was restored. It was pulled out to get to the hold even.

803-Rep. Warner: That wasn't on the list of requests to withdraw?

807-Chairman Svedjan: No. Let's move to the **Grant lines: Sheltered Care:**

867-Vice-Chairman Delzer: The Respite Care OAR that you had in there, where would that fall? The reason I ask is the other centers had a Respite Care line all by itself, and it wasn't necessarily being spent very well. Which line would it be in? **995-** On the access and visitation, is that just contract?

1012-Chairman Svedjan: It's a contract, and it's all federal.

1128-Vice-Chairman Delzer: On the part C, that just rolls over, the part C money?

1139-Yvonne: Yes, it does roll over. It's very restrictive of where it's spent.

1163-Vice-Chairman Delzer: Did you check and see if it could be used for 8739, which is DD and Infant development.

1173-Yvonne: It is used for some of the costs.

1177-Vice-Chairman Delzer: That one requires match. What kind of match?

1184-Yvonne: Part C does not require a match. Infant development, we have some match in there because some of those services are covered under????

1198-Vice-Chairman Delzer: But that should only be a 30% general fund match?

1206-Yvonne: There are children that are served in ????????

1214-Vice-Chairman Delzer: They're solid general funds but you can't use part C money on them?

1219-Yvonne: Not for everything that they do in HIPPA development, there's some restrictions on what you do.

1238-Vice-Chairman Delzer: It's strange that the Fed.'s would have that much budgeted if it was... Obviously it must be a hard thing to use up, is it the same in other states?

1254-Yvonne: No.

1260-Chairman Svedjan: That's quite a difference there. Does anyone have any requests on shelter care? Q? **Short term residential.**

1401-Vice-Chairman Delzer: That's mostly general funds.**1466-** I would guess all of it is CD, Alcohol and Drug services which probably work some what together when you look at them all.

1504-Chairman Svedjan: Partnership, that's reflective of only core services. Contract with the Village, that's CSCC money, $50,000. Social Clubs, that's quite a jump.

1586-Vice-Chairman Delzer: Well it's quite a jump and quite a difference from what they spend. Yvonne, do you have any information on why the spending level is where it's at on that one?

1613-Yvonne: I don't know exactly, it might be one of those situations where the billing comes in slowly.

1648-Vice-Chairman Delzer: Is it a cost base contract? Are we covering total costs there?

1655-Yvonne: No.

1679-Chairman Svedjan: Psycho-social, that's general funds. It looks like what they've done is inflated the current 174 by 3%.

1703-Vice-Chairman Delzer: Have we done everything we can to see if there's any chance of using any federal $$ there?

1722-Yvonne: We've looked into it. We thought we might be able to find a way to access Title 19.

1750-Vice-Chairman Delzer: Would any of those that would be used in that would be DD also or are they all just straight SMI?

1766-Yvonne: There may be some with dual diagnosis.

1789-Vice-Chairman Delzer: Is there any VR going through the Psyche-social clubs?

1795-Yvonne: It varies, it's not the kind of service that generates independent employment.

1820-Vice-Chairman Delzer: None of these people that are in there would be looking for some employment. Don't they do the work there themselves, don't they run these clubs by themselves?

1837-Yvonne: No, the clubs are operated under contracts and they are staffed by the contractor. It's basically a setting where social skills are taught.

1887-Chairman Svedjan: Do you know, have they locked in a contract at $179,000?

1899-Yvonne: No. They wouldn't have locked in any contract.

1920-Chairman Svedjan: Residential room and board, we see a variation again. They've brought their budget down, but it's still twice as much as what they're projecting to spend.

1947-Yvonne: That was because of late start ups.

1999-Vice-Chairman Delzer: When you look through all of those and add them up and what not, I guess I would request $25,000 in general funds in the grants line. There's some higher but I think when you do the math, it works out.

2045-Deb: There are no Respite Services, the county provides for those services. I asked them about the wording on the OAR, and they had seen what the county had been giving the Respite Services and how that had been working and that's why they wanted to possibly have some of those services available to HSC's so that they can be ???? Also.

2101-Chairman Svedjan: Any other requests on the grant lines? Hearing none. On to **Lake Region HSC.** Regarding the FTE's, they're showing a stay even at 69 FTE's. **I had noted that the OAR #0931, we can reduce this $900 a month.**

2364-Vice-Chairman Delzer: I don't have the numbers but I have **requests by 2 positions is Secretary base salary should be reduced to fit.**

2398-Chairman Svedjan: OK, we'll make that request. $21,600 total at $900 a month. On to the OAR's. #232-approved, $27,000 GF.

2550-Vice-Chairman Delzer: It's full? It's not one of the one's that's reclassified?

2608-Chairman Svedjan: #238- denied, #0172- they're keeping the FTE for that position, but there's no money in the budget.

2673-Vice-Chairman Delzer: What would be the reason that they would want the FTE if there's no money? Is it current FTE, an they're funding it? With the centers, they can go up and down if they want, no value to them.

2707-Chairman Svedjan: Do you have any information on that Deb?

2710-Deb: I have no specific information, there was no funding.

2726-Chairman Svedjan: It's vacant? It's unfunded and it's an exempt position.

2740-Rep. Kliniske: I have written down that they were having difficulty filling it, but they were still going to try, and if they did find someone to fill it, they would try and find efficiency in their budget to pay for it.

2774-Vice-Chairman Delzer: That still raises the question of why have the FTE number there because they have that right to do that. If we remove that, that would not preclude them from hiring if they found it, would it?

2806-Rep. Kliniske: I guess not, except in their original OAR request, they had asked for the funding, and the Gov. removed the funding but left the????? Arvy's not here so I don't know why they cut it.

2841-Chairman Svedjan: OK, let's hold onto that and we'll get Arvy's input when she gets back. The next one I see is #285-denied, #286-denied, I think that's it. On to **Operating Lines: Travel:** they're way under budget in terms of projections. They did make note that they were going to have some highway closures up there this summer, which may add to their travle. The parking lot repair is included in what they've requested for the travel budget. **Equipment:** They indicated they may not need $750. **Building Rent:** I noted that that might be a little high. I indicated that there's probably some excess in operating fees and services. **Repairs:** This had to do with cleaning the cars. The rest of my concern had to do with the Adolescence Crisis Residential program. They're wanting to get that going. They have some trouble of keeping the right mix of adolescence, male-female. What struck me was they're starting a new program based on moneys they're finding elsewhere in the budget. I did not put any dollar amount on these, have you kept track of that?

3231-Vice-Chairman Delzer: What kind of money are they projecting to spend on that? And why would they have not put it in the budget request or in OAR request?

3287-Chairman Svedjan: I remember discussing that.

3314-Vice-Chairman Delzer: My numbers on the other one has come to about $50,000, but that seems kind of high to me, so **I would request $25,000 reduction.**

3356-Rep. Kliniske: The only thing that I do have written in my notes as far as some of the areas that you said were a little bit high, under the rent, they have an escalator clause and they're looking at huge increases because of heating and some repairs. The number I have is $10.65 per square foot and they have $18,240 sq. Ft.

3436-Rep. Warner: If hydro-thermo forces are going to be a continuing problem if you would fix it by taking the paving out of the lot or gravel it.

3466-Vice-Chairman Delzer: The problem was there that they were actually worried about the state coming in a taking their parking lot for a street that they're redoing. Then they would have to pay somebody to park somewhere.

3496-Rep. Warner: Part of the issue too is they were going to require curbs so it should limit access directly to the street, and there's only enough room to use those parking spaces if they could come into, from the street and back into the street.

3532-Chairman Svedjan: In my notes it comes to about $20,000. **Let's request it at $20,000. Grants:** respite care- all GF. There's something more that I'm forgetting. They're moving it down from 3 half days to 2.

3875-Yvonne: This is the one for residential services for CD.

3902-Vice-Chairman Delzer: There's quite a bit of room in that grant line.

3914-Chairman Svedjan: That's where they're trying to roll up some money for that Adolescent Crisis Residential.

3932-Vice-Chairman Delzer: So that wasn't out of operating that they were trying to roll that up?

3942-Chairman Svedjan: This is in operating. That's all in the operating line for the centers.

4125-Vice-Chairman Delzer: What were they saying what's the benefits of their new program? Not just the benefits for the recipient, but did they have benefits that they were projecting such as keeping them out of the hospitals?

4176-Yvonne: ???? MOE

4212-Vice-Chairman Delzer: **I would request $10,000 reduction from the grants, GF.**

4253-Chairman Svedjan: Any other requests regarding Lake Region? We'll take up NE HSC when we come back, and that's our last HSC. Q? We stand in recess until 15 min. after the floor session.

4294-Chairman Svedjan: We'll call this section back to order. I call the committee's attention to attachment #1 and #2- this is in response to questions that were posed during the Center's presentation. Q? OK, we will proceed with this budget, Lake Region as we did the others.

FTE's: 6 positions vacant. Looking at there spread of FTE's, they're moving from 161.5 down to 144.4. Now 15.25 of those, that's what I mentioned earlier Deb, that they were moving that to the contract line. So is that reflected in the budget request, the movement of those 15.25 FTE's?

No answer

5398-Vice-Chairman Delzer: Arvy, is that reflected in the benefits line correctly?

5459-Arvy: In the budget request , they're showing a reduction of 167,112 for salary, $54,392 for ??.

5521-Vice-Chairman Delzer: That can't be the right number. Aren't you saying that that's what they give you for information with the 15 though, because there's an increase in both salaries and benefits line?

Arvy: Can't hear.

5704-Vice-Chairman Delzer: That's not enough to cover 15 employees.

5722-Arvy: We go back to funding the 2% for 24 months versus 12, and then the 1% that's not funded at all.

5794-Vice-Chairman Delzer: If you take $28,000 x 15 x 2, that's 800 and some thousand $$. I would think 28 is about an average, I think that would be a low average for salaries and benefits. How much did the contract go up and which line is that in? Is it in operating fees or grants?

5895-Arvy: ??? ...then the operating fees go up.

5912-Chairman Svedjan: Well what I have in my notes is it went to contracts.

5929-Vice-Chairman Delzer: Where would the contracts be?

5934-Chairman Svedjan: Well, would they be in the contract lot?

5986-Vice-Chairman Delzer: Well there is that new CD ATC Therapeutic, there's a new hit in the grants line.

6074-Chairman Svedjan: I did indicate here up to 18 and 21 months of salary and benefits. Disregarded those 15.25, move salaries and benefits to the contract line. When I looked at that again, I couldn't figure out how it was done.

6141-Vice-Chairman Delzer: In my notes I've got salaries are reduced but I see no reduction of benefits. Attachment ACD asset Adolescent, in connection of attachment A.

6199-Rep. Kliniske: I have in my notes that salary and benefits were decreased and I guess when you look at from 97' to 99', that 7.3 and then when you go up to their present budget 99'-01', out of 8.6, but the difference of 1.3 million.

Tape 2, side A: 00- Rep. Kliniske: It's going up by $800,000 LESS than before, and that is projected, but I don't know about the benefits.

10-Chairman Svedjan: This is attachment A. #8127 and #8129, they are in the grants lines. I don't have a #8127. We have attachment A and Mr. Sandersons testimony.

92-Yvonne: Deputy Director: On the top of the schedule where it says DD Adolescent Treatment, everything down to this double line is no changes had been made and they hadn't combined these programs. What this is telling you is that in the current biennium, we had funding for 21 months for CD Adolescent Treatment, funding for 24 months for the old program which was Crisis Residential Room and Board and Therapeutic, and that's over there with the $41,154,000. We had funding for short term residential for 24 months for $333,000 and then we had the State Hospital Alternative for 18 months for $511,000.

160-Chairman Svedjan: So what they've done is moved those funds into the cost centers that are in the middle part of the page.

171-Yvonne: And what they did over in the right hand column is to say if we just left everything the way it was and funded off of those 18 and 21 month programs for 24 months, here's what the cost would have been, the 1.8 million dollars. Then you go down to the 2nd part and it shows like the consolidation of how it's been funded out now. So the CD adolescent Treatment instead of having the 2 cost centers just has the 81.9 for the $560,000. We got Crisis residential room and board, CD short term residential and CD on Drug treatment. The operation of those programs goes from what would have been 1.8 down to 1.4 million.

236--Chairman Delzer: Have you got a copy of the spin down tables? I'm wondering why they show 560 under the current budget on the 8129? On the current budget, you're showing no costs at all on your #8129. You're showing 56103 budgeted there. **337-** and that doesn't match anything on Attachment A.

343-Yvonne: It matches the line down here, that's the same number as 8129 on the budget request number.

362-Vice-Chairman Delzer: Why is it in the current budget at 562, is that just a misprint?

372-Rep. Kempenich: I run it here, it's run 21 months, 8 beds, have bed in budget last year.

380-Vice-Chairman Delzer: That would be 346. Do you see what I'm talking about? On the spin down sheet, you go across 8129, you got 0 expenses, 16 months, 0 projected spending, you had 560 for the budget request and you have 560 for the current budget.

419-Yvonne: Oh, OK, it's that current budget figure that doesn't fit, right? Because we have the 333,621 is the short term. We'll have to check. $382,000 is the budget in 8129 this time, so the figure that should have been put into the that current budget should have been 382.

489-Vice-Chairman Delzer: Why would there not be any spending there though because you show there's apparently something in there.

496-Yvonne: Maybe it's that Residential that they haven't- that building that they just acquired and are going to be combining.

506-Chairman Svedjan: Yes, they had significant delays, they were looking at moving that building in from Michigan, ND. It's the old County building.

531-Yvonne: So they haven't spent money in it, but I think it might be a misprint.

540-Chairman Svedjan: What does the total grant line show? You get to the same bottom line. $3,404, 584. There's no way you can even get a combination of numbers that equal that.

602-Yvonne: We'll have to check and see why that would be.

626-Chairman Svedjan: Is it #8129 is talking about Chemical Dependency Adult Treatment Center. But #8127 and #8129 under the current budget shows a CD Adolescence Treatment.

672-Vice-Chairman Delzer: We also don't have a spin down for #8280 in the current biennium. It's 0 for next year but it's on Attachment A with a budget in it for this year.

708-Chairman Svedjan: I heard Yvonne say that there's no longer a State Hospital Alternative program at NEHSC.

718-Yvonne: Or in any of them. We did away with that cost and put them into what service they really are. So what happened is that in doing away with that cost center they moved the money into the other appropriate other category. That money is spread into different places.

750-Vice-Chairman Delzer: Why do you move stuff in the middle of the biennium? Why don't you wait until the budget cycles to make your moves?

764-Yvonne: We do that to try to make a better comparison. We're not changing programs, but if we're looking at changing the way things are aligned in order to be clear in the next biennium to make those changes so we can see what's happening biennium to biennium. We do that with how we align things in cost centers. It's just an internal management thing.

867-Vice-Chairman Delzer: If you're just looking at numbers, how do you get a fair comparison? Tracking has been a lot easier this time than 2 years ago.

941-Deb: The reason is usually we try not to move the budget to cost centers unless it's necessary. But when we do that, it's for accounting reasons, because each cost center could be intentionally be funded out with different types of funding, and that's how our whole budget is built.

1022-Vice-Chairman Delzer: I would think it would make it harder for you guys to track the true value of where you're budgeting at, because you're changing it in mid stream. Do you have a report internally where you know how much you move? And why you move them.

1048-Deb: Yes, there are various recourses that we have that we could go back and track it if we would need to , but any budget adjustments that are made, there's a good reason why they're made, and they're made for the accountant to track it more easily, based upon spending.

1081-Vice-Chairman Delzer: When it's all in the same spending line, for us it's not such a big deal, but when you move things around like that, how do you truly base your service as far as efficiency and stuff that way. Not just the overall budget and doing whatever and maybe you missed the budget a little bit, I can understand that. But if you're trying to judge how well that service is doing, I would think it would make it quite hard.

1148-Chairman Svedjan: It is hard to track here.

1216-Arvy: When I had earlier talked about it, I saw that budget change when they pulled out 15.25 FTE's and ?????? But then I didn't see a later increase in grants or operating but when I read the narrative, they had the ???? $250,000 for other reasons that probably fell out in optional adjustments.

1284-Vice-Chairman Delzer: The thing that concerns me is when we questioned Mr. Sanderson, I know I got in my notes here no reduction for benefits. When you switched them over from salary to contracts, there should have been a decrease in the benefits because of the FTE's, if the money was the same, if the salaries was the same, as what was going in the contract. Now, if the contracts cost with the salaries, what's the benefits for? The benefits should be down.

1357-Yvonne: The salary line item is that the detail goes into the budget when we fund out the pay plan. The benefits are only attached to the FTE's. The benefits that go along with the FTE's, they're not done separately in 2 separate processes. Each of the benefit packages is attached to what would be necessary to fund along with the FTE's. It should work out.

1380-Vice-Chairman Delzer: To the number that you build your budget on.

1412-Arvy: couldn't hear

1473-Chairman Svedjan: That would show the benefits too? I would like to see that.

1520-Vice-Chairman Delzer: Can we go back to attachment A? What's currently in the budget, 99'-01' budget is the 205, the 382, 511, 41,134, and 154,797, 333,621? **1565-** And that would amount to what kind of dollars?

1558-Yvonne: Yes. **1589-** That 1.6 million.

1608-Chairman Svedjan: 1,628,879? Is that what you got? So that 1.628 should equate to several lines that are in the grant lines?

1643-Yvonne: Yes.

1646-Rep. Kempenich: I had #8126, #8129, #8262, #8264 and #8269.

1672-Chairman Svedjan: Those equal that?

1842-Vice-Chairman Delzer: Obviously, #8264 must have more than just this in it.

1861-Chairman Svedjan: We ought to be able to get to the total of 1.628 million by combining the appropriate budget categories in the grants line for the current biennium.

1884-Yvonne: With the exception that there might be other costs that are in those grants lines, because if you look like at #8264, we have a budget of 382,000 and #8264 which is part of this Crisis residential Therapeutic is only 154,000 in the current budget.

1912-Vice-Chairman Delzer: What would the rest of it be then? It's both SMI, CRT? How many do you have, do you have more than this?

1936-Yvonne: It's at Duane Dorheim's residence and I'm not sure if that had some Crisis victims or not.

2063-Chairman Svedjan: I can't get to a comparable number.

2079-Yvonne: I think it's because there are other things in some of those, that by the time they get rolled up to this level, there are other costs that are also put in there for other services.

2111-Chairman Svedjan: I think we're going to need the clarification on that.

2118-Yvonne: So what you would like is to take this down one more level, so you can see what's in these and how they correlate to this page.

2137-Chairman Svedjan: We need to get back to the budget request for benefits too. This whole thing started talking about those 15.25 positions. So if there's a way to show that and tie that together.

2187-Rep. Kempenich: I tried to find a budget that was similar to, North Central had a little bit less, but their similar. They're benefits are running about 200 to 250,000 less.

2230-Vice-Chairman Delzer: If I heard Yvonne right, she said that the way the salaries are built are by your budget number of FTE's by the pay grade, you plug that in, you build your salary line and then you turn around and build the benefits line out ?? % of that, correct?

2272-Arvy: With regard to the budget request, they built their salaries budget and they put in position, classification and all of that stuff. The pay level for salaries and then whether they get health insurance for ?? and all those little codes, you're seeing exactly what the benefits are. That's for their request. The only thing that could make the changes look funny is there isn't such a form for current budget.

2400-Vice-Chairman Delzer: Do you have a copy of the spin down on NE? **2422-** What would make them be- you're spin down on salaries should be pretty accurate, not? The extrapolation should be pretty accurate too, not? **2457-** Well only if they delayed start, it would impact it.

2435-Arvy: It should be. **2446-** Unless they had delayed start programs, it would impact that, which they did.

2488-Vice-Chairman Delzer: The delayed start's are still not started right?

2493-Yvonne: Some of them aren't.

2501-Vice-Chairman Delzer: And you've used some of that salary money elsewhere, would that show up as an expense on the salary line? You haven't showed shifting any of the salary line either though, have you?

2509-Yvonne: No. **2520-** can't hear. **2536-** The 99'-01' budget as per ??? Is prior to any $$ money being moved into operating.

2586-Chairman Svedjan: I think it's also true that after the transfer of the 15.25 FTE's, there is still 13 temporaries in the temporary overtime line, and there's also $50,000 in there for over time for the Dorheim House.

2637-Yvonne: Right.

2648-Chairman Svedjan: That will impact it some .**2662-** But it would help answer why it is the fringe benefits are going up $42,000, part of that's health insurance, but you've taken 15.25 out of there. We'll need that information. **2699-** In addition to the 15.25 that are moved to contracts, there's a .5 position for Rhinlander, and there's 1.0 for some activity director. The total of those 3 then gets you to 16.75 FTE's, which is the total reduction in FTE's. Are the dollars out of the budget for the .5 and for the 1.0?

2653-Yvonne: Because of the lack of benefits. That affects the ratio on benefits.

2755-Yvonne: I believe that there were no salary dollars for that Rhinlander, I think we funded that through, in a previous budget, we funded that for 6 months in order to have an transition, so that someone else could pick up that function.

2823-Chairman Svedjan: Let's take a look at the **OAR's:** #201-approved, #202- reauthorized, they took it out as part of the $500,000 reduction., #203-same, #204-same.

2982-Vice-Chairman Delzer: I have some questions on #204. I've got ? and overtime in training dollars, Arvy , are they on commission on that?

3010-Arvy: They're restoring 1-1/2 FT secretaries.

3072-Vice-Chairman Delzer: Do you have any information on why they would have the temp. Secretaries? What would they be in working ??? Line? **3161-** I guess I would like to get a good answer on that, cause I got temp. Support/training down. I know that it is restored.

3104-Yvonne: I don't know.

3199-Chairman Svedjan: It's a two part restoration. One is dealing with the 1-1/2 FTE and the other one is $30,000 in training costs.

3238-Arvy: Their present budget for temporary was $50,635 and the recess took it down to 0, and then they're restoring that and then the $30,000 screening.

3290-Vice-Chairman Delzer: I would request we have an amendment drawn up for the $30,000. The training unless you can justify.

3317-Chairman Svedjan: Yes, this goes on to say we're requesting restoration in training funding that was cut to meet the $500,000 loss of training. The only training funding that remains in our budget is 100% federal.

3353-Vice-Chairman Delzer: They have training dollars down in operating. Would this go to operating?

3366-Arvy: couldn't hear.

3401-Chairman Svedjan: Is that separate and apart from the 30 in OAR #204?

3411-Arvy: I would guess that's the same way. That may be part of the travel.

3479-Vice-Chairman Delzer: We should be looking at the whole center. I understand that they did this under Admin. When they are budgeted the way they are, it isn't limiting to the Admin. Dollars for training. They can use that from the whole center. The dues in professional development is $52,000 in the requested budget. I guess we don't need to worry about it under OAR cause we can take care of it in the operating line.

3630-Chairman Svedjan: OK, that got us through #204. #237-it's an enhancement to core services.

3786-Vice-Chairman Delzer: Why would they say enhanced core?

3801-Yvonne: I think it was a wording thing. Enhanced was what was in their base budget. Their base budget only included part of what they were currently doing.

3879-Chairman Svedjan: #241: (can't cut that one.) #242:

3922-Vice-Chairman Delzer: I do have that one highlighted. Isn't this where they're using the nurses. **4092**-This wasn't removed to meet the base budget.

4107-Chairman Svedjan: #242? It says to meet the whole even budget.

4144-Vice-Chairman Delzer: Why is that all general funds? How were they using this? Is this not where they were using the physicians assistant or the nurse practitioner? Or was that in the SE?

4233-Yvonne: This OAR is to restore in base budget, prior to OAR's they would have 15 hours a week.

4270-Chairman Svedjan: It was SE that was using nurse practitioners. So the fact that this shows up as general funds is basically how they spin their dollars down. Q?

4396-Vice-Chairman Delzer: Was that the only one denied at the NE?

4408-Chairman Svedjan: Yes.

4449-Vice-Chairman Delzer: Did they do anything with the University up there?

4472-Yvonne: I don't think that they do.

4491-Chairman Svedjan: They have access to Psychiatry, don't they have one on staff at NE? Q? on OAR's? **4590-** On to the **Operating lines:** Questions and answers on overtime in their budget.

4665-Vice-Chairman Delzer: **Request for 40,000 general fund deduction from the operating line.** You could move 10 of that up to Temporary, and 25 from the operating.

4844-Chairman Svedjan: Questions about the Foster Parents. All federal funds. Yvonne Smith responded to the questions. Anything else on operating lines? Check on SS Block grant money that's been picked up by general funds in the NE part of the budget. What is the total that you're requesting to be picked up by general funds.?

5140-Yvonne: We'll get that to you.

5261-Chairman Svedjan: Let's move to the **Grants line**. Need information on the Medical Director, which includes the $101,000 OAR. If we move that 101 thousand to grants, you could get a better match.

5411-Vice-Chairman Delzer: Where did OAR # 242 get put?

5591-Yvonne: can't hear.

5739-Questions and discussion of matches on Federal money in grants, SS Block Grant money, OAR's, Yvonne Smith and Deb McDermott responds.

Tape 2, side B-00-: Questions about expenditures and the way they built their budget, reprojections of their budgets and excess authority. Deb and Yvonne responds.

237-Chairman Svedjan: Let's run through the grants. Rehab.employment is under budget. Medical Director- that's close, not for 8052 and 8120, social detox, short term residential-reduction from the projection had to do with the consolidation of programs, the Adolescent treatment center therapeutic, in the last budget and I know you're going to verify that # of $560,000 but it appears you're not going to spend any money out of that this biennium. The turn back for the center is going to be short of $44,000. Where has that $560,000 been used? Or has it gone to something else?

393-Yvonne It's being used in other grant lines.

447-Chairman Svedjan: Did you take a look at all of the grants?

473-Yvonne: We'll put a schedule together for you.

534-Chairman Svedjan: This is an example of what I call "creepage", when money is budgeted and wasn't used for that purpose and used elsewhere which helps keep the budget up in those other areas next time around.

567-Yvonne: Yes. (refer to the schedule that we did for you comparing the State Hospital and Aging Service Centers in their relative budget, NE is one that is down a lot in terms if general funds)

611-Chairman Svedjan: Over spent the short term residential services by $100,000. Did it come out of the $560,000?

638-Yvonne: Yes.

648-Vice-Chairman Delzer: That's just the extrapolation.

663-Chairman Svedjan: That makes the case even worse. The Mental Health Partnership.

727-Vice-Chairman Delzer: We're cutting them to the core in the Partnership program, and yet there's a big increase.

754-Yvonne: NE wasn't one of the planners. It started during the biennium. It's all done within. It's a matter of realigning.

811-Chairman Svedjan: They're requesting 168,000 with 127,000 federal money in it.

843-Vice-Chairman Delzer: The split is supposed to be 33 federal and 67 general. CSCC money is $75,000 for each one?

863-Arvy: Yes. That Partnership charge that we had for each, NE had an increase.

949-Chairman Svedjan: Psycho Social Club Two, is under contract, overspending?

1023-Yvonne: Contract is down by $15,000. It's $140,000 now, they're projecting to go to $125,000.

1036-Vice-Chairman Delzer: The budget for this year is $125,000 too.

1046-Yvonne: There have been some requests for increased funding.

1117-Vice-Chairman Delzer: When I look at the rest of them, they're down, **I would request an amendment for $50,000 from the Grants split.**

1178-Chairman Svedjan: Any other requests on NE HSC? We'll conclude today till 10:00 Friday the 9th. We'll pick up with **Management.**

Jan Stein

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date February 9, 2001

Tape Number	Side A	Side B	Meter #
1	X		00-4072

Committee Clerk Signature

Minutes:

REP. SVEDJAN, CHAIRMAN Called the subcommittee on Human Resources to order.

The executive office and managerial and FTE's were reviewed, stating the FTE positions were all filled. There are no salary or wage adjustments needed at this time.

Rep. Svedjan opened the meeting for any suggestions regarding the operating lines. He stated that the sixty six hundred for rent has been moved to Voc Rehab DD budget. He stated some questions were raised regarding the dues.

The question was asked, why would you hold a membership in continuing medical education?

COULDN'T HEAR ANSWER

The question was asked if both the health department and DHS hold membership in fraternal and child health?

COULDN'T HEAR ANSWER

The question was asked if International Fabric Care Association was for the State Hospital or the DD Center?

Answer - I assume, yes

REP. KEMPENICH Related to the travel, why was there an increase of twelve thousand, over the last expenditures, your spend down shows about twenty four expected, yet you come up with thirty six?

BRENDA WEISZ, EXECUTIVE OFFICE, answered, stating everything had changed in the executive office, have two more attorneys in the advisory area.

REP. DELZER Stated there was twenty two thousand dropped from operating fees per consultant, that is still overspent in that area, he asked whether they expected to have that problem again this biennium?

BRENDA WEISZ No - couldn't hear the rest of the answer.

REP. DELZER So you would actually only spend about thirty six?

When you look at the total spend down page, what is the total budget for this biennium?

Even with the expenses out there, and you say operating fees are higher, your total spending will be considerably less than your budget this time, what is that in line with?

BRENDA WEISZ Related to the travel

REP. DELZER That is only about twelve thousand, do you have a couple of positions open in the executive office?

BRENDA WEISZ New attorneys, and two positions are open.

REP. SVEDJAN Going back to the salaries, with the director gone for eight to nine months, you are still projecting that your expenditures in the current biennium will be $933,000, and your

requested budget is 1.1 million, it seems like there would be a greater difference there even after factoring in the three and two, and the executive office is not anticipating any turnback?

BRENDA WEISZ Could't hear answer

REP. SVEDJAN Am I missing something here, it would seem like the difference would be greater than a couple of hundred thousand dollars, actually, it is less then two hundred thousand. Answer: What was projected

REP. SVEDJAN You are projecting that you are going to spend $933,000 just in the executive office, and your request is for 1.1, my point is, if your projection is as low as, by three and two, and then backing out for those months that Carol was on leave of absence, she wasn't paid during that time, it seems like you must have rolled some money up to use somewhere else there.

BRENDA WEISZ Answered, couldn't hear.

REP. DELZER When someone takes a leave of absence, what happens to their health insurance, do they have to pick that up themselves? They pick them up themselves, what happens, it doesn't make any difference to their retirement, except they lose those months YES

BRENDA WEISZ The months times the fringe benefits and the time are gone, we are turning back more.

REP. SVEDJAN But you aren't turning anything back, is what we were told.

BRENDA WEISZ In general funds, right, authority goes back. (Couldn't hear most of it.)

REP. DELZER I have no problem with the salaries, but you kept your number of employees the same? How much of a turnover did you have, you must have had a pair turnover, and hired some lower employees, because the salary line is actually down for the budget for next time. Did you switch pay grades on a number of people?

ARVY, ANALYST FOR OMB Answered there was a temporary position (couldn't hear all of the answer)

REP. DELZER But there is a decrease, if you didn't lower your pay grades, and if these salaries are figured by the way we were told yesterday, is that you put the people in there and the pay grades, and you didn't lower any pay grades, and you have the same people, how would the salary have gone down?

ARVY For that temporary position, the dollars would have been in, but they pulled a line from managerial support from the present budget, that's why you don't see a FTE changing, but the dollars are still in front of the budget, even though the dollars are down.

REP. DELZER It still doesn't make sense to me. What did we have for people when we did this last time, did we have thirteen?

ARVY Yes, they took that FTE line out.

REP. DELZER That's why it would be nice to have that other FTE line so we would know what we did last time.

BRENDA WEISZ Stated she would get that information.

REP. DELZER Stated it would show what came out of last session, and the changes they made until the budget was put in.

REP. SVEDJAN Stated, the point I was trying to make on salaries, if I worked from your projection of $933,000, and I factored that up by three percent, then by two percent, and then one percent, I don't get to one million dollars,

BRENDA WEISZ Projection did not include Carol.

REP. SVEDJAN that is seventy some thousand?

BRENDA WEISZ Yes.

REP. DELZER Back to the FTE's, there is an authority for executive officer to change FTE's

ARVY Yes, for the total department (Couldn't hear everything)

REP. SVEDJAN Asked if there were any amendments for operating expenses.

REP. DELZER When we actually make an amendment on operating, we will be looking at the executive office, managerial support and IMB. It will be all to the management line.

REP. SVEDJAN In your grants and benefits line, you spent some money, not much, what should that have been for

BRENDA WEISZ Contract with NDSU for the foundation in social work, (couldn't hear)

REP. SVEDJAN Your split of general funds for the executive offices, is really a disparity.

BRENDA WEISZ It is based on FTE's

REP. SVEDJAN What does that mean?

BRENDA WEISZ The executive officer's clause, (could not hear)

REP. SVEDJAN Stated they would go on to managerial support. This shows one FTE reduction, this is a mix of positions which deal with mail, collections, grant reprojections in DR and statistics type positions. How did we get to a minus one?

BRENDA (couldn't hear)

REP. SVEDJAN Asked how the underfunding was handled.

BRENDA WEISZ They would either hold positions open or (couldn't hear)

REP. SVEDJAN Went on to the operating line - In this area we are talking about the DD loan sale, right?

Answered, Right.

REP. DELZER The DD loan sale really has nothing to do with this budget this time, it will have to do with it the next biennium.

BRENDA WEISZ It is required on the general fund.

REP. SVEDJAN It is nothing that requires an amendment to HB 1012?

ARVY There is another if you go to the DD line item. There was an additional sale after the budget was put together, so that increasing the revenue and the payment, so they do need special funding under that special line item to make that higher payment.

REP. DELZER What do you mean, they are going to get more money, or they can pay more?

ARVY We had that discussion about how the money comes in, then it gets shipped to this fund, and then it is sent to the department, and we send it right back, that money that is getting sent to the land department, is shifted to the human services and sent back to the land department, is going up for loans and budgets, because of loans that were extended after the budget was prepared. It is an in and out transaction. I don't have the dollar amount.

REP. DELZER That is the only number that needs to be changed, the 3014.

ARVY For that line item, right. - it is just an in and out special fund.

REP. DELZER Requested that amendment for the supplies.

REP. SVEDJAN Requested committee members to pick out areas in the operating lines which concerned them.

REP. KLINISKI Referred to Line 30, under operating fees and services, wanted clarification regarding the increase from the projected expenditures to the request.

BRENDA WEISZ The projected would not have our indirect costs, that would explain why the projections do not meet the request.

REP. DELZER Asked what the indirect costs are.

BRENDA WEISZ Check processing, centralized costs, etc, they are billed out to the state agencies.

REP. KEMPENICH Asked about the insurance line, is that the risk management?

BRENDA WEISZ Right

REP. DELZER Related to the spend down, to executive budget, it stated 183 instead of 163, is that a misprint?

BRENDA WEISZ Also included in that insurance is what we have to pay to fire and tornado for property insurance.

REP. DELZER Also requested that HIPAA be moved to line D.

REP. SVEDJAN There was a question raised earlier regarding administrative hearings, the total amount was $604,943 did we receive that?

DEB. ASSISTANT DEPUTY ANALYST, FISCAL DEPARTMENT Gave a list of costs - $775 appeals - $850 for the next biennium, there was an increase in the actual costs.

REP. DELZER Your bills were $775 and you are expecting $850, or are you building the budget on $850?

DEB It will be $775 for this biennium, but they are planning $850 for next biennium, there will be an increase in the child abuse area.

REP. DELZER TO ARVY When we went through office of administrative hearings, they were way down, how much of the percentage of their work comes from DHS?

ARVY (couldn't hear)

REP. DELZER Can you tell us what it was in the 1997-1999 biennium, how many

DEB Actually this information is a manual process (couldn't hear)

REP. DELZER Where is that $604,000, where is that sitting?

REP. SVEDJAN The $604,943 for administrative hearings, is that in operating fees and services?

ARVY In professional services

The total budget for the office of administrative hearings is 1.37 million.

REP. DELZER What about the Attorney General's Office.

BRENDA The Attorney General's Office falls in different areas where, because we have to request an attorney general's opinion, we will charge for that one, other things we charge for is when we contract any legal issue that might be brought to the state.

REP. DELZER If you have legal staff on your own staff, why do you need this special, like on contracts. I can see it at an administrative hearing or an appeal.

BRENDA The legal staff works primarily with the administrative code and the administrative ruling. When it comes to questions from outside entities and such, the expertise you need to run it by the Attorney General's office. The other thing is, if an opinion needs to be rendered, it has to be rendered by the Attorney General or an attorney from the attorney general's office.

The basis for that is, they used to have attorneys representing them situated in a department for the entire biennium, but what they said is, they house them in the attorney general's office, so they make the request over there.

REP. DELZER This may be facetious, but I am not real wild about administrative rules, if we got rid of 28-32, we could do away with two positions.

The subcommittee meeting was adjourned.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: MONDAY, FEBRUARY 12th, 2001

Tape Number	Side A	Side B	Meter #
2-12-01 HB 1012	**X-1**		**3320-6246**
#1012		**X-1**	**00-6034**
#1012	**X-2**		**00-6200**
#1012		**X-2**	**00-2301**
Committee Clerk Signature Mickie Schmidt-Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,**

REP. KEITH KEMPENICH, REP. JAMES KERZMAN,

REP. AMY KLINISKE, REP. JOHN M. WARNER

3320-Chairman Svedjan: We call this section back to order on **HB 1012** We're working on the **Executive Office Managerial support in IMD**, that's all under the heading of management. Keep in mind the amendments you want drawn because we won't request them until we've done the IMD portion of it, all three areas: Executive Office, Managerial, and IMD all fit into the same line. We went through all of the Operating lines on Friday. Line #71 on the spin down for Managerial support.

3459-Deb McDermott, Assistant to Director of Administration: Explains the transfer code, DD loan fund.

3536-Chairman Svedjan: Q? #3900 is all HIPAA. Q? Let's move to **Child Support.** It's under **Economic Assistance.** Discussion on FTE's, 7, increase, and OAR's.

3810-Deb: She explains about the FTE's and OAR's.

3918-Chairman Svedjan: Total of 5 FTE's converted.

MORE DISCUSSION ON FTE'S AND GRANTS.

5469-Chairman Svedjan: On to the **Operating lines:** Discussion, questions and answers on: **Travel, Building rent, Operating fees and services.** (refer to page 8 of testimony) Increases, payments.

Tape 1, side B-00-Chairman Svedjan: Discussion and questions on FTE's.

188-Mike Schwindt: Director of Child Support: Discussion on the Indian Counties and Tribal Operations.

268-Vice-Chairman Delzer: It would take a change in the formula.

482-Chairman Svedjan: You said that at Fort Totten and Belcourt, the need is there, that's why you're putting the money into it. On to **Operating Fees and services:**

560-Ed Forty: County SS Director for Ramsey County: Ramsey county is not an Indian County from the stand point of the SWAP funding, so we do not get funding.

596-Chairman Svedjan: Q? On **Operating Fees and Services?**

790-DISCUSSION AND QUESTIONS ON OAR's, AND FTE's, TRAINING SESSIONS, TEMP. POSITIONS, AND POLICIES.

1310-Vice-Chairman Delzer: I would request all of the IMD costs related to these positions.

1980-Mike: HB 1121.

2475-Vice-Chairman Delzer: **I'm going to request that we draw an amendment to delete #214 and #215 of the OAR's. And also make a request for $25,000 general funds out of the Operating line, for Child Support.**

2868-Chairman Svedjan: Q? On the lines for Child Support. This should conclude our work on this. We will stand in recess until 15 minutes after the floor session ,(about 2:30 p m), at which time we will take up Economic Assistance Policy, and then after that we will go into program and policy and start with Aging Services and work our way through. We're going to hold on Medicaid and Healthy Steps, we hear HB#1441 on Wed.

BREAK

3003-Chairman Svedjan: We'll call this session back to order. Before we proceed with Economic Assistance Policy, I want to request that the committee request any amendments for Executive Office and Managerial Support.

3144-Rep. Kliniske: **I would request an amendment in general funds under Management, $7,500 adjustment, decrease.**

3187-Chairman Svedjan: Regarding the **Operating lines**, any recommendations? The suggestion was $80,00.

3250-Rep. Kempenich: **I had about $80,000, mainly looking at the professional services, travel, professional supplies and materials, IT telephone , equipment rent, repairs, and operating fees.**

3300-Chairman Svedjan: The **suggestion was $80,000.** Anything else in **Managerial Support?** Hearing none, let's go to **Child Support? We had requested OAR's 214 and 215 and 25,000 in general funds.**

3793-Chairman Svedjan: Q? Let's move to **Economic Assistance Policy:** Mr. Nordwall, I first want to ask you about the vacant position you had for 2 years?

3848-Blaine Nordwall: Director of Economic Assistance Policy: The position has been vacant for 22 months. The reason we held it vacant is we weren't sure we would have enough money during the current biennium to actually hire somebody without knowing that we were going to have money materialize because of a death of a staff person, and some retirements.

4200-Vice-Chairman Delzer: I request to have an amendment drawn up to the proper salary range. What grade do you want, Blaine.

4269-Blaine: **Appropriately, it would be an Administrative Secretary III, which would be a grade 6** as opposed to a grade 11 for HSPA3.

4341-Chairman Svedjan: Discussion on Temporary Overtime, mostly in quality control. **I would request a reduction of $5,000 in that area.** Let's look at the **Operating lines**: in repairs, professional services, Office supplies, printing, Professional supplies, buildings and grounds and misc., all are up compared to your projections.

4539-Vice-Chairman Delzer: I've got about $5,500 without anything on Operating fees.

4590-Chairman Svedjan: Let's examine the Operating fees and services. Blaine, could you explain what accounts for that substantial difference between projection and budget?

4625-Blaine: Explains about jobs clients services, job support services both increased and special projects, welfare to work money, tannf and retained dollars, contracts.

5800-Chairman Svedjan: I still don't know how you get up to $10,454,000 in object code # 3014?

5825-Blaine: In #3014, our increase is a little over $4 million dollars to arrive at the 10.4 million.

5975-Chairman Svedjan: Q?

Tape 2, side A-00-Vice-Chairman Delzer: There is no general fund in here, operating. **I request $60,000. Allen, could you take the operating fees and services out and then figure it from there?**

142-Chairman Svedjan: Q? The only other area has to do with the Indian County.

184-Vice-Chairman Delzer: I would request that we ask for this amendment as it was prepared by the counties, which makes it 85%.

211-Chairman Svedjan: That's in the testimony of January 30th. Any other requests? **341-** Let's go to **Aging Services.** We have the **DD Council:** Let's take a quick look at this first.

555-Edward Forde: Director of Ramsey, Benson, and Towner Counties: (attachment #2) Talks about the Indian County, SWAP, SS, Lake Region Child Support. Questions and answers follow.

1558-Chairman Svedjan: As it stands now, we've **requested the 85% amendment and have not done anything with the other amount of funds that was in the Child Support budget for Roulette and Vince County. 1608-** Let's move to **Aging Services:**

1647-Vice-Chairman Delzer: I need some information on the Senior Citizen's Mill Levy Match, what they're being paid on, what the 99' tax year is based on, what the 2000 tax year is based on? The reason I ask this is because one of the things we talked about doing was going up to .50 cents on the dollar on the first mill. And the information that I received today would be that that is less than what they're currently spending. Why?

1740-Linda Wright: Director of Aging Services: Explains about the Governor's budget, mill levy, matches, total appropriation for the biennium of $1,461,288.77, based on the 2000 tax year.

3459-Vice-Chairman Delzer: **I would request an amendment to reduce- take the $400,000 away in general funds, and replace that with $150,000 of IGT funds.**

DISCUSSION ON MILL LEVY'S

4298-Chairman Svedjan: Let's take a look at your **Operating lines:** Operating fees and services: Projection to budget is about a $318,000 difference.

DISCUSSION, QUESTIONS AND ANSWERS ON OAR's, FEES, TRAINING AND CONTRACTS, CLIENTS, ELIGIBILITY.

5674-Chairman Svedjan: Q?

5745-Vice-Chairman Delzer: **I would request an amendment to reduce that down to $200,000 in general funds.**

5877-Brenda Weisz: Director of Fiscal Administration: Explains about the Fees.

6015-Chairman Svedjan: Would you restate your amendment request.

6034-Vice-Chairman Delzer: **It would be to allow $200,000 of OAR # 250, $200,000 general funds.** Why is that 684 not in that OAR?

6094-Chairman Svedjan: **So your request removes $52,700?**

6101-Vice-Chairman Delzer: Right.

Tape 2, side B-59-Chairman Svedjan: Continuing on. Any other requests? Hearing none, I want at look at the OAR's.

DISCUSSION ON OAR's, INFLATIONARY FACTORS, PROVIDERS RATES.

270-Chairman Svedjan: **Let's make that amendment $52,727.** Q? On Aging Services?

QUESTIONS ON NUMBER OF CLIENTS, REBASE, SPED, EXPANDED SPED, CAP's, % OF INCREASES.

1048-Vice-Chairman Delzer: The increase in SPED was $649,931, EXPANDED SPED was $523,036. **We should reduce that overall by $99,916.80. We should at least draw an amendment. 1221- I would also request that we reduce the- what I want to say is we want to come out with a figure coming out of the IGT of $6,898,302, however that needs to be reflected here, for SPED AND EXPANDED SPED. 1339-** What is the total for SPED AND EXPANDED SPED?

1349-Linda: The total for SPED is $13,588,831. For EXPANDED SPED is $1,288,437.

1397-Vice-Chairman Delzer: Well then the requested amendment should read to "Leave the funding level at $13,488,831 of which $6,898,302 is from IGT."

1458-Allen: We'll have to do some adjustments with the SPED and EXPANDED SPED for the Targeted Case Management. Is that going to be paid now in Medicaid? We'll make that adjustment as well.

DISCUSSION:

2158-Chairman Svedjan: Anything on Aging Services? We will stop here for today. We stand adjourned until 8:00. Tomorrow we have a hearing on HB 1109 at 8:00 am, License and registration for Assisted Living and Basic Care. Also, HB 1441 at 8:30, CHIPS.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, FEBRUARY 13, 2001

Tape Number	Side A	Side B	Meter #
2-13-01 HB 1012	**X-2**		**2966-6209**
#1012		**X-2**	**00-5943**
#1012	**X-3**		**00-6229**
		X-3	**00-1080**
Committee Clerk Signature Mickie Schmidt (Rush)			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER.**

2916-Chairman Svedjan: We will proceed with the budget of Child Welfare in HB 1012 and Mr. Ronnigan is here.

3445-Mr. Ronnigan: Department of Child Welfare: Discusses and explains the FTE's, Oar's, the spin down, general funds, grants and family preservation.

4250-Chairman Svedjan: Takes requests for amendments.

4256-Vice-Chairman Delzer: I think we should at least consider reducing OAR #231 by $50,000.

4344-Chairman Svedjan: There was some questions about OMB's position on these OAR's #265 and 266. Discussion with Arvy. **5022-** Any Q? **5100-** Let's move to the **Operating lines:**

Discussed: Postage, Equipment, Rent, Travel, Dues and Professional, Operating fees and Services, Repairs, Professional supplies, Misc. Supplies.

Tape 2, side B-00 Start side B:

36-Vice-Chairman Delzer: **I would request an amendment for $25,000 general funds and leave them the federal fund authority.**

60-Chairman Svedjan: Q on the operating lines? Let's move to the **Grants line:**

284-Vice-Chairman Delzer: If there's an increase in the cost, it shouldn't be considered sup plantation. **284- I would request that amendment and take that up when it comes.**

290-Chairman Svedjan: **Foster Care:** General funds are up $394,000 in Foster Care. They moved from operating to the grants line.

396-Vice-Chairman Delzer: **I would like to request two amendments in that .1, taking the $310,000 to TANNF, and allowing $200,000 of that of TANNF.**

418-Chairman Svedjan OK, so it's two variations?

421-Vice-Chairman Delzer: Right. (Discussion)

535-Chairman Svedjan: **Foster Care:** (Discussion)

1255-Vice-Chairman Delzer: What would happen if we would take $250,000 of the general fund away from that?

1583-Vice-Chairman Delzer: **I would request a $100,000 deduction, it's based off of the Family Preservation services grant line.**

BREAK FOR LUNCH

1690-Chairman Svedjan: CALL THIS SECTION BACK TO ORDER. We'll look at Family Subsidized Adoption: here we're seeing a $375,000 increase in general funds. It has to do with Special Needs Adoption.

1729-Paul Ronnigan: Explains about the Adoption State Families Act and the implementation of moving children towards permanency, we're seeing a significant increase in the numbers of children going through the subsidized Adoption process. Explains about reprojections, eligibility's, general funds, matches, the federal level, 4-E.

3770-Chairman Svedjan: Let's go to **Early Childhood Services:** (Discussion on expenditures and the Resource Center in the referral area, developing quality & childcare providers, the busch moneys in special dollars, MOE's, which would be in the Child Care Development fund, matches, F-map.

4933-Vice-Chairman Delzer: I would draw an amendment for $40,000.

4986-Chairman Svedjan: Refugee Services, Collaboration Services are all federal? For Collaboration, the 8.35 million is CSCC money, the Maternal and Child Health care money, and TJS dollars that they generate through there activity child welfare dollars, Juvenile Services.

5431-Let's go to the **County Reimbursement:** It's taking a large jump and have dropped the general funds, which is flow through money.

5525-Vice-Chairman Delzer: Do the counties pay a fourth of the Subsidized Adoption? Is that the only place that the counties have a cost?

5573-Brenda Weisz: Director of Fiscal Administration: This is the part of the counties administrative costs that were not slopped out. It's based on random.

5735-Chairman Svedjan: Q? On Child Welfare. We will move on to **Children's Special Health.**

5872-Paul Ronnigan: There was a request earlier regarding the masked increase for the residential childcare facilities and we do have that information. That was allotted two biennium's ago in 1997, for your information. 250/300 at that time.

6224-Linda Wright: Director of Aging Services: (attachments #10, 11, and 12) Jerry Hagstad: Director of Division. Refer to #10.

200-Vice-Chairman Delzer: What we wanted was what the difference would be if we only matched on the first mill, otherwise if they're doing two mills, it'd only match off the one mill, because the county levy, we wouldn't change at all.

226-Linda Wright: The right hand column, which will give you that figure. (Discussion)

417-Vice-Chairman Delzer: What they're doing is comparing, both on the right hand side, they're using the .50 cents on a dollar which is $12.37589. The reason the number is doubled for the green is because they're adding the $400,000.

498-Linda Wright: (attachment #12) I do have a chart that shows what it would be if there was $150,000 added for the biennium rather than the $400,000. But this scenario does not cap it at 1 mill, it shows what is currently being appropriated at the local level. **542-** The state law says that we have to match, based on what is appropriated at the local level. This shows you that if there was $150,000 added to the current mill levy match budget, rather than the $400,000 that the Governor added to the budget, it would come out to be about .48 cents on the dollar match.

678-Jerry Hagstad: The mill levy's that have been listed here have been impacted by the ??? Act of 1981. More discussion on mill Levy's and short falls, entities, caps. I asked why some of these levies are continuing to grow after 1996, and I was informed that the counties and cities do have the option of adjusting the levy to raise an equivalent amount of money to previous taxes.

1139-Chairman Svedjan: Q? Hearing none, thank you. We will continue on with **Children's Special Health,** with Tamera Millner: Discussion on FTE's reductions, children served, clients, current staff, grants, waivers. **2350-** Let's move on to **Operating Fees and Services:** You're spending to date is lower.

2409-Tamera Millner: We are under spending in the Operating Fees and services area because of a Family Consultant, and a data capacity plan, and need technical assistance, and additional activities and community needs. The State Systems Development Grant is 100% federal funding, which is in the Operating fees and services line. **2683- Professional Services:** you're under spending. **2866- Misc. Supplies:**

3207-Vice-Chairman Delzer: I truly believe this is a case of where we have over budget for the Children being served. I do believe we should "Flag it " somehow. **I would guess, maybe we should request $50,000 out of the Operating line with the option of a waiver, which should flag it for the Senate, so that it comes up.**

3497-Chairman Svedjan: Let's go with that request. Q? Grants: **3900- I'm going to request an amendment that returns the poverty level to 150%, of the grant that are currently in at 185%.** Thank you Tamera and Jerry. Let's move on to **Mental Health and Substance Abuse,** with Karen Larson.

4300-Karen Larson: Discussion on FTE's, OAR's, Program Administrator, splits, general and federal funds.

4960-Chairman Svedjan: On to the **Operating lines:**

5032-Rep. Kempenich: 10% in the AG's office, what was the number?

5084-Karen Larson: It has to do with how we contract with the AG's office. A portion of the Governor's Safe and Drug Free School funding requires money to be spent on Law enforcement type of activities from a classroom. The most common program for that would be DARE. HB #1089, all that was, was the transfer of language that was placed in the Attorney Generals Chapter of ND century code at the time that it goes back to SB #2318 in 1997 that was an appropriations for Compulsive Gambling, that was introduced by the Attorney generals office at

the request of the attorney General. The language in that bill was placed in Century code in the Attorney generals chapter and the appropriation was put in our divisions budget.

5654-Chairman Svedjan: On the operating lines, you gave us a break out of dues and memberships, those total $63,000, you're budget request is $92,900, so what you have given us here is just the memberships?

5775-Karen: Correct. In the Professional Development, that portion of it has to do with providing training and technical assistance to the field in a number of ways, and some of those do include paying for departmental staff to attend conferences from the HSC and State Hospitals.

6174-Chairman Svedjan: In operating fees and services, there was some things transferred in there. One had to do with the targeted enhancement of treatment services?

Tape 3, side B-00-Karen: That increase is off federal dollars.

115-Chairman Svedjan: You still have money, $150,000 in there for Compulsive Gambling in #3014 in operating.

148-Vice-Chairman Delzer: **I would like to request to take $50,000 out.** I want to talk about this when we go through this.

170-Chairman Svedjan: In looking at your testimony, you basically took $50,000 out of special funding for compulsive gambling, or you didn't put it back in, you could never find it?

195-Karen: That $50,000 was spending authority with no funding behind it, on the condition that we could use it if there were other funds available. We did find some federal funds in the department that were not earmarked or designated to help pay for the compulsive gambling study that was just recently completed. And we did not put that $50,000 into the next biennium.

234-Vice-Chairman Delzer: Did you ever send letters and request any contributions from the Tribes? Because that was part of the contention of this whole thing when we started, was the fact that the Tribes did not want to contribute anything.

256-Karen: The Tribes did contribute about $45,000 to the compulsive gambling study.

348-Chairman Svedjan: Q? On operating or salaries? Let's look at the **Grants:** mostly what you have here is federal. The Mental Health Block Grant, in another document that we were given, it shows an MOE requirement for that Mental Health Block Grant.

988-Chairman Svedjan: Any questions or requested amendments? Hearing none, thank you Karen. That concludes our work on Mental health and substance abuse. We will now adjourn.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: WEDNESDAY, FEBRUARY 14th, 2001

Tape Number	Side A	Side B	Meter #
2-14-01 HB 1012	**X-1**		**00-4620**
#1012	**X-2**		**00-4168**

Committee Clerk Signature Micki Schmidt

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We call this section to order on **HB 1012.**

Roll call: We have a quorum. We have **DEVELOPMENTAL DISABILITIES DIVISION** up this morning. We have both Colleen and Gene Hysjulien here. **83-** We'll start with FTE's, .5 FTE was transferred to you from Vocrehab, other wise all remains the same?

105-Gene Hysjulien: Director of Disabilities Services Division. Yes.

180-Chairman Svedjan: Q? On salaries and benefits for DD? OAR's- #102- approved.

254-Colleen Stockert: Fiscal Administrator for DD& VocRehab. Explains about the restoration of unfunded services.

357-Chairman Svedjan: Discussion on 2 areas of **Grants:**(in spin down table) Day Activity, table 5 of the spin down. (changed to Day Support) Discussion of OAR's:

1078-Mark Kolling: Assistant Director of DD: Developmental Work Activity is the only one that's general funds, table 7. Discussion of **OAR's.**

1427-Chairman Svedjan: It appears that there are $578,000 in general funds that you're not anticipating to spend this time in those collective areas of the Grants?

1450-Colleen: If you look at just those tables, that would be correct. But it's the total roll up that we project for DD Grants is $436,000.

2365-Chairman Svedjan: We'll be coming back to the Grants. Let's look at the **Operating lines: #3014 Operating fees and services:** Discussion, questions and answers on the operating lines. ($708,000- contract, 1.6 is part C,) **2622- Dues and Professional Development:**

2647-Gene: $2,883 reduction. Explains dues and professional development and what's included. All federal funding.

3196-Chairman Svedjan: You can spin between lines here, so I'm going to ask for an amendment $10,000 in general funds, reduction. Q? Let's look at Grants, object code 4172, 4178. Discussion on general and federal funds in the grants lines and operating lines. Q? **4422-** Let's take a break, we'll recess until 3:30.

Tape 2, side A-00-Chairman Svedjan: We'll call this section back to order. We were finishing up on DD, looking at the grants. These numbers reflect your reprojection. Those reprojections resulted in a $1.7 million dollar increase.

52-Colleen: Explains the reprojections.

67-Vice-Chairman Delzer: I think we should just go with the Governor's recommendation on DD, and if we want some reasoning for that or how I came up with that number. Explains.

Chairman Svedjan: You're not requesting an amendment there? Does anyone else wish to request any amendment from the Grant lines for DD?

183-Rep. Warner: **I would like to request a .90 cent per hour raise. I'd like to further request the funding of OAR #122, which would increase the .45 cents.** Explanation and discussion.

368-DISCUSSION ON THE DD STATE MATCH

478-* NOTE- WHEN WE TALKED TO THE SUPERINTENDENT OF GRAFTON, THEY DID NOT SUBSTANTIATE THOSE NUMBERS AT ALL.

610-Chairman Svedjan: Q? On DD? Let's move to **VocRehab. (attachment #1)** The FTE's, you dropped a .5. Discussion on FTE's, and OAR's.

978-Vice-Chairman Delzer: **I would request that we remove $300,000 out of that and add $100,000 in Special from IGT funds.**

1049-Chairman Svedjan: Just for clarification, the $279,802, is that an amount over your current biennial budget?

1067-Gene: That is what's in the current biennial budget.

1153-Chairman Svedjan: On to the **Operating lines:** Discussion, questions and answers on Travel, Software and supplies, Dues and Professional Services, Misc. Supplies, Equipment.

2586-Vice-Chairman Delzer: **I would request an amendment to remove $5,000 in general funds in the operating line.**

2619-Chairman Svedjan: Let's move to the **Grants lines.** Discussion, questions and answers on grants.

2978-Vice-Chairman Delzer: We reduced this last time because it appeared to have extra money in it. **I request $25,000 reduction out of there.**

3300-Chairman Svedjan: Q? Any requests for the grant line? Discussion on up dates of the contracts and services and adjustments of FTE's. **3846-** Q? This concludes our work on **Vocation, and Rehabilitation**. My goal is to have all of the amendments requested so they can be drawn over the weekend. We have IMD and MEDICAID left. We stand adjourned until 8:00 am, Thursday February 15th.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: THURSDAY, FEBRUARY 15th, 2001

Tape Number	Side A	Side B	Meter #
2-15-01 HB 1012	**X-2**		**00-6166**
#1012		**X-2**	**00-426**
Committee Clerk Signature Mickie Schmidt			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

Tape 2 side A, 00-Chairman Svedjan: We call this section back to order. We will take up **IMD- Information Management Division:** There were questions and discussion on the Salary adjustment budget, OAR's, and FTE's. **391-** Are there any requested amendments in that area?

525-Roger Hertz: Director of IMD: Answers questions about salaries and the temporary staff, vacancies and filled.

775-Chairman Svedjan: Let's go to your **Operating lines:** Under travel, increase related to the 8 FTE's that went out to the Developmental center and Hospital and also training for 30 FTE's out of state meetings.

864-Roger: Explains FTE's, what skills we would have to acquire for HIPAA, and the travel associated with that.

939-Vice-Chairman Delzer: In your testimony on page 6, there's a 2 million dollar increase in ITD services based on the rates?

965-Roger: Yes. Explains what's in that line in the new budget, line # 3002. We had our enhancements in this line. Technology projects are included in the optional adjustment line.

1377-Doug Verdouw: Fiscal Administration: Explains about the projects in the data processing. Based on actual billings and what was spent. (requests for spin down)

1593-Roger: Answers questions about the spin down.

1675-Chairman Svedjan: Q? On data processing? Onto **IT Telephone, IT Software and supplies:** Increase?

1758-Roger: Explains why the increase in IT software, and costs, projects, MMIS.

2733-Chairman Svedjan: On to **Contractual Services:** decreasing.

2770-Roger: Explains why it's decreasing.

2824-Chairman Svedjan: On to **Equipment rent:** Increasing.

2853-Roger: Explains the increase.

2933-Chairman Svedjan: **Dues and Professional:** How much is related to HIPAA?

2995-Roger: Stated that they don't have a specific amount. No new employees. Explains what's in the HIPAA budget.

3244-Chairman Svedjan: What accounts for the increase in the Dues and Professional development line?

3258-Roger: Due to Technology that they weren't familiar with, programs such as Windows 2000 and all the changes with technology.

3491-Vice-Chairman Delzer: Sheldon, for the MMIS design support, or decision support, that's a software package that was built that gives you the availability to information, what are you doing with that information and your goal?

3533- Sheldon Wolf: The information is Administrative to look at all the funding issues, quality and wellness issues, expenditures, eligibility, cost spending, all information you use to manage a program. The other is a program that goes in and pulls up the data, where we can look at the details of the claims. Discussion.

4675-Chairman Svedjan: Committee members, I want you to identify any other lines in the Operating budget down through Misc. Supplies.

4707-Vice-Chairman Delzer: Asked Roger about **Rent.** It's up.

4734-Roger: Explains about the rent.

4911-Chairman Svedjan: What accounted for the big change in the Operating fees and Services line?

4932-Roger: Explains the change in line 3014 due to the team contract payments were paid off. The other costs are due to the patient care software that we installed at the State Hospital and the Developmental Center.

5079-Chairman Svedjan: In Professional supplies and materials, you had talked about a Tech. Net? $20,000 per biennium.

5117-Roger: Tech net is buying solutions for technical problems, on-line consulting services, for a fee.

5423-Chairman Svedjan: Operating budget adjustment, that 6.7, what does that represent?

5455-Roger: That represents 3.1 million dollars in enhancements. It represents the technology projects that go along with that, except HIPAA, which was not in our budget at that time. **5821-**

On the system enhancements, the 3 million mix there was 1,287,681 general funds, and 1,874,000 in federal funds. (refer to attachments for the list of projects.)

END OF TAPE 2, SIDE A

Tape 2, side B, 00-Roger: (continued) 8 pages for the schedule on the enhancements and not set up in priority order. The vast majority of these are not required by the Federal government.

211-Chairman Svedjan: IT equipment, 2.2 that you're asking for in equipment, that's what includes all the new computers? You said you're not going to spend about $327,000?

229-Roger: Yes. Yes, 700 and some new computers.

360-Chairman Svedjan: OK, this basically covers it for now. We will adjourn for now until after 10:00 am, Friday the 16th.

2-16

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1012**

House Appropriations
Human Resources Committee
☐ Conference Committee

Hearing Date **2--16--2001**

Tape Number	Side A	Side B	Meter #
ONE	A		00 TO 2020
Committee Clerk Signature			

Minutes:

CHAIRMAN SVEDJAN: WE WILL OPEN THE HEARING ON HB 1012. THE CLERK WILL TAKE THE ROLL.

CHAIRMAN SVEDJAN: O.K. WE HAVE A QUORUM. OUR PURPOSE TODAY IS TO CONCLUDE OUR WORK ON REQUESTING AMENDMENT TO HOUSE BILL 1012. YESTERDAY WE FINISHED OUR WORK ON REVIEWING LINE ITEMS OT THE OF THE IMB BUDGET SO I GUESS THAT IS WHERE I WOULD LIKE TO START TODAY. ARE THERE ANY REQUESTED AMENDMENTS?

REPRESENTATIVE DELZER: MR. CHAIRMAN, FIRST BEFORE WE DO THAT, COULD I ASK THE COMMITTEE THE CHAIRMAN IF HE REMEMBERS WE NEED TO DO ANYTHING ABOUT THE IGC PERSONNEL? WHERE WAS THAT? DID WE DO ANYTHING WITH THE IGC PERSONNEL? REQUEST FOR FOR FDE.

SINCE WE PASSED CHIPS THE WAY WE DID AND THAT IS NOT SAYING IT IS GOING TO END UP THAT WAY BECAUSE WE PASSED IT, PUTING THAT OUT ON COUNTIES. IN OTHER WORDS WE REQUEST THAT OMB GRAB IT FOR THE FTE FOR CHIPS. THAT IS IN THE MEDICAID LINE? THAT IS WHERE THAT WOULD BE AND WE HAVE NOT AS YOU ARE AWARE. I HAVE SOME AMENDMENTS THAT I WOULD LIKE TO TAKE UP. FIRST ON THE EQUIPMENT LINE, OVERALL, I WOULD LIKE AN AMENDMENT TO REMOVE $350,000.00 DOLLARS TOTAL FUNDS WHAT EVER THE SPLIT IS. THEN ON SOME OF THE EQUIPMENT WHEN WE LOOK AT THIS SHEET HERE, THE PEOPLE HAVE THIS SHEET OUT. I THINK THE TOP ONE IS, I BELIEVE TWO O FIVE. IS THAT ALL OF TWO O FIVE? IT DOES NOT MATTER ON THE ENHANCEMENT, I WOULD REQUEST THAT WE REMOVE $637,000.00 DOLLARS GENERAL FUNDS. I WOULD ALSO FURTHER REQUEST AN AMENDMENT THAT WOULD REMOVE THE WINDOWS 2000 PROJECT. $453,320.00 DOLLARS TOTAL. I WOULD REQUEST AN AMENDMENT THAT WOULD REMOVE $250,000.00 DOLLARS GENERAL FUND OUT OF THE DEPARTMENTAL CASE MANAGEMENT. FURTHER, I WOULD REQUEST AN AMENDMENT THAT SETS THE HIPA AT $3,000,000.00 MILLION OF IGT. WE NEED TO REFLECT THE PROPER AMOUNT IN 1012. I DON'T KNOW WHAT THE GENERAL--FEDERAL SPLIT ON THE $453 IS. IF IS FIFTY-FIFTY ON DEPARTMENTAL FEE'S MANAGEMENT.

<u>CHAIRMAN SVEDJAN:</u> ALL RIGHT ARE YOU ALL CLEAR ON THAT REQUEST?

WE WILL GET A CHANCE TO DISCUSS ALL OF THESE. IS THERE ANY THING ON IMB?

REPRESENTATIVE DELZER: MR. CHAIRMAN IF THERE IS NOTHING FURTHER ON OPERATING I WOULD FURTHER REQUEST THAT WE REDUCE THE EQUIPMENT BY $600,000.00 DOLLARS GENERAL FUNDS.

ARVY: REPRESENTATIVE DELZER, IN REGARD TO THAT EQUIPMENT, I JUST WANT TO MAKE SURE THAT YOU ARE REMEMBERING THAT THERE IS A AMOUNT OF $413,000.00 THOUSAND DOLLARS THAT IS ALREADY BEING MOVED UP. IS THAT IN ADDITION TO THAT.

REPRESENTATIVE DELZER NO I TOOK THAT OFF OF THE SEVENTEEN BEFORE I DECIDED HOW MUCH TO REQUEST.

REPRESENTATIVE ?? THE LAST ONE THAT YOU REQUESTED IS THAT JUST OFF THE OPERATING LINE?

REPRESENTATIVE DELZER: NO THAT WAS OFF THE EQUIPMENT LINE.

CHAIRMAN SVEDJAN: O.K. ARE THERE ANY OTHER REQUESTS? ALLEN, YOU HAVE EVERYTHING? ANY OTHER REQUESTS ON IMB?

REPRESENTATIVE DELZER: MR. CHAIRMAN, I DON'T KNOW THAT THIS IS A FAIR QUESTION BUT.....ROGER FROM WHAT YOU HAVE HEARD FROM THOSE REQUESTS, DO WE NEED TO REFLECT A CHANGE IN FDA'S

ROGHER: I AM A LITTLE BIT CONFUSED ON THE EQUIPMENT PART. IF YOU COULD RESTATE YOUR AMENDMENTS. THE AMENDMENTS ON THE

EQUIPMENT PART IS $600,000.00 THOUSAND GENERAL FUND. THE ONE POINT SEVEN O FIVE.

CHAIRMAN SVEDJAN: O.K. ARE THERE ANY MORE QUESTIONS OR REQUESTS ON IMB? WE WILL HAVE A CHANCE TO DISCUSS ALL OF THESE AGAIN NEXT WEEK. ALL RIGHT, LETS MOVE NEXT TO THE MEDICAID BUDGET.

REPRESENTATIVE DELZER: MR. CHAIRMAN, FIRST OF WHAT WAS GRANTED BY OMB FOR PERSONNEL, FOR FDE, FOR CHIP?

ARVY, OMB: MR. CHAIRMAN, THERE WAS A REQUESTED BUDGET INCREASE OF ONE MIL STE AND THAT WAS IN THE BASE BUDGET AND THAT WAS GRANTED.

REPRESENTATIVE DELZER: DAVE WAS IS THAT ONE THAT WAS IN THE BASE BUDGET, IS THAT THE ONE THAT WAS FILLED THAT YOU HAVE SOMEONE DOING OR IS THAT A VACANT POSITION?

DAVE: MR. CHAIRMAN AND REPRESENTATIVE DELZER, THE POSITION AS YOU RECALL LAST SESSION YOU ALLOWED ME TWO POSITIONS FOR THE IGT, WE ONLY USED ONE SO THAT POSITION WOULD BE A VACANT POSITION THAT WAS CREATED BECAUSE WE DIDN'T FILL.

REPRESENTATIVE DELZER: IT IS CURRENTLY VACANT. MR. CHAIRMAN I WOULD REQUEST AN AMENDMENT TO LOOK AT PULLING THEM OUT AND IT WOULD REFLECT ON THOSE TWO IF 1441 DOSE NOT PASS WE NEED TO LOOK AT THAT ON THE SENATE SIDE.

CHAIRMAN SVEDJAN: IS THERE ANY QUESTIONS ON THAT?

REPRESENTATIVE DELZER: MR. CHAIRMAN ON MEDICAID. WE SPEND A FAIR AMOUNT OF TIME LOOKING AT ALL THOSE LINES, LOOKING A THE FACT OF WHAT WE HAVE DONE WITH 1196 AND WHAT IT CREATES WITH THE TWENTY FIVE MILLION DOLLAR SHIFT. WHAT I WOULD LIKE TO PURPOSE IS THAT IN THE MEDICAID LINE WE REMOVE THE 25 MILLION DOLLARS SPECIAL FUND AUTHORITY PLUS THE FEDERAL LINE UP AND IN TERN WE ALLOW 21 MILLION DOLLARS OF GENERAL FUNDS AUTHORITY. FURTHER WE NEED TO TAKE IN TO ACCOUNT 1196 INTO THE BILL, WHAT EVER NEED TO BE DONE THERE WITH THE SHIFT THAT IS MADE. MAKE SURE THAT 1196 FITS WITH 1012. THAT TAKES CARE OF THE EXPANSION AND IDT FUNDS, THE NINE MILLION AND SOME ODD DOLLARS OF SPENDING THAT WE HAVE PUT IN PLUS THE FEDERAL FUNDS. THE REASON I SAY THIS IS WHAT THIS WILL DO IS IT WILL SHIFT MOST OF THE WHOLE FROM THIS 25 MILLION DOLLARS FROM THE HUMAN SERVICE BUDGET TO THE BOTTOM LINE OF THE STATE WIDE BUDGET. IT PUTS EVERYBODY LOOKING AT IT ON THE SECOND HALF OF THE SESSION SO THAT WE CAN FIGURE OUT EXACTLY WHERE THIS NEED TO BE. I THINK IT ALSO PROBABLY PUT THE DEPARTMENT OF HUMAN SERVICES PRETTY MUCH IN HANDLING A GOOD SHARE OF THEIR SHARE.

CHAIRMAN SVEDJAN: THIS HAS BEEN A CONCERN OF MINE FROM THE START AND I THINK MAYBE IT HAS BEEN A WORRY OF THE DEPARTMENTS

TO THAT WE WOULD PROBABLY LOOK TO THE DEPARTMENT TO FUND THAT ENTIRE WHOLE AND I DON'T HAPPEN TO THINK THAT IS RIGHT. I'S BEEN MY FEELING ALL ALONG THAT THIS IS A BUDGET WIDE CONCERN AND SO WHAT WE ARE TRYING TO DO HERE IS AS REPRESENTATIVE DELZER SAID IS TO MAKE SURE THAT THE HOLE THAT REMAINS IN THIS BUDGET GET SHOWN AS PART OF THE RUNNING BALANCE OR THE PART OF THE ENDING BALANCE IF YOU WILL. WE TRACK THAT WEEKLY, WE ALL GET COPIES OF THE BUDGET STATUS REPORT. WE WANT TO MAKE SURE THAT THAT THAT SHOWS UP THERE SO THAT IS RAISES THE AWARENESS THAT TO FILL THIS HOLE WE ARE GOING TO HAVE TO GET SOME FUNDS OUT OF OTHER BUDGETS TOO BECAUSE HUMAN SERVICES CAN'T BEAR THE WHOLE THING. REPRESENTATIVE DELZERS CONCLUDING REMARK WAS YES DHS HAS CONTRIBUTED TO FILLING THAT HOLE WHICH THE AMENDMENTS WE HAVE REQUESTED HERE.

<u>REPRESENTATIVE DELZER:</u> BASICALLY WHAT WE HAVE DONE IS REDUCE THE FUNDING BY A4 MILLION DOLLARS ON THE STATE SIDE HOWEVER YOU LOOK AT IT AND IT IS GOING TO HAVE A EFFECT OF 9 TO 10 MILLION PLUS FEDERAL. WE COULD ASK THE DEPARTMENT OF WHAT THERE PROJECTED TURN BACK OF FEDERAL DOLLARS IS THIS TIME. THIS IS AUTHORITY, IT IS NOT NECESSARILY MONEY. IT DOSE NOT MEAN THAT THERE GOING TO GET. THEY HAVE TO SPEND THE GENERAL FUND.

I DON'T KNOW HOW WE WANT TO DO THIS BUT I WOULD ALSO LIKE TO

HAVE SOME INTENT LANGUAGE PUT IN THE BILL AND YOU MIGHT VERY WELL MIGHT BE ABLE TO STATE THIS MUCH BETTER THEN I CAN. SOMETHING ALONG THE LINE THAT UTILIZATION REVIEW SHOULD BE USED TO THE BEST THAT THEY CAN DURING THE UP COMING BIENNIUM.

CHAIRMAN SVEDJAN: WELL IS MY INTEREST TOO. YOU HAVE HEARD ME TALK ABOUT THIS THROUGHOUT THE HEARING ON THIS BILL AND THAT IS THAT WE NEED TO INSURE THAT EVERYTHING POSSIBLE IS BEING DONE TO INSURE THE MOST EFFECTIVE USE OF THE DOLLARS IN THE MEDICAID BUDGET. WHAT WE ARE ADVOCATING HERE IS LANGUAGE THAT ENCOURAGING THE FULL AND EFFECTIVE USE OF UTILIZATION REVIEW. I KNOW DAVE THAT YOU EXPLAINED WHAT IS BEING DONE. I AM NOT DOUBTING THAT UTILIZATION REVIEW IS WORKING FOR YOU BUT WE JUST WANTING TO UNDERSCORE THAT THIS BUDGET THE WAY THAT WE HAVE IT PUT TOGETHER NOW WITH MEDICAID IS GOING TO REQUIRE SOME CLOSE MANAGEMENT OF THE DOLLARS AND UTILIZATION REVIEW IS PART OF THAT. ALSO, WITHIN THE DRUG BUDGET. PRESCRIPTION DRUG BUDGET. I KNOW THAT THE DRUG UTILIZATION REVIEW COMMITTEE HAS BASICALLY BEEN NONFUNCTIONAL FOR THE LAST MANY MONTHS. ALLEN, TO THE EXTENT THAT YOU CAN HELP US ARTICULATE THAT IN WRITING, THAT IS THE INTENT HERE. THE BUDGET IS GOING TO REQUIRE ON GOING MANAGEMENT OVERSIGHT. THESE ARE ENTITLEMENT

PROGRAMS. WE STILL HAVE TO REVIEW THE UTILIZATION OF THE FUNDS IN ALL OF THESE CATEGORIES.

REPRESENTATIVE DELZER: I WOULD JUST LIKE TO ADD BASICALLY THE SAME THING YOU DID.

DAVE: WE HOPE TO HAVE A WORKING COMMITTEE GOING MUCH BEFORE THE END OF THIS BIENNIUM. THE OTHER ISSUE RELATING TO OTHER UTILIZATION REVIEW, I CERTAINLY THINK WE WILL DO THE BEST THAT WE CAN. MAN POWER IS ALWAYS AN ISSUE.

REPRESENTATIVE KEMPENICH: THE THOUGH COMES TO MIND WITH THE COMPUTER SYSTEM THAT YOU JUST GOT UP. THAT IS A DRIVING SITUATION. MAYBE WE CAN CRANK THEM UP AND SEE WHAT THEY CAN DO.

DAVE RIGHT NOW WE HAVE PEOPLE TRAINED THAT CAN USE IT BUT THEY HAVE OTHER DUTIES. FULL TIME WOULD HELP. DEDICATE HIMSELF TO THE JOB. WE COULD DO A BETTER JOB.

CHAIRMAN SVEDJAN: ONE MORE REQUEST. I WILL INVITE ANY OTHER FROM YOU TOO. AS WE HAVE GONE THROUGH ALL OF THESE BUDGETS, WE HAVE GIVEN A VERY CLOSE ANALYSIS TO ALL THE GRANT LINES AND THEN IN VIRTUALLY ALL OF THE BUDGETS WE HAVE SOME ADJUSTMENTS TO THE GRANTS LINE. I THINK IN ALL THE SCRUTINY THAT WE HAVE GIVEN ALL THE OTHER BUDGETS, WHAT I THINK IS A DISPARITY BETWEEN PROJECTED SPENDING AND THE GRANTS LINES COMPARED TO WHAT THERE REQUESTING ON THE BUDGET FOR NORTH EAST HUMAN SERVICE CENTER.

I THINK IT IS ONLY FAIR THAT WE TAKE A BIT OF THAT DISPARITY IN A FORM OF AN AMENDMENT HERE. MY PROPOSE IS NOT TO TAKE THE WHOLE $500,000.00 THOUSAND THAT WAS REQUIRED IN LAW. I AM ASKING FOR ONE HUNDRED THOUSAND DOLLARS OF GENERAL FUNDS AUTHORITY. OR FUNDS IN THE GRANTS LINE FOR NORTH EASTERN HUMAN SERVICE CENTER. THIS IS A FAIR REQUEST. IS THERE ANY OTHER REQUESTS THAT ANYONE ELSE WANTS TO MAKE.

REPRESENTATIVE DELZER: I DON'T HAVE A REQUEST BUT I KNOW WHEN WE COME BACK NEXT WEEK WE ARE GOING TO BE DISCUSSING AND VOTING ON THESE ISSUES AND BEFORE WE DO THAT I WANT TO COMMEND THE DEPARTMENT ON THE WAY THE BUDGET CAME BEFORE US. LAID OUT INFORMATION THAT YOU PROVIDED US WITH WAS LAID OUT VERY NICE AND EASY TO USE AND WE APPRECIATE IT.

CHAIRMAN SVEDJAN: I WANT TO ECHO THAT. CHANGES ARE GOING TO HAPPEN TO THIS BUDGET. WE WILL WIN ON SOME AND LOOSE ON SOME. WE'LL CLOSE THE HEARING.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: MONDAY, FEBRUARY 19th, 2001

Tape Number	Side A	Side B	Meter #
2-19-01 HB 1012	**X-1**		**00-6229**
#1012		**X-1**	**00-5031**
Committee Clerk Signature Mickie Schmidt - rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We will call this section to order on **HB 1012.**

Roll call: We have a quorum. All of you should have 2 or 3 documents in front of you, (attachment #1-#3), one is the set of amendments #18012.0102. The other sheet shows the Medical Assistance funding of house version of what we did there, and then this one is a summarization of all the amendments, shown in a different format. I'd like you to go to page 6 of the amendments, where it starts to break everything by division, starting with Executive Office programs. This is what I plan to propose.

476-Vice-Chairman Delzer: I would move adoption of that amendment.

481-Chairman Svedjan: OK, it's a $7,500 general fund amendment under Executive Office. Is there a second?

2-19

489-Rep. Kliniske: **Second it.**

498-Chairman Svedjan: **Q? I will take voice votes on these, but if I'm at all uncertain, I'll do roll call on them. All in favor of this amendment say I- 6, opposed say nay-0. Motion carries.**

604-Allen: **Explains the 3 amendments in this section: Managerial Support.**

893-Chairman Svedjan: Is there any question on the first and third amendments in that division?

908-Vice-Chairman Delzer: **I move to adopt the $221,501 and the 28,800 and the 51,200.**

922-Chairman Svedjan: **Is there a second?**

924-Rep. Kempenich: **I second it.**

934-Chairman Svedjan: **The general fund goes from $80,000 down to $28,800, and the estimated income is $51,200.** Any further discussion? Hearing none, **all in favor of that motion, say I-6, opposed nay-0, motion carries. 967-** Let's take a look at **HIPAA.**

975-Vice-Chairman Delzer: **I would move that we accept that amendment as written, the removal of the 89.6.**

991-Rep. Kempenich: **Second it.**

995-Delzer explains: DISCUSSION BETWEEN GROUP.

1200-Chairman Svedjan: Q? **All in favor of the motion to adopt the amendment as it's shown, say I-4, opposed say nay-2, motion carries. 1261-** Let's move to **IMD.**

1271-Allen: Explains the next 3 items.

1380-Chairman Svedjan: Are there any amendments among those that you would like pulled?

DISCUSSION ON CHILD SUPPORT, CASE MANAGEMENT, FUNDING FOR EQUIPMENT.

1475-Chairman Svedjan: **We have the 1st, 2nd, 4th, 5th, and 6th amendments in the IMD division that have not been requested to be pulled. I'm ready for a motion.**

1503-Vice-Chairman Delzer: **I move for adoption.**

1510-Rep. Kempenich: **Second it.**

1514-Chairman Svedjan: Discussion? **All in favor of that amendment say I-6, opposed say nay-0, motion carries. 1530-** Let's look at **Child Support**, what are your wishes?

DISCUSSION

1636-Rep. Kerzman: **I would move to withdraw that $3,190.**

1643-Chairman Svedjan: **OK, you're saying restore it?**

1647-Rep. Warner: **I second it.**

1697-Chairman Svedjan: Discussion? **All in favor of that amendment, say I-2, opposed say nay-4, motion fails. 1730- I need a motion.**

1738-Rep. Kempenich: **I'll move for the adoption.**

1743-Rep. Kliniske: **I second it.**

1734-Chairman Svedjan: **Any discussion? All in favor of that motion say I-4, opposed say nay-2. The motion carries.** Now we'll go to **Case Management.**

1774-Vice-Chairman Delzer: **I would move for adoption.**

1782-Rep. Kempenich: **Second it.**

1797-Chairman Svedjan: Any discussion? **1914-** Any discussion? **2017-** Any further discussion on the motion to adopt? Hearing none, **All in favor of that motion say I-4, opposed say nay-2, motion carries.** The last one in **Information Management is the reduction of the funding for equipment, $600,000 general funds.**

2057-Vice-Chairman Delzer: I will move adoption of the amendment, which reduces the funding for equipment of $600,000 general funds.

2069-Rep. Kempenich: Second it.

2074-Chairman Svedjan: Q? The total equipment line was $1,705, general funds, out of that there was $412,000 for the ATM roll out. Q? DISCUSSION **2850- The motion is to adopt the amendment as you see it here. All in favor of that motion say 1-4, opposed-2. The motion carries. I'm open for a motion on the movement of HIPAA to IMD.**

2885-Vice-Chairman Delzer: I would move that we move the $412,225 from the equipment line to operating.

2922-Rep. Kempenich: I second it.

2934-Chairman Svedjan: All in favor of that motion say 1-6, opposed say nay-0, motion carries. OK, that finishes IMD. Let's go to the bottom of page 6. OK, here's where we requested Legislative Intent.

3005-Allen: Explains the change in amendments. (page 3 of the amendments)

3103-Chairman Svedjan: Could you give us the section numbers on those? Sections #10, #11, and #12.

3146-Vice-Chairman Delzer: I would move the adoption of those 4.

3215-Chairman Svedjan: I didn't accept the motion, would you care to make a motion to reflect what we think is the best terminology here.

3233-Rep. Warner: I move that we amend the language in the second Legislative Intent to pre paid telephone calling cards.

3251-Chairman Svedjan: OK, that's the one in section 11?

3258-Vice-Chairman Delzer: Second it.

3261-Chairman Svedjan: **The motions been made and seconded to change it to pre paid calling cards.** Discussion? **All in favor of that motion say I-6, opposed Nay-0, motion carries.** Are there any other requests in those sections of the amendments?

Discussion: On split shifts and after hour shifts.

3439-Vice-Chairman Delzer: **I would move the adoption of #7, #10, and #12. #11 has been adopted, right?**

3473-Chairman Svedjan: **We amended the language in #11, we didn't adopt it. We'll add it in. We have a motion to adopt sections 7, 10, 11, as amended and section 12 on page 4.**

3493-Rep. Kempenich: **Second it.**

3600-Chairman Svedjan: Any discussion? **All in favor of the motion to adopt sections 7, 10, 11, as amended and section 12, say I-6, opposed say nay-0, motion carries.** Now let's go to page 7 of the amendments, and look at the 2 that are in **Economic Assistance Policy:**

3670-Rep. Kerzman: **I would want to pull that 387,095, Indian County.**

3688-Chairman Svedjan: OK, let's take up the other one then.

3704-Vice-Chairman Delzer: **I move the adoption of the second one.**

3716-Chairman Svedjan: I didn't ask Allen to cover these. I think they're self explanatory. The one that we have a motion on now.

3734-Rep. Kempenich: **Second it.**

3737-Chairman Svedjan: **It is where we were changing the classification on this one position at the request of the department. Q? All in favor of that motion say I-6, opposed say nay-0, motion carries.** Let's next take up the **Indian County.**

3795-Rep. Kerzman: **I would like to see that removed from the recommendation, 100%.**

3808-Chairman Svedjan: **OK, so the motion is to restore that amendment to a full 100%.**

3821-Rep. Warner: **Second it.**

3827-Chairman Svedjan: Discussion: **Q? All in favor of that motion say I-2, opposed say nay-4, motion failed.**

4136-Rep. Kerzman: **I'd like a roll call on this one.**

4143-Chairman Svedjan: **We'll take a roll call vote on the motion to restore the Indian County allocation to 100% from 85% as shown on page 7 of the amendments.**

CHAIRMAN KEN SVEDJAN, No	**VICE-CHAIRMAN JEFF DELZER, No**
REP. KEITH KEMPENICH, No	**REP. JAMES KERZMAN, Yes**
REP. AMY KLINISKE, No	**REP. JOHN M. WARNER Yes**

4212-Vice-Chairman Delzer: **I would move adoption of that.**

4222-Rep. Kliniske: **I second it.**

4225-Chairman Svedjan: **? Q? All in favor of the motion say I-4, opposed say nay-2, motion carries. I had a note that we had requested, $60,000 amendment from the operating line in Economic Assistance Policies, split according to funding sources with out including the operating fees and services line. $5400 general funds. ?**

4463-Rep. Kliniske: **I move to include the amendment**

4478-Chairman Svedjan: **The motion to include the amendment to reduce the operating line by $60,000 less operating fees and services and split according to funding in that category which is $91,900. The number from the general fund would be $5400, estimated income, which is really federal in this case, $54,600 for a total of $60,000.** Any discussion on the motion? **All in favor of that motion say I-4, opposed say nay-2, the motion carries.** OK, let's move next to **Child Support:**

4590-Allen: He explains Child Support.

4664-Vice-Chairman Delzer: **I move for adoption.**

46668-Rep. Kliniske: **Second it.**

4678-Chairman Svedjan: Discussion? **All in favor of that motion say I-6, opposed say nay-0, motion carries. 4938-** Let's go on to **Medical Services:**

4991-Allen: This one removes $4,262,410, and was included in the health care trust fund. This was duplicated.

5059-Chairman Svedjan: :Let's go past the 2 DD grants and go to the next one. This one removes 2 positions that were added in Healthy Steps. **Discussion:**

5818-Vice-Chairman Delzer: **I move for adoption.**

5823-Rep. Kempenich: **Second it.**

5828-Chairman Svedjan: **Q? All in favor of adopting those 4 amendments say I-6, opposed say nay-0, motion carries.** Now I would entertain a motion on the **Medicaid.**

5889-Rep. Warner: **I move to replace $4 million dollars in general funds.**

5932-Chairman Svedjan: **It's to restore 4 million to come out of the $13 million contingency fund that's identified in HB 1196.**

Tape 1, side B-00-Chairman Svedjan: Continued. **46-** The way I understand the motion is you're making the appropriation of $4 million dollars out of that contingency, contingent upon the federal government saying that it's assured that we'll receive it or that we can keep it.

84-Rep. Kerzman: **I'll second it.**

276-Chairman Svedjan: **Q? All in favor of the motion to restore $4 million which would be out of the contingency fund, identified in HB 1196, contingent upon those funds, say I-2, opposed say nay-4, motion fails.** Let's look at the **DD.**

352-Rep. Warner: **I move to adopt the .90 cents per hour, option A.**

364-Rep. Kerzman: **Second it.**

366-Chairman Svedjan: **The motions made and seconded it to adopt the amendment for .90 cent per hour adjustment for DD, direct care workers. Q?** Discussion. **834- All in favor of that motion say I-2, opposed say nay-4, motion fails.** Let's take up the .45 cents.

853-Rep. Kerzman: **I'll move the .45 cents. I'll ask for a roll call on this one.**

867-Rep. Warner: **Second it.**

873-Chairman Svedjan: Any further questions? OK, we have a roll call vote requested.

CHAIRMAN KEN SVEDJAN, No	**VICE-CHAIRMAN JEFF DELZER, No**
REP. KEITH KEMPENICH, No	**REP. JAMES KERZMAN, Yes**
REP. AMY KLINISKE, Yes	**REP. JOHN M. WARNER Yes**

The motion fails on a 3 to 3 vote. Let's take up the **requested amendments to bring the benefits up to 33%.**

1158-Chairman Svedjan: **The amendment is to move from 30 to 33% on benefits and the numbers reflected in the OAR are accurate, the numbers would have been higher if we would have approved the option B. Q? All in favor of the motion to increase benefits from 30 to 33% say I-2, opposed say nay-4, motion fails.** Let's move down to **reduce funding for Basic Care.**

EXPLANATION:

1535-Rep. Warner: **I move to adopt those.**

1538-Chairman Svedjan: **OK, it's been moved to adopt all of those, 7 .**

1561-Rep. Kliniske: **Second it.**

1565-Chairman Svedjan: **Q? All in favor of that amendment say I-6, opposed say nay-0, motion carries.**

1654-Vice-Chairman Delzer: **I would move adoption of section 9 and also section 14.**

1681-Rep. Kempenich: **Second it.**

1683-Chairman Svedjan: We have a motion to adopt sections 9 and 14. Q? All in favor of the motion say I-4, opposed say nay-2, the motion carries. Let's move to Aging Services.

2046-Vice-Chairman Delzer: I would move to adopt the last 3, that pertains to SPED.

2067-Rep. Kliniske: Second it.

2075-Chairman Svedjan: Q? All in favor say I-6, opposed say nay-0, motion carries. We have the 2 at the top remaining.

2097-Rep. Kerzman: I would change that $400,00 decrease, subtract 150, put it at 250,000.

2113-Chairman Svedjan: So the effect of the motion would be to restore $250,000 more for the mill levy match.

2153-Rep. Warner: Second that.

2162-Chairman Svedjan: Q? We have a request for a roll call vote:

CHAIRMAN KEN SVEDJAN, No	VICE-CHAIRMAN JEFF DELZER, No
REP. KEITH KEMPENICH, No	REP. JAMES KERZMAN, Yes
REP. AMY KLINISKE, No	REP. JOHN M. WARNER Yes

The motion fails.

2560-Vice-Chairman Delzer: I move to adopt the reduction of $400,000.

2676-Chairman Svedjan: Your motion is $400,000 in the amendment from the Executive budget.

2704-Rep. Kliniske: Second it.

2799-Chairman Svedjan: Q?

2758-Vice-Chairman Delzer: I would revise my motion and move it to $350,000. Kliniske seconded it.

2772-Chairman Svedjan: The motion now is that we remove $350,000. Q? All in favor of that motion say I-5, opposed say nay-1, the motion carries.

2898-Vice-Chairman Delzer: I move adoption to that proposed amendment the second amendment under Aging services.

2917-Rep. Kempenich: Second it.

2922-Chairman Svedjan: Q? All in favor of that motion say I-6, opposed say nay-0. Motion carries. On page 9, we have the one amendment in the Children special health program, it reduces funding for operating expenses.

2978-Vice-Chairman Delzer: I would move adoption of that.

2984-Rep. Kempenich: Second it.

2998-Chairman Svedjan: Q? All in favor of that motion say I-4, opposed say nay-2, motion carries.

3185-Vice-Chairman Delzer: If there's no objection, I would move to adopt the remaining ones.

3193-Chairman Svedjan: There's a motion to adopt the 2nd, 5th, and 6th amendments under Children and Family Services.

3216-Rep. Kempenich: Second it.

3219-Chairman Svedjan: Discussion? All in favor of that motion, say I-6, opposed say nay-0, motion carries. Let's take the questions on the TANNF options A & B.

3260-Vice-Chairman Delzer: I would move option B.

3273-Rep. Kliniske: Second it.

3278-Chairman Svedjan: Discussion? 3438-All in favor of the motion say I-4, opposed say nay-2, motion carries. OK, so option A will come out. Let's go up to the top. Intensive In home Services:

3498-Rep. Kerzman: I move to restore the $50,000.

3586-Rep. Warner: Second it.

3591-Chairman Svedjan: Discussion? All in favor of the motion to restore the $50,000, bring the total up to $300,000 for Intensive In home Services say I-2, opposed say nay-4, the motion fails.

3647-Rep. Kempenich: I move to adopt the amendment as shown.

3660-Vice-Chairman Delzer: Second it.

3661-Chairman Svedjan: Discussion? All in favor of the motion say I-4, opposed say nay-2, motion carries. Moving down, Mental Health and Substance abuse:

3719-Vice-Chairman Delzer: I move adoption of the amendment.

3727-Rep. Warner: Second it.

3730-Chairman Svedjan: Discussion? All in favor of the motion say I-5, opposed say nay-1, motion carries. Developmental Disabilities:

3785-Rep. Klinske: I would move the amendment.

3788-Vice-Chairman Delzer: Second it.

3792-Chairman Svedjan: Discussion? All in favor of the motion say I-6, opposed nay-0, motion carries. Under Vocational Rehab, we have 3 requested amendments.

3842-Rep. Kerzman: I want them treated separately and I want a recorded vote on this.

3889-Vice-Chairman Delzer: I move adoption on the 2nd and 3rd amendments.

3894-Rep. Kempenich: Second it.

3900-Chairman Svedjan: Discussion? All in favor of adopting the 2nd and 3rd amendments say I-4, opposed nay-2, motion carries. Let's go to the 1st one.

3933-Vice-Chairman Delzer: I'll move adoption of the 1st amendment as shown.

Chairman Svedjan: The effect of these amendments are to reduce the funding from $400,000 to $100,000 in Independent Living of general funds.

3972-Vice-Chairman Delzer: The funding for Independent Living Center was $279,000, the OAR made added $300,000 of that. Of the $300,000 we proposed $100,000 out of IGT. It's still an increase of 30 some % over the current level.

Rep. Kempenich: Second it.

4117-Chairman Svedjan: This is not a reduction, it's an increase. 4228- Discussion? All in favor of the motion to adopt the amendment. We'll take a recorded vote:

CHAIRMAN KEN SVEDJAN, Yes	VICE-CHAIRMAN JEFF DELZER, Yes
REP. KEITH KEMPENICH, Yes	REP. JAMES KERZMAN, No
REP. AMY KLINISKE, Yes	REP. JOHN M. WARNER No

The motion passes. 4298- Moving on we have 2 sections of Legislative Intent, I would request the 2nd of these 2 to be pulled out.

4363-Rep. Kliniske: I move to adopt the Legislative Intent language. **Rep. Kempenich:** seconded it.

Voice vote: The motion passes. (6 to 0)

4476-Chairman Svedjan: Is opposed to the second one.

4554-Rep. Kerzman: Discussion.

4675-Rep. Kliniske: Would a substitute motion be in order? I move that we maintain the 185% and any future increases would need to be approved by the assembly. **Rep. Kempenich:** seconded it.

4720- Discussion: Voice vote: motion carries. (6 to 0)

4910-Chairman Svedjan: What remains is the State Hospital, Developmental Center, and the Human Service Centers. We'll stop here, we'll conclude after the floor session tomorrow, the 20th. Q? We now adjourn.

(Total of 38 votes)

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

☐ Conference Committee

Hearing Date: TUESDAY, FEBRUARY 20th, 2001

Tape Number	Side A	Side B	Meter #
2-20-01 HB 1012	**X-1**		**00-6230**
#1012		**X-1**	**00-2504**
Committee Clerk Signature Mickie Schmidt - Rush			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER, REP. KEITH KEMPENICH, REP. JAMES KERZMAN, REP. AMY KLINISKE, REP. JOHN M. WARNER**

00-Chairman Svedjan: We will call this section to order on **HB 1012. with the State Hospital.**

Roll call: We have a quorum. **65-** The Landfill, we removed this.

295-Vice-Chairman Delzer: I move to accept all the State Hospital except option A. Rep. Kempenich: Seconds it.

Discussion:

410- Voice vote, 5-Y, 1-N, motion carries.

447-Move to the Developmental Center: We have four amendments. Discussion-

529-Rep. Kempenich: I'll move the 1, 3, and 4. Seconded it by Rep. Delzer.

547-Voice Vote: 5-Y, 1-N, motion carries.

2-20

560-Chairman Svedjan: We'll now take up the **humidification project.**

612-Rep. Kerzman: I would restore that $15,000 for the Humidification project at the DD.

Rep. Warner: seconded it.

Discussion:

689-Voice Vote: 3-Y, 3-N, motion fails.

708-Vice-Chairman Delzer: I move to adopt that set of amendments. Rep. Kempenich: seconded it.

Discussion:

1092-Voice Vote: 2-Y, 4-N, motion fails. Go to page 11 of the amendments.

1133-Chairman Svedjan: Northwest Human Service Center, we have 4 requested amendments.

1197-Vice-Chairman Delzer: I move the adoption of all 4 of them. Rep. Kempenich: Seconded it.

Discussion:

1327-Voice Vote: 4-Y, 2-N, motion carries.

1343-Chairman Svedjan: Let's go to **North Central, 5 items.**

1532-Vice-Chairman Delzer: I would move to adopt the operating expense. Rep. Kempenich: Seconded it.

1583-Voice Vote, 5-Y, 1-N, motion carries.

1646-Vice-Chairman Delzer: I would move we adopt option B, for NC. Rep. Kempenich: Seconded it.

Discussion:

1686-Voice Vote: 4-Y, 2-N, motion carries.

1740-Rep. Kempenich: I move to adopt that amendment for 1 FTE. Rep. Kliniske: Seconded it.

Discussion:

1963-Voice Vote: 4-Y, 2-N, motion carries.

2006-Vice-Chairman Delzer: I would move to adopt OAR #246. Rep. Kempenich: Seconded it.

Discussion:

2120-Voice Vote: 4-Y, 2-N, motion carries.

2165-Chairman Svedjan: Let's move to Lake Region, 3 requested amendments.

2215-Vice-Chairman Delzer: I would move adoption of those 3. Rep. Kliniske: Seconded it.

2235-Voice Vote: 5-Y, 1-N, motion carries.

2254-Chairman Svedjan: Let's move to Northeast HSC.

2344-Vice-Chairman Delzer: I would move to make that ALL funds, instead of general funds on the split. Rep. Kliniske: Seconded it.

2416-Voice Vote: 5-Y, 1-N, motion carries.

2428-Vice-Chairman Delzer: I move the adoption of the first three amendments, the reductions to Adult Protective, operating and the grants lines. Rep. Kempenich: Seconded it.

2469-Voice Vote: 5-Y, 1-N, motion carries.

2498-Chairman Svedjan: Let's move to Southeast HSC, 3 requested amendments.

2518-Vice-Chairman Delzer: I move the adoption of those three. Rep. Kliniske: Seconded it.

2540-Voice vote: 5-Y, 1-N, motion carries.

2564-Chairman Svedjan: Let's move to **South Central HSC, four amendments.**

2606-Vice-Chairman Delzer: I move adoption of those four amendments. Rep. Kempenich: seconded it.

2628-Voice Vote: 4-Y, 2-N, motion carries.

2646-Chairman Svedjan: Let's move to **West Central HSC.**

2695-Vice-Chairman Delzer: I move to adopt all 4 of those. Rep. Kempenich: Seconded it.

2730-Voice Vote: 4-Y, 2-N, motion carries.

2749-Chairman Svedjan: Let's go to the **Badlands HSC.**

2866-Vice-Chairman Delzer: I move adoption of the first 4. Rep. Kempenich: Seconded it.

2895-Voice Vote: 5-Y, 1-N, motion carries.

2908-Vice-Chairman Delzer: I move to adopt ½ of the $20,000 with the same split. Rep. Kliniske: Seconded it.

3052-Voice Vote: 6-Y, 0-N, motion carries.

3085-Rep. Warner: I move to further amend to put the other half in. Rep. Kerzman: Seconded it.

3178-Voice Vote: 5-Y, 1-N, motion carries.

3238-Chairman Svedjan: Anything else on the Human Service Centers?

3250-Vice-Chairman Delzer: On page 7 of the amendments, I would move to further amend the increased DD grants, by .10 cents an hour, which comes to $484,547 in general funds, federal funds of $1,013,965. Rep. Kliniske: Seconded it.

3673-Voice Vote: 6-Y, 0-N, motion carries.

3700-Vice-Chairman Delzer: I would like to further amend the $250,000 general fund plus the associated federal funds available at the discretion of the department to be used. **Rep. Kliniske:** Seconded it.

4000-Voice Vote: 6-Y, 0-N, motion carries.

4017-Vice-Chairman Delzer: I would move amendment 18012.0104. **Rep. Kliniske:** Seconded it.

Discussion:

Tape 1, side B, 00-Vice-Chairman Delzer: If you want me to withdraw this motion and bring this over to the full committee.

Discussion:

945-Vice-Chairman Delzer: I would withdraw that motion if the Second would withdraw.

Rep. Kliniske: Withdraw. I'll bring that in front of the Full committee. 965- I would move adoption of the amendments that we have in the package, did we need to do that?

963-Chairman Svedjan: Before I accept that motion, I have two other issues. It's been suggested to us that we possibly include Intent language in HB 1012, relative to the IGT funds. It's been recommended by the department that we include some language that says that we spin down general funds first, with anything being paid for out of IGT, so that the IGT funds can "earn" longer.

1025-Vice-Chairman Delzer: I would move that. **Rep. Kliniske:** Seconded it.

1125-Voice Vote: 6-Y, 0-N, motion carries.

1134-Chairman Svedjan: We have information that Secretary Tommy Thompson, the new Secretary of HHS, that they released $113,000,000 in grants to states under the new National

Family Caregiver Support program. It helps family members provide care for the elderly at home.

1852-Vice-Chairman Delzer: I would move that we adopt all the amendments to HB 1012 as we went through them in the last two days. Rep. Kliniske: Seconded it.

2000-Voice Vote: 4-Y, 2-N, motion carries.

2040-Vice-Chairman Delzer: I move a do pass as amended. Rep. Kempenich: Seconded it.

2046-Chairman Svedjan: Discussion? Hearing none. We'll take a roll call vote:

CHAIRMAN KEN SVEDJAN, Y	**VICE-CHAIRMAN JEFF DELZER, Y**
REP. KEITH KEMPENICH, Y	**REP. JAMES KERZMAN, Y**
REP. AMY KLINISKE, Y	**REP. JOHN M. WARNER N**

The motion passes.

2460-Chairman Svedjan: Anything else? We'll stand adjourned until Wed., the 28th of February.

2-21

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee

☐ Conference Committee

Hearing Date February 21, 2001

Tape Number	Side A	Side B	Meter #
02-21-01 tape #2	13925 - 6230	0 - 1539	
Committee Clerk Signature			

Minutes:

The committee was called to order, and opened committee work on HB 1012.

Rep. Svedjan: The subsection has worked on this everyday since January 9, and he compliments the committee on the work they have done. Explained amendment .0109, pages 1 through 12. Moved to adopt amendment .0109. Seconded by Rep. Delzer.

(Some committee discussion, questions and answers).

Rep. Kerzman: Also states the committee worked hard. He states to the committee his concerns of where the subcommittee cut the budget too much, for example ITD, Indian county swaps, DD providers, medical assistance, aging services mill levy match, and independent living.

Rep. Warner: Reiterates his concerns as to the cuts made in the budget. IT cuts were severe, voc rehab needed more attention.

(Committee discussion, questions and answers).

Vote on Motion to adopt the amendment : 16 yes, 4 no, 1 absent and not voting. Motion passes.

Rep. Warner: Moves to adopt amendment .0108, which changes the funding source of state matching funds for medical assistance grants from the health care trust fund to the general fund. Seconded by Rep. Aarsvold.

Vote on Motion to amend : 6 yes, 15 no, 0 absent and not voting. Motion fails.

Rep. Svedjan: Moves to adopt amendment .0105, legislative intent providing that the department determine the requirements for acceptance of federal family caregiver funds. Seconded by Rep. Warner.

Voice vote adopts the amendment.

Rep. Svedjan: Moves DO PASS AS AMENDED. Seconded by Rep. Kempenich.

Vote on Do Pass as Amended : 19 yes, 2 no, 0 absent and not voting.

Rep. Svedjan is assigned to carry this bill to the floor.

18012.0102
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
February 19, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 3, replace "for a transfer from the North Dakota health care trust fund; and to declare" with "statements of legislative intent; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; and to amend and reenact subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code, relating to county reimbursements"

Page 1, line 4, remove "an emergency"

Page 1, line 15, replace "35,536,510" with "33,750,050"

Page 1, line 16, replace "2,208,429" with "1,597,929"

Page 1, line 18, replace "2,040,055" with "2,261,556"

Page 1, remove line 19

Page 1, line 20, replace "60,522,444" with "49,420,844"

Page 1, line 21, replace "40,824,823" with "31,666,695"

Page 1, line 22, replace "19,697,621" with "17,754,149"

Page 2, line 1, replace "11,126,095" with "10,920,080"

Page 2, line 2, replace "17,889,079" with "17,229,938"

Page 2, line 5, replace "134,790,705" with "134,389,148"

Page 2, line 6, replace "756,354,293" with "736,810,062"

Page 2, remove line 7

Page 2, line 8, replace "928,758,489" with "899,369,721"

Page 2, line 9, replace "740,502,079" with "684,122,485"

Page 2, line 10, replace "188,256,410" with "215,247,236"

Page 2, line 14, replace "11,658,081" with "11,465,354"

Page 2, line 17, replace "141,995,590" with "133,312,788"

Page 2, line 18, replace "164,255,080" with "155,379,551"

Page 2, line 19, replace "129,295,937" with "125,043,392"

Page 2, line 20, replace "34,959,143" with "30,336,159"

Page 2, line 23, replace "8,[illegible]20,907" with "[illegible]"

Page 2, line 24, replace "4,155,537" with "4,083,037"

Page 2, line 25, replace "4,173,450" with "4,074,396"

Page 2, line 27, replace "14,407,527" with "14,151,485"

Page 2, line 28, replace "5,892,990" with "5,776,556"

Page 2, line 29, replace "8,514,537" with "8,374,929"

Page 3, line 1, replace "8,259,010" with "8,207,410"

Page 3, line 2, replace "3,658,411" with "3,638,811"

Page 3, line 3, replace "4,600,599" with "4,568,599"

Page 3, line 5, replace "19,082,759" with "18,852,059"

Page 3, line 6, replace "11,282,528" with "11,253,028"

Page 3, line 7, replace "7,800,231" with "7,599,031"

Page 3, line 10, replace "19,813,929" with "19,695,629"

Page 3, line 11, replace "20,387,053" with "20,268,753"

Page 3, line 12, replace "11,146,427" with "11,124,027"

Page 3, line 13, replace "9,240,626" with "9,144,726"

Page 3, line 15, replace "11,314,710" with "11,207,210"

Page 3, line 16, replace "5,531,495" with "5,502,095"

Page 3, line 17, replace "5,783,215" with "5,705,115"

Page 3, line 19, replace "18,918,235" with "18,616,938"

Page 3, line 20, replace "10,490,557" with "10,452,773"

Page 3, line 21, replace "8,427,678" with "8,164,165"

Page 3, line 23, replace "9,669,122" with "9,618,722"

Page 3, line 24, replace "5,165,874" with "5,161,574"

Page 3, line 25, replace "4,503,248" with "4,457,148"

Page 3, line 27, replace "1,683,431" with "970,176"

Page 3, line 28, replace "50,491,299" with "50,215,299"

Page 3, line 29, replace "52,174,730" with "51,185,475"

Page 3, line 30, replace "18,374,398" with "17,961,143"

Page 3, line 31, replace "33,800,332" with "33,224,332"

Page 4, line 2, replace "934,363" with "849,363"

Page 4, line 3, replace "40,088,524" with "39,823,524"

Page 4, line 4, replace "41,022,887" with "40,672,887"

Page 4, line 5, replace "30,233,607" with "30,020,107"

Page 4, line 6, replace "10,789,280" with "10,652,780"

Page 4, line 7, replace "203,565,020" with "200,938,372"

Page 4, line 8, replace "105,931,824" with "104,973,151"

Page 4, line 9, replace "97,633,196" with "95,965,221"

Page 4, line 10, replace "340,546,370" with "359,302,765"

Page 4, line 11, replace "1,016,554,663" with "945,805,723"

Page 4, line 12, replace "1,357,101,033" with "1,305,108,488"

Page 4, line 13, replace "$2,040,055" with "$2,261,556"

Page 5, replace lines 9 through 20 with:

"**SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY.** The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth legislative assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LEGISLATIVE INTENT - MATERNAL AND CHILD HEALTH BLOCK GRANT WAIVER. It is the intent of the legislative assembly that the department of human services and the state department of health seek a waiver from the federal government to allow the state to spend less than thirty percent of its federal maternal and child health block grant for children with special health care needs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 9. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical services program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human services consider requiring the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing telephone credit cards to its

employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital seek the assistance of the adjutant general in the closure of the state hospital landfill and that the adjutant general complete the project subject to the approval of the associated general contractors of North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. AMENDMENT. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:

   a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred~~ eighty-five percent;

   b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date;

   c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation~~; and~~.

   ~~d. For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

SECTION 15. A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

> Establish eligibility criteria for services under this chapter at one hundred fifty percent of the poverty line. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Department of Human Services - Management			
Total all funds	$60,522,444	($11,101,600)	$49,420,844
Less estimated income	40,824,823	(9,158,128)	31,666,695
General fund	$19,697,621	($1,943,472)	$17,754,149
Department of Human Services - Economic Assistance			
Total all funds	$928,758,489	($29,388,768)	$899,369,721
Less estimated income	740,502,079	(56,379,594)	684,122,485
General fund	$188,256,410	$26,990,826	$215,247,236
Department of Human Services - Program and Policy			
Total all funds	$164,255,080	($8,875,529)	$155,379,551
Less estimated income	129,295,937	(4,252,545)	125,043,392
General fund	$34,959,143	($4,622,984)	$30,336,159
Department of Human Services - State Hospital			
Total all funds	$52,174,730	($989,255)	$51,185,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($576,000)	$33,224,332
Department of Human Services - Developmental Center			
Total all funds	$41,022,887	($350,000)	$40,672,887
Less estimated income	30,233,607	(213,500)	30,020,107
General fund	$10,789,280	($136,500)	$10,652,780
Department of Human Services - Northwest Human Service Center			
Total all funds	$8,328,987	($171,554)	$8,157,433
Less estimated income	4,155,537	(72,500)	4,083,037
General fund	$4,173,450	($99,054)	$4,074,396
Department of Human Services - North Central Human Service Center			
Total all funds	$14,407,527	($256,042)	$14,151,485
Less estimated income	5,892,990	(116,434)	5,776,556
General fund	$8,514,537	($139,608)	$8,374,929
Department of Human Services - Lake Region Human Service Center			
Total all funds	$8,259,010	($51,600)	$8,207,410
Less estimated income	3,658,411	(19,600)	3,638,811
General fund	$4,600,599	($32,000)	$4,568,599
Department of Human Services - Northeast Human Service Center			
Total all funds	$19,082,759	($230,700)	$18,852,059
Less estimated income	11,282,528	(29,500)	11,253,028
General fund	$7,800,231	($201,200)	$7,599,031
Department of Human Services - Southeast Human Service Center			
Total all funds	$20,387,053	($118,300)	$20,268,753
Less estimated income	11,146,427	(22,400)	11,124,027
General fund	$9,240,626	($95,900)	$9,144,726
Department of Human Services - South Central Human Service Center			
Total all funds	$11,314,710	($107,500)	$11,207,210
Less estimated income	5,531,495	(29,400)	5,502,095
General fund	$5,783,215	($78,100)	$5,705,115
Department of Human Services - West Central Human Service Center			
Total all funds	$18,918,235	($301,297)	$18,616,938
Less estimated income	10,490,557	(37,784)	10,452,773
General fund	$8,427,678	($263,513)	$8,164,165
Department of Human Services - Badlands Human Service Center			
Total all funds	$9,669,122	($50,400)	$9,618,722
Less estimated income	5,165,874	(4,300)	5,161,574
General fund	$4,503,248	($46,100)	$4,457,148
Bill Total			
Total all funds	$1,357,101,033	($51,992,545)	$1,305,108,488
Less estimated income	1,016,554,663	(70,748,940)	945,805,723
General fund	$340,546,370	$18,756,395	$359,302,765

House Bill No. 1012 - Department of Human Services - Management - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,810,001		$11,810,001
Operating expenses	35,536,510	($1,786,460)	33,750,050
Equipment	2,208,429	(610,500)	1,597,929
Capital improvements	1,308		1,308
Loan fund - DD	2,040,055	221,501	2,261,556
Health Insurance Portability and Accountability Act (HIPAA)	8,926,141	(8,926,141)	.....
Total all funds	$60,522,444	($11,101,600)	$49,420,844
Less estimated income	40,824,823	(9,158,128)	31,666,695
General fund	$19,697,621	($1,943,472)	$17,754,149
FTE	122.80	0.00	122.80

[1] Management - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Executive Office Program				
Reduces funding for operating expenses		($7,500)		($7,500)
Managerial Support Program				
Increases funding from the lands and minerals trust fund for making DD loan fund payments to the common schools trust fund due to additional loans being approved			$221,501	221,501
Removes funding for the Health Insurance Portability and Accountability Act (HIPAA), $3,870,974 of which is from the health care trust fund and $5,055,347 of federal funds - Funding for HIPAA and other technology projects of $8,055,347 is included in House Bill No. 1196. Of the total in House Bill No. 1196, $3,000,000 is from the health care trust fund and $5,055,347 is from federal funds.			(8,926,141)	(8,926,141)
Reduces funding for operating expenses		(80,000)		(80,000)
Information Management Division Program				
Reduces funding associated with new positions added at the West Central Human Service Center (OARs 220, 227, and 229)		(8,576)	(994)	(9,570)
Reduces funding associated with new positions added at the Southeast Human Service Center (OARs 213 and 218)		(6,380)		(6,380)
Reduces funding associated with new positions added in child support (OAR 215)		(3,190)		(3,190)
Reduces funding for operating expenses		(101,500)	(248,500)	(350,000)
Reduces operating expense funding for current systems enhancements to $2,524,714, of which $550,681 is from the general fund (OAR 205)		(637,000)		(637,000)
Removes funding from operating for upgrading to Windows 2000 (OAR 209)		(249,326)	(203,994)	(453,320)
Reduces operating expense funding for the case management system project to $1,250,000, of which $500,000 is from the general fund (OAR 225)		(250,000)		(250,000)
Reduces funding for equipment		(600,000)		(600,000)
Total House changes - Management	0.00	($1,943,472)	($9,158,128)	($11,101,600)

A section is added providing that the Department of Human Services prepare a report for the 2003 Legislative Assembly on any funding or FTE transfers made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium.

Sections of legislative intent are added providing that the department:

- Consider the possibility of its employees sharing workstations
- Consider distributing telephone credit cards to its employees to use when traveling on official state business for allowable personal calls to reduce telephone costs.
- Consider expanding its use of e-mail for distributing information to reduce printing costs.

House Bill No. 1012 - Department of Human Services - Economic Assistance - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,128,095	($206,015)	$10,920,080
Operating expenses	17,889,079	(659,141)	17,229,938
Equipment	17,950		17,950
Capital improvements	2,543		2,543
Grants - Assistance payments	134,790,705	(401,557)	134,389,148
Grants - Medical assistance	756,354,293	(19,544,231)	736,810,062
Health care trust fund	8,577,824	(8,577,824)	
Total all funds	$928,758,489	($29,388,768)	$899,369,721
Less estimated income	740,502,079	(56,379,594)	684,122,485
General fund	$188,256,410	$26,990,826	$215,247,236
FTE	130.80	(3.00)	127.80

[1] Economic Assistance - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program				
Reduces funding for the Indian county allocation to reflect the calculation at 85 percent rather than 100 percent of formula. Funding of $2,384,884 is provided, $316,877 of which is from the general fund.		($387,095)		($387,095)
Reduces funding for salaries and wages to reflect a reclassification of a position from a human service program administrator to an administrative secretary		(11,909)	($15,844)	(27,753)
Child Support Program				
Removes a support specialist position and related operating expenses added in the executive budget	(1.00)	(75,103)		(75,103)
Reduces funding for operating expenses		(25,000)		(25,000)
Medical Services Program				
Removes funding from the health care trust fund line item relating to funding for service payments for elderly and disabled (SPED) that was appropriated in this subdivision and in Program and Policy. (The funding only needs to be appropriated in Program and Policy.)			(4,262,410)	(4,262,410)
Increases DD grants funding to increase the average wage for community provider direct care workers by 90 cents per hour (Option A)		4,360,928	9,125,682	13,486,610
Increases DD grants funding to increase the average wage for community provider direct care workers by 45 cents per hour (OAR 122)(Option B)		2,180,464	4,562,941	6,743,305
Removes positions relating to Healthy Steps due to eligibility determination being transferred to the counties (HB 1441)	(2.00)	(36,997)	(135,969)	(172,966)
Reduces medical assistance grants to reflect removal of the $25 million of state matching funds included in the executive budget from the health care trust fund			(83,333,333)	(83,333,333)
Adds funding for medical assistance grants. The House version provides a total of $549,031,866 for medical assistance grants, excluding Healthy Steps, intergovernmental transfer payments, and developmental disabilities grants. Of this total, $150,815,101 is from the general fund.		21,000,000	49,000,000	70,000,000
Reduces funding for basic care grants to reflect targeted case management costs being paid in medical assistance		(14,462)		(14,462)
Removes funding from grants for making government nursing facility funding pool payments, including $7,946,165 from the health care trust fund that was recommended to be used as the state matching share. Funding of $38,750,000, of which $11,650,000 is from the general fund, for making these payments is included in House Bill No. 1196.			(26,440,813)	(26,440,813)
Removes funding from the health care trust fund for nursing facility grants and loans from the health care trust fund line item. Funding of $9 million from the health care trust fund for these grants and loans is included in House Bill No. 1196.			(4,020,226)	(4,020,226)
Removes operating expense funding from the health care trust fund for the additional 1999-2001			(400,000)	(400,000)

biennium transaction fee payment to Dunseith and McVille. Funding of $800,000 from the health care trust fund is included in House Bill No. 1196 for these payments.				
Removes operating expense funding from the health care trust fund for the statewide long-term care needs assessment. Funding of $241,006 from the health care trust fund is included in House Bill No. 1196 for this study			(241,006)	(241,006)
Removes funding from the health care trust fund relating to Bank of North Dakota fees. The bank withholds these fees pursuant to a continuing appropriation			(147,358)	(147,358)
Removes funding from the health care trust fund for intergovernmental transfer program administrative costs. Funding for these administrative costs is included in House Bill No. 1196. In addition, funding for the remaining administrative costs of $76,072, of which $2,757 is from the general fund and $73,915 is from federal funds, is moved from the health care trust fund line item to salaries and wages ($60,707) and to operating expenses ($15,965).			(71,158)	(71,158)
Total House changes - Economic Assistance	(3.00)	$26,990,826	($56,379,594)	($29,388,768)

A section is added amending subsection 3 of section 50-01.2-03.2 to change the formula used for calculating the Indian county allocation from 100 percent of the excess costs relating to the locally administered economic assistance programs over the statewide average to 85 percent.

A section of legislative intent is added providing that the department focus on enhancing the effectiveness of its utilization review efforts in the medical services program.

House Bill No. 1012 - Department of Human Services - Program and Policy - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$10,546,892		$10,546,892
Operating expenses	11,658,081	($192,727)	11,465,354
Equipment	53,728		53,728
Capital improvements	789		789
Grants	141,995,590	(8,682,802)	133,312,788
Total all funds	$164,255,080	($8,875,529)	$155,379,551
Less estimated income	129,295,937	(4,252,545)	125,043,392
General fund	$34,959,143	($4,622,984)	$30,336,159
FTE	112.50	0.00	112.50

[1] Program and Policy - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Removes funding added in the executive budget for senior citizen mill levy matching grants. Funding of $1,262,045 from the general fund remains in this bill. Additional funding of $150,000 from the health care trust fund is included in House Bill No. 1196.		($400,000)		($400,000)
Reduces funding to $268,400, $200,000 of which is from the general fund for operating expenses relating to distributing telecommunications equipment		(52,727)		(52,727)
Reduces funding for SPED grants to $13,415,595, of which $8,471,034 is from the general fund to reflect targeted case management costs being paid in medical assistance		(90,065)	($461,635)	(551,700)
Reduces funding for SPED grants to $6,517,293 in this bill, of which $5,835,142 is from the general fund. Additional funding for SPED of $6,898,302 from the health care trust fund is included in House Bill No. 1196.		(2,635,892)	(4,262,410)	(6,898,302)
Reduces funding for expanded SPED grants to $1,203,280 from the general fund to reflect targeted case management costs being paid in medical assistance		(217,800)		(217,800)

Children's Special Health Program Reduces funding for operating expenses		(21,500)	(28,500)	(50,000)
Children and Family Services Program Reduces funding for intensive in home services grants to $250,000 from the general fund (OAR 231)		(50,000)		(50,000)
Reduces funding for operating expenses		(25,000)		(25,000)
Changes the funding source from the general fund to federal temporary assistance for needy families (TANF) block grant funds for child protection services grants (Option A)		(300,000)	300,000	
Changes the funding source from the general fund to federal TANF block grant funds and reduces funding for child protection services grants (Option B)		(300,000)	200,000	(100,000)
Reduces funding for family preservation services grants		(100,000)		(100,000)
Reduces funding for early childhood services grants to provide $4,136,344, of which $105,000 is from the general fund		(40,000)		(40,000)
Mental Health and Substance Abuse Program Reduces operating expense funding for compulsive gambling services to provide $100,000 from the general fund		(50,000)		(50,000)
Developmental Disabilities Program Reduces funding for operating expenses		(10,000)		(10,000)
Vocational Rehabilitation Program Reduces funding for grants for independent living centers to $921,699, of which $343,992 is from the general fund. Additional funding for independent living center grants of $100,000 from the health care trust fund is included in House Bill No. 1196.		(300,000)		(300,000)
Reduces funding for operating expenses		(5,000)		(5,000)
Reduces funding for extended services grants		(25,000)		(25,000)
Total House changes - Program and Policy	0.00	($4,622,984)	($4,252,545)	($8,875,529)

A section of legislative intent is added providing that the department seek a waiver from the federal government allowing the state to spend less than 30 percent of the federal maternal and child health block grant for children with special health care needs.

A section is added providing that eligibility for children's special health services be set at 150 percent of poverty line in statute rather than 185 percent that is the current level set by administrative rule.

House Bill No. 1012 - Department of Human Services - State Hospital - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$1,683,431	($713,255)	$970,176
Human service centers/institutions	50,491,299	(276,000)	50,215,299
Total all funds	$52,174,730	($989,255)	$51,185,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($576,000)	$33,224,332
FTE	511.00	0.00	511.00

[1] State Hospital - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes funding from the health care trust fund for costs associated with closing the State Hospital landfill. A section of legislative intent is added providing that the State Hospital seek the assistance of the National Guard to complete the closure of the landfill.			($413,255)	($413,255)
Reduces capital improvements funding		($300,000)		(300,000)
Reduces operating expense funding		(196,000)		(196,000)
Reduces equipment funding (Option A)		(50,000)		(50,000)
Reduces equipment funding (Option B)		(30,000)		(30,000)

Total House changes - State Hospital	0.00	($576,000)	($413,255)	($989,255)

House Bill No. 1012 - Department of Human Services - Developmental Center - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$934,363	($85,000)	$849,363
Human service centers/institutions	40,088,524	(265,000)	39,823,524
Total all funds	$41,022,887	($350,000)	$40,672,887
Less estimated income	30,233,607	(213,500)	30,020,107
General fund	$10,789,280	($136,500)	$10,652,780
FTE	471.14	0.00	471.14

[1] Developmental Center - House changes.

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes capital improvements funding for a power generator and line power synchronization no longer being requested by the agency		($42,000)	($28,000)	($70,000)
Removes capital improvements funding for one humidification project		(15,000)		(15,000)
Removes equipment funding for a dietary trayline system		(12,000)	(28,000)	(40,000)
Reduces operating expense funding		(67,500)	(157,500)	(225,000)
Total House changes - Developmental Center	0.00	($136,500)	($213,500)	($350,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	($99,054)	$4,074,396
Department of Human Services - North Central Human Service Center	8,514,537	(139,608)	8,374,929
Department of Human Services - Lake Region Human Service Center	4,600,599	(32,000)	4,568,599
Department of Human Services - Northeast Human Service Center	7,800,231	(201,200)	7,599,031
Department of Human Services - Southeast Human Service Center	9,240,626	(95,900)	9,144,726
Department of Human Services - South Central Human Service Center	5,783,215	(78,100)	5,705,115
Department of Human Services - West Central Human Service Center	8,427,678	(263,513)	8,164,165
Department of Human Services - Badlands Human Service Center	4,503,248	(46,100)	4,457,148
Total general fund	$53,043,584	($955,475)	$52,088,109

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,155,537	($72,500)	$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	(116,434)	5,776,556
Department of Human Services - Lake Region Human Service Center	3,658,411	(19,600)	3,638,811
Department of Human Services - Northeast Human Service Center	11,282,528	(29,500)	11,253,028
Department of Human Services - Southeast Human Service Center	11,146,427	(22,400)	11,124,027
Department of Human Services - South Central Human Service Center	5,531,495	(29,400)	5,502,095
Department of Human Services - West Central Human Service Center	10,490,557	(37,784)	10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	(4,300)	5,161,574
Total other funds	$57,323,819	($331,918)	$56,991,901

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,087	($171,554)	$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	(256,042)	14,151,485
Department of Human Services - Lake Region Human Service Center	8,259,010	(51,600)	8,207,410
Department of Human Services - Northeast Human Service Center	19,082,759	(230,700)	18,852,059
Department of Human Services - Southeast Human Service Center	20,387,053	(118,300)	20,268,753
Department of Human Services - South Central Human Service Center	11,314,710	(107,500)	11,207,210
Department of Human Services - West Central Human Service Center	18,918,235	(301,297)	18,616,938
Department of Human Services - Badlands Human Service Center	9,669,122	(50,400)	9,618,722
Total all funds	$110,367,403	($1,287,393)	$109,080,010
FTE	904.33	(5.00)	899.33

[1] Human service center changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - House changes:				
Removes addiction program positions no longer being requested by the agency. The center will use the funding to contract with a private provider for these services. The funding removed relates to the recommended compensation package increase for these positions.	(5.00)	($21,554)		($21,554)
Reduces funding for rent		(35,000)	($35,000)	(70,000)
Reduces funding for other operating expenses		(35,000)	(35,000)	(70,000)
Reduces funding for DD infant development grants		(7,500)	(2,500)	(10,000)
Total House changes - Northwest Human Service Center	(5.00)	($99,054)	($72,500)	($171,554)
North Central Human Service Center - House changes:				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606
Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short-term inpatient hospitalization services (Option A)		(29,500)	(20,500)	(50,000)
Reduces grants funding for short-term inpatient hospitalization services (Option B)		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human Service Center	1.00	($139,608)	($116,434)	($256,042)
Lake Region Human Service Center - House changes:				
Reduces salaries relating to a human relations counselor position that has been reclassified		($10,800)	($10,800)	($21,600)
Reduces operating expense funding		(11,200)	(8,800)	(20,000)
Reduces grants funding		(10,000)		(10,000)
Total House changes - Lake Region Human Service Center	0.00	($32,000)	($19,600)	($51,600)
Northeast Human Service Center - House changes:				
Reduces funding for adult protective services		($40,700)		($40,700)
Reduces operating expense funding		(40,000)		(40,000)
Reduces grants funding		(20,500)	($29,500)	(50,000)
Reduces grants funding		(100,000)		(100,000)
Total House changes - Northeast Human Service Center	0.00	($201,200)	($29,500)	($230,700)

Southeast Human Service Center - House changes:				
Reduces funding for adult protective services		($53,300)		($53,300)
Reduces operating expense funding		(17,600)	($22,400)	(40,000)
Reduces grants funding		(25,000)		(25,000)
Total House changes - Southeast Human Service Center	0.00	($95,000)	($22,400)	($118,300)
South Central Human Service Center - House changes:				
Reduces funding for adult protective services		($37,500)		($37,500)
Reduces funding for temporary and overtime salaries		(10,200)	($9,800)	(20,000)
Reduces operating expense funding		(20,400)	(19,600)	(40,000)
Reduces funding for grants		(10,000)		(10,000)
Total House changes - South Central Human Service Center	0.00	($78,100)	($29,400)	($107,500)
West Central Human Service Center - House changes:				
Reduces funding for adult protective services		($58,100)		($58,100)
Removes assistant director position	(1.00)	(107,913)	($10,284)	(118,197)
Reduces operating expense funding		(22,500)	(27,500)	(50,000)
Reduces grants funding		(75,000)		(75,000)
Total House changes - West Central Human Service Center	(1.00)	($263,513)	($37,784)	($301,297)
Badlands Human Service Center - House changes:				
Reduces funding for adult protective services		($20,400)		($20,400)
Reduces operating expense funding		(14,100)	($15,900)	(30,00)
Reduces funding for respite care grants		(5,000)		(5,000)
Reduces psychiatric services		(15,000)		(15,000)
Adds funding for chemical dependency alcohol and drug services		8,400	11,600	20,000
Total House changes - Badlands Human Service Center	0.00	($46,100)	($4,300)	($50,400)

Date: 2-19-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt amendment under Executive Office (7,500)

Motion Made By Rep. Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Carries

Date: 2-19-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt $221,501, $38,800 and the $51,200 in Managerial Support

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			VOICE VOTE		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to Adopt the amendment for the removal of 89.6 CHIPAA

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 4

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move for adoption of amendments 1, 2, 4, 5 + 6 IN IMD

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			Voice Vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to withdraw the $3,190 in Child Support

Motion Made By Rep. Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			Voice Vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails

Date: 2 19-01
Roll Call Vote #: 6

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt amendments in Child Support

Motion Made By Rep. Kempenich Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER			voice vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 7

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt amendment in Case Management

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			VOTE VOTE		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 8

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to Adopt the amendment in Information Management

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN			voice vote		
REP. KLINISKE					
REP. WARNER					

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 9

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to ~~adopt~~ move the amendment from HIPAA to IMD

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Voice Vote

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 10

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☐ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to amend language in the Second leg. Intent to pre-paid calling cards

Motion Made By Rep. ~~Delzer~~ Warner Seconded By Rep. ~~Kempenich~~ Delzer

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 11

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move the adoption of sections 7, 10, 11 + 12 on p. 4 of Amendment

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Voice vote

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 12

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to change the classification of a position at the request of the Department - (the second one) in Economics Assistance Policy

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			Voice Vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 13

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken to restore the amendment to the full 100% from 85% for Indian County SWAP?

Motion Made By Rep Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN		✓			
VICE-CHAIRMAN DELZER		✓			
REP. KEMPENICH		✓			
REP. KERZMAN	✓		Roll Call		
REP. KLINISKE		✓			
REP. WARNER	✓		~~Voice~~ Vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails -

* Roll Call Vote

Date: 2-19-01
Roll Call Vote #: 14

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to adopt ~~motion~~ the Indian Allocation 85%

Motion Made By Rep. Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

VOICE VOTE

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 15

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to include the amendment to reduce the operating line by $60,000, less operating fees and services + split in Economic Assistance

Motion Made By Rep. Kliniske Seconded By Rep. Delzer

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 16

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to ~~Move~~ Adopt Amendments - Child Support

Motion Made By Rep. Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 17

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt those 4 amendments - Medical Services

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 18

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to restore 4 million out of the Contingency Fund in HB 1196 ~~funder~~ Medicaid

Motion Made By Rep. Warner Seconded By Rep. Kerzman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			Voice Votes		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion Fails

Date: 2-19-01
Roll Call Vote #. 19

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☐ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to Adopt the amendement for 90 cent per hour raise in DD

Motion Made By Rep Warner Seconded By Rep. Kerzman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice		
REP. WARNER			vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails

Date: 2-19-01
Roll Call Vote #: 20

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☐ Subcommittee on **HUMAN RESOURCES**
or
☒ Conference Committee

Legislative Council Amendment Number

Action Taken motion to move the 45 cent per hour raise in DD

Motion Made By Rep. Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN		✓	Roll call vote		
VICE-CHAIRMAN DELZER		✓			
REP. KEMPENICH		✓			
REP. KERZMAN	✓				
REP. KLINISKE	✓				
REP. WARNER	✓				

Total (Yes) 3 No 3

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion Fails

Date: 2-19-01
Roll Call Vote #: 21

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken to move from 30 to 33% on benefits

Motion Made By Rep. Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					
			Voice Vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion fails

Date: 2-19-01
Roll Call Vote #: 22

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☐ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to Adopt those 7 for Basic Care

Motion Made By Rep. Warner Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 23

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt sections 9 + 14

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER			Voice vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 24

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt the last 3 that pertain to SPED in Aging Services

Motion Made By Rep. Delzer Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice Vote		
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries -

Date: 2-19-01
Roll Call Vote #: 25

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to restore $250,000 for the Mill Levy Match

Motion Made By Rep Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN		✓			
VICE-CHAIRMAN DELZER		✓			
REP. KEMPENICH		✓			
REP. KERZMAN	✓				
REP. KLINISKE		✓			
REP. WARNER	✓				

Roll Call Votes

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion fails

Date: 2-19-01
Roll Call Vote #: 24

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt the reduction of $~~350,000~~ $~~400,000~~ to $350000 from Executive Budget

Motion Made By Rep Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice vote		
REP. WARNER					

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 27

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt the 2nd amendment under Aging Services

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice Vote		
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 28

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt amendment in Childrens special health program

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

VOICE VOTE

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote # 29

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to adopt #'s 2, 5 + 6, amendments for Family Services

Motion Made By Rep Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote # 30

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt OBTION "B" in TANNF

Motion Made By Rep. Delzer Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

VOICE VOTE

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 31

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☐ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to restore $50,000 for Intensive In Home ~~Care~~ Services

Motion Made By Rep. Kerzman Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice vote		
REP. WARNER					

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails

Date: 2-19-01
Roll Call Vote #: 32

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to Adopt the amendment as shown INTENSIVE IN HOME SERVICES

Motion Made By Rep. Kempenich Seconded By Rep. Delzer

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			VOICE VOTE		
REP. WARNER					

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 33

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt amendment in Mental Health and Substance Abuse.

Motion Made By Rep. Delzer Seconded By Rep Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER			Voice Vote		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 34

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to Adopt the Amendment in D.D.

Motion Made By Rep. Kliniske Seconded By Rep. Delzer

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE			Voice Vote		
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 35

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move adoption of 2nd + 3d Amendments - Voc Rehab

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER			Voice vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 36

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to adopt 1st Amendment in Vic Rehab

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN	✓				
VICE-CHAIRMAN DELZER	✓				
REP. KEMPENICH	✓				
REP. KERZMAN		✓			
REP. KLINISKE	✓				
REP. WARNER		✓			

Roll Call Vote

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion passes

* Roll call vote

Date: 2-19-01
Roll Call Vote #: 37

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt Legislative Intent Language 2 of one of the two

Motion Made By Rep. Kliniske Seconded By Rep Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER			Voice Vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-19-01
Roll Call Vote #: 38

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House **APPROPRIATIONS** Committee

☒ Subcommittee on **HUMAN RESOURCES**
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to maintain the 185%, any changes to be approved by the Assembly.

Motion Made By Rep Kliniske Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN					
VICE-CHAIRMAN DELZER					
REP. KEMPENICH					
REP. KERZMAN					
REP. KLINISKE					
REP. WARNER					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to accept, except A - for the State Hospital

Motion Made By Rep. Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

VOICE VOTE

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move 1, 3, 4 under DD

Motion Made By Rep. Kempenich Seconded By Rep. Delzer

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

VOICE VOTE

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 3

Failed

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to restore $15,000 for Humidifier at the DD

Motion Made By Rep Kerzman Seconded By Rep Warner

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice Vote		

Total (Yes) 3 No 3

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion Fails

Date: 2-20-01
Roll Call Vote #: 4

Fail

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt the amendments. For DD

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Voice vote

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails

Date: 2-20
Roll Call Vote #: 5

Carries -

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to Adopt all 4 for NWHSC

Motion Made By Delzer Seconded By Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice Vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion carries

Date: 2-20-01
Roll Call Vote #: 6

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to Adopt #3

Motion Made By Delzer Seconded By Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice Vote		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion Carries

Date: 2-20-01
Roll Call Vote #: 7

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to Adopt obtoin B

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			VOICE VOTE		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 8

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt community counselor for NC

Motion Made By Rep Kempenich Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice vote		

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 4

Carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to adopt OAR 246 for NC HSC

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 10

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt the 3 for Lake Region

Motion Made By Rep Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 11

Carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move the ~~split~~ adoption ~~of the first three~~ to make that All funds instead of General Funds in Northeast HSC on the split

Motion Made By Rep Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner			Voice vote		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date:
Roll Call Vote #: 12 Carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt the 3 for ~~Southeast~~ Northeast HSC

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 13

Carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken adopt 3 amendments for Southeast HSC

Motion Made By Rep. Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			VOICE VOTE		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 14

Carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken adopt 4 amends for South Central HSC

Motion Made By Rep. Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner			Voice Vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: Motion Carries

Date:
Roll Call Vote #: 15

(carried)

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken adopt to move all 11 for West Central HSC

Motion Made By Rep. Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

BLHSC

Date: 2-20-01
Roll Call Vote #: 16

(carries)

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt first 4 amendments for Badlands HSC.

Motion Made By Rep Delzer Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 17

Parvus

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt 1/2 of the $20,000 w/the same split - Badlands HSC

Motion Made By Rep Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice Vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Carries

Date: 2-20-01
Roll Call Vote #: 18

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Move to further amend to put the other ~~Adopt the other 1/2~~ Half in - for Badlands HSC

Motion Made By Rep Warner Seconded By Rep Kerzman

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice Vote		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 19

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Allow 10¢ per hour for Direct care workers

Motion Made By Rep Delzer Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			voice vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 20

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken amend 250,000 Gen Fund ~~of Ext~~ # w/ language that they can move.

Motion Made By Rep. Delzer Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

18012.0104
Title.

Prepared by the Legislative Council staff for
Representative Delzer
February 19, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 3, after the first semicolon insert "to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium;"

Page 5, after line 8, insert:

"**SECTION 7. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION.** Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding and employee levels for each program as approved by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the fifty-eighth legislative assembly as an amendment to the bill as introduced."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

HOUSE - A section is added requiring the Office of Management and Budget to submit for introduction the Department of Human Services appropriations bill for the 2003-05 biennium to the 58th Legislative Assembly at the same funding and employee levels for each program as approved by the 57th Legislative Assembly for the 2001-03 biennium. Any executive budget recommended changes are to be submitted in the form of an amendment to the bill as introduced.

Date: 2-20-01
Roll Call Vote #: 21

Withdrawn

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Adopt 19012.0104

Motion Made By Delzer Seconded By Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					

Voice vote

Total (Yes) No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-20-01
Roll Call Vote #: 22

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to include Intent lang. in HB 1012 relative to the IGT Funds

Motion Made By Rep. Delzer Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			Voice vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 23

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken move to adopt all amendments to HB 1012

Motion Made By Rep. Delzer Seconded By Rep. Kliniske

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
			VOICE VOTE		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 2-20-01
Roll Call Vote #: 24

carries

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☒ Subcommittee on Human Resources
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Do pass as amended on HB 1012

Motion Made By Rep Delzer Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan	✓				
Vice-Chairman Jeff Delzer	✓				
Rep. Keith Kempenich	✓				
Rep. James Kerzman	✓				
Rep. Amy Kliniske	✓				
Rep. John M. Warner		✓			

Total (Yes) 5 No 1

Absent 0

Floor Assignment Ken Svedjan

If the vote is on an amendment, briefly indicate intent: motion carries

18012.0109
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
February 20, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 3, replace "for a transfer from the North Dakota health care trust fund; and to declare" with "statements of legislative intent; to provide an exception to section 54-16-04 of the North Dakota Century Code, relating to emergency commission approval for line item transfers; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; and to amend and reenact subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code, relating to county reimbursements"

Page 1, line 4, remove "an emergency"

Page 1, line 15, replace "35,536,510" with "34,412,275"

Page 1, line 16, replace "2,208,429" with "1,185,704"

Page 1, line 18, replace "2,040,055" with "2,261,556"

Page 1, remove line 19

Page 1, line 20, replace "line items" with "all funds" and replace "60,522,444" with "49,670,844"

Page 1, line 21, replace "40,824,823" with "31,615,495"

Page 1, line 22, replace "19,697,621" with "18,055,349"

Page 2, line 1, replace "11,126,095" with "10,920,080"

Page 2, line 2, replace "17,889,079" with "17,169,938"

Page 2, line 5, replace "134,790,705" with "134,389,148"

Page 2, line 6, replace "756,354,293" with "718,078,659"

Page 2, remove line 7

Page 2, line 8, replace "line items" with "all funds" and replace "928,758,489" with "880,578,318"

Page 2, line 9, replace "740,502,079" with "671,393,327"

Page 2, line 10, replace "188,256,410" with "209,184,991"

Page 2, line 14, replace "11,658,081" with "11,465,354"

Page 2, line 17, replace "141,995,590" with "133,362,788"

Page 2, line 18, replace "line items" with "all funds" and replace "164,255,080" with "155,429,551"

Page 2, line 19, replace "129,295,937" with "124,743,392"

Page 2, line 20, replace "34,959,143" with "30,686,159"

Page 2, line 23, replace "8,328,987" with "8,157,433"

Page 2, line 24, replace "4,155,537" with "4,083,037"

Page 2, line 25, replace "4,173,450" with "4,074,396"

Page 2, line 27, replace "14,407,527" with "14,201,485"

Page 2, line 28, replace "5,892,990" with "5,797,056"

Page 2, line 29, replace "8,514,537" with "8,404,429"

Page 3, line 1, replace "8,259,010" with "8,207,410"

Page 3, line 2, replace "3,658,411" with "3,638,811"

Page 3, line 3, replace "4,600,599" with "4,568,599"

Page 3, line 5, replace "19,082,759" with "18,852,059"

Page 3, line 6, replace "11,282,528" with "11,195,028"

Page 3, line 7, replace "7,800,231" with "7,657,031"

Page 3, line 10, replace "19,813,929" with "19,695,629"

Page 3, line 11, replace "20,387,053" with "20,268,753"

Page 3, line 12, replace "11,146,427" with "11,124,027"

Page 3, line 13, replace "9,240,626" with "9,144,726"

Page 3, line 15, replace "11,314,710" with "11,207,210"

Page 3, line 16, replace "5,531,495" with "5,502,095"

Page 3, line 17, replace "5,783,215" with "5,705,115"

Page 3, line 19, replace "18,918,235" with "18,616,938"

Page 3, line 20, replace "10,490,557" with "10,452,773"

Page 3, line 21, replace "8,427,678" with "8,164,165"

Page 3, line 23, replace "9,669,122" with "9,618,722"

Page 3, line 24, replace "5,165,874" with "5,161,574"

Page 3, line 25, replace "4,503,248" with "4,457,148"

Page 3, line 27, replace "1,683,431" with "970,176"

Page 3, line 28, replace "50,491,299" with "50,265,299"

Page 3, line 29, replace "line items" with "all funds" and replace "52,174,730" with "51,235,475"

Page 3, line 30, replace "18,374,398" with "17,961,143"

Page 3, line 31, replace "33,800,332" with "33,274,332"

Page 4, line 2, replace "934,363" with "864,363"

Page 4, line 3, replace "40,088,524" with "39,823,524"

Page 4, line 4, replace "line items" with "all funds" and replace "41,022,887" with "40,687,887"

Page 4, line 5, replace "30,233,607" with "30,020,107"

Page 4, line 6, replace "10,789,280" with "10,667,780"

Page 4, line 7, replace "203,565,020" with "201,053,372"

Page 4, line 8, replace "105,931,824" with "104,935,651"

Page 4, line 9, replace "97,633,196" with "96,117,721"

Page 4, line 10, replace "340,546,370" with "354,044,220"

Page 4, line 11, replace "1,016,554,663" with "932,687,865"

Page 4, line 12, replace "1,357,101,033" with "1,286,732,085"

Page 4, line 13, replace "$2,040,055" with "$2,261,556"

Page 5, replace lines 9 through 20 with:

"**SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY.** The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth legislative assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LINE ITEM TRANSFER AUTHORITY. Notwithstanding section 54-16-04, the department of human services may transfer amounts of up to $250,000 from the operating expenses line item in subdivision 1 of section 1 of this Act to the equipment line item in subdivision 1 of section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. The department shall notify the office of management and budget of each transfer.

SECTION 9. LEGISLATIVE INTENT - MATERNAL AND CHILD HEALTH BLOCK GRANT WAIVER. It is the intent of the legislative assembly that the department of human services and the state department of health seek a waiver from the federal government to allow the state to spend less than thirty percent of its federal maternal and child health block grant for children with special health care needs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical

services program during the biennium beginning July 1, 2001, and ending June 30 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human services consider requiring the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing prepaid telephone calling cards to its employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE INTENT - GENERAL FUND AND HEALTH CARE TRUST FUND MONEYS - SPENDING PRIORITY. It is the intent of the legislative assembly that for any programs receiving appropriations from both the general fund and health care trust fund, the department of human services spend moneys appropriated from the general fund before spending moneys from the health care trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital seek the assistance of the adjutant general in the closure of the state hospital landfill and that the adjutant general complete the project subject to the approval of the associated general contractors of North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 16. AMENDMENT. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:

   a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred~~ eighty-five percent;

   b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date:

   c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation~~; and~~.

~~d. For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

SECTION 17. A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

Establish eligibility criteria for services under this chapter at one hundred eighty-five percent of the poverty line. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Department of Human Services - Management			
Total all funds	$60,522,444	($10,851,600)	$49,670,844
Less estimated income	40,824,823	(9,209,328)	31,615,495
General fund	$19,697,621	($1,642,272)	$18,055,349
Department of Human Services - Economic Assistance			
Total all funds	$928,758,489	($48,180,171)	$880,578,318
Less estimated income	740,502,079	(69,108,752)	671,393,327
General fund	$188,256,410	$20,928,581	$209,184,991
Department of Human Services Program and Policy			
Total all funds	$164,255,080	($8,825,529)	$155,429,551
Less estimated income	129,295,937	(4,552,545)	124,743,392
General fund	$34,959,143	($4,272,984)	$30,686,159
Department of Human Services - State Hospital			
Total all funds	$52,174,730	($939,255)	$51,235,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($526,000)	$33,274,332
Department of Human Services - Developmental Center			
Total all funds	$41,022,887	($335,000)	$40,687,887
Less estimated income	30,233,607	(213,500)	30,020,107
General fund	$10,789,280	($121,500)	$10,667,780
Department of Human Services - Northwest Human Service Center			
Total all funds	$8,328,987	($171,554)	$8,157,433
Less estimated income	4,155,537	(72,500)	4,083,037
General fund	$4,173,450	($99,054)	$4,074,396
Department of Human Services - North Central Human Service Center			
Total all funds	$14,407,527	($206,042)	$14,201,485
Less estimated income	5,892,990	(95,934)	5,797,056
General fund	$8,514,537	($110,108)	$8,404,429
Department of Human Services - Lake Region Human Service Center			
Total all funds	$8,253,010	($51,600)	$8,207,410
Less estimated income	3,658,411	(19,600)	3,638,811
General fund	$4,600,599	($32,000)	$4,568,599
Department of Human Services - Northeast Human Service Center			
Total all funds	$19,082,759	($230,700)	$18,852,059
Less estimated income	11,282,528	(87,500)	11,195,028
General fund	$7,800,231	($143,200)	$7,657,031
Department of Human Services Southeast Human Service Center			
Total all funds	$20,387,053	($118,300)	$20,268,753

Less estimated income	11,146,427	(22,400)	11,124,027
General fund	$9,240,626	($95,900)	$9,144,726
Department of Human Services - South Central Human Service Center			
Total all funds	$11,314,710	($107,500)	$11,207,210
Less estimated income	5,531,495	(29,400)	5,502,095
General fund	$5,783,215	($78,100)	$5,705,115
Department of Human Services - West Central Human Service Center			
Total all funds	$18,918,235	($301,297)	$18,616,938
Less estimated income	10,490,557	(37,784)	10,452,773
General fund	$8,427,678	($263,513)	$8,164,165
Department of Human Services - Badlands Human Service Center			
Total all funds	$9,669,122	($50,400)	$9,618,722
Less estimated income	5,165,874	(4,300)	5,161,574
General fund	$4,503,248	($46,100)	$4,457,148
Bill Total			
Total all funds	$1,357,101,033	($70,368,948)	$1,286,732,085
Less estimated income	1,016,554,663	(83,866,798)	932,687,865
General fund	$340,546,370	$13,497,850	$354,044,220

House Bill No. 1012 - Department of Human Services - Management - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,810,001		$11,810,001
Operating expenses	35,536,510	($1,124,235)	34,412,275
Equipment	2,208,429	(1,022,725)	1,185,704
Capital improvements	1,308		1,308
Loan fund - DD	2,040,055	221,501	2,261,556
Health Insurance Portability and Accountability Act (HIPAA)	8,926,141	(8,926,141)	
Total all funds	$60,522,444	($10,851,600)	$49,670,844
Less estimated income	40,824,823	(9,209,328)	31,615,495
General fund	$19,697,621	($1,642,272)	$18,055,349
FTE	122.80	0.00	122.80

[1] Management - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Adds funding for operating expenses. A section is added authorizing the department to transfer up to $250,000 from the operating expenses line item to the equipment line item without Emergency Commission approval		$250,000		$250,000
Executive Office Program				
Reduces funding for operating expenses		(7,500)		(7,500)
Managerial Support Program				
Increases funding from the lands and minerals trust fund for making DD loan fund payments to the common schools trust fund due to additional loans being approved			$221,501	221,501
Removes funding for the Health Insurance Portability and Accountability Act (HIPAA), $3,870,974 of which is from the health care trust fund and $5,055,347 of federal funds. Funding for HIPAA and other technology projects of $8,055,347 is included in House Bill No. 1196. Of the total in House Bill No. 1196, $3,000,000 is from the health care trust fund and $5,055,347 is federal funds			(8,926,141)	(8,926,141)
Reduces funding for operating expenses		(28,800)	(51,200)	(80,000)
Information Management Division Program				
Reduces funding associated with a new position added at the West Central Human Service Center (OARs 220, 227 and 229)		(8,576)	(924)	(9,500)
Reduces funding associated with new positions added at the Southeast Human Service Center (OARs 213 and 218)		(6,380)		(6,380)
Reduces funding associated with a new position added in child support (OAR 215)		(3,190)		(3,190)
Reduces funding for operating expenses		(101,500)	(248,500)	(350,000)

Reduces operating expense funding for current systems enhancements to $2,524,714, of which $650,631 is from the general fund (OAR 205)		(637,000)		[illegible]
Removes funding from operating for upgrading to Windows 2000 (OAR 209)		(249,326)	(203,994)	[illegible]
Reduces operating expense funding for the case management system project to $1,250,000, of which $500,000 is from the general fund (OAR 225)		(250,000)		(250,000)
Transfers $412,225 from the general fund for ATM network costs from equipment to operating				
Reduces funding for equipment		(600,000)		(600,000)
Total House changes - Management	0.00	($1,642,272)	($9,209,328)	($10,851,600)

A section is added providing that the Department of Human Services prepare a report for the 2003 Legislative Assembly on any funding or FTE transfers made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium.

Sections of legislative intent are added providing that the department:

- Consider requiring its employees to share workstations.
- Consider distributing prepaid telephone calling cards to its employees to use when traveling on official state business for allowable personal calls to reduce telephone costs.
- Consider expanding its use of e-mail for distributing information to reduce printing costs.
- Spend general fund moneys before health care trust fund moneys in programs receiving appropriations from both the general fund and the health care trust fund.

House Bill No. 1012 - Department of Human Services - Economic Assistance - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,126,095	($206,015)	$10,920,080
Operating expenses	17,869,079	(719,141)	17,169,938
Equipment	17,950		17,950
Capital improvements	2,543		2,543
Grants - Assistance payments	134,790,705	(401,557)	134,389,148
Grants - Medical assistance	756,354,293	(38,275,634)	718,078,659
Health care trust fund	8,577,824	(8,577,824)	
Total all funds	$928,758,489	($48,180,171)	$880,578,318
Less estimated income	740,502,079	(69,108,752)	671,393,327
General fund	$188,256,410	$20,928,581	$209,184,991
FTE	130.80	(3.00)	127.80

[1] Economic Assistance - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program				
Reduces funding for the Indian county allocation to reflect the calculation at 85 percent rather than 100 percent of formula. Funding of $2,384,884 is provided, $316,877 of which is from the general fund		($387,095)		($387,095)
Reduces funding for salaries and wages to reflect a reclassification of a position from a human service program administrator to an administrative secretary		(11,909)	($15,844)	(27,753)
Reduces funding for operating expenses		(5,400)	(54,600)	(60,000)
Child Support Program				
Removes a support specialist position and related operating expenses added in the executive budget (OAR 214)	(1.00)	(75,103)		(75,103)
Reduces funding for operating expenses		(25,000)		(25,000)
Medical Services Program				
Removes funding from the health care trust fund line item relating to funding for SPED that was appropriated in this subdivision and in Program and Policy. (The funding only needs to be appropriated in Program and Policy.)			(4,262,410)	(4,262,410)

Increases DD grants funding to increase the average wage for community provider direct care workers by 10 cents per hour		484 547	1 013 965	1 498 512
Removes positions relating to Healthy Steps due to eligibility determination being transferred to the counties (HB 1441)	(2 00)	(36 997)	(135,969)	(172 966)
Reduces medical assistance grants to reflect removal of the $25 million of state matching funds included in the executive budget from the health care trust fund and related federal funds			(83 333 333)	(83 333 333)
Adds funding for medical assistance grants The House version provides a total of $549,031,866 for medical assistance grants, excluding Healthy Steps, intergovernmental transfer payments, and developmental disabilities grants Of this total, $150,815,101 is from the general fund.		21 000,000	49,000,000	70 000 000
Reduces funding for basic care grants to reflect targeted case management costs being paid in medical assistance		(14 462)		(14,462)
Removes funding from grants for making government nursing facility funding pool payments, including $7,946,165 from the health care trust fund that was recommended to be used as the state matching share Funding of $38,750,000, of which $11,650,000 is from the general fund, for making these payments is included in House Bill No. 1196.			(26 440,813)	(26,440,813)
Removes funding from the health care trust fund for nursing facility grants and loans from the health care trust fund line item. Funding of $9 million from the health care trust fund for these grants and loans is included in House Bill No 1196			(4,020 226)	(4,020,226)
Removes operating expense funding from the health care trust fund for the additional 1999-2001 biennium transaction fee payment to Dunseith and McVille. Funding of $800,000 from the health care trust fund is included in House Bill No. 1196 for these payments.			(400,000)	(400,000)
Removes operating expense funding from the health care trust fund for the statewide long-term care needs assessment. Funding of $241,006 from the health care trust fund is included in House Bill No. 1196 for this study			(241,006)	(241,006)
Removes funding from the health care trust fund relating to Bank of North Dakota fees The bank withholds these fees pursuant to a continuing appropriation.			(147,358)	(147,358)
Removes funding from the health care trust fund for intergovernmental transfer program administrative costs. Funding for these administrative costs is included in House Bill No. 1196. In addition, funding for the remaining administrative costs of $76,672, of which $2,757 is from the general fund and $73,915 is federal funds, is moved from the health care trust fund line item to salaries and wages ($60,707) and to operating expenses ($15,965)			(71,158)	(71,158)
Total House changes - Economic Assistance	(3 00)	$20,928,581	($69,108,752)	($48,180,171)

A section is added amending subsection 3 of section 50-01.2-03.2 to change the formula used for calculating the Indian county allocation from 100 percent of the excess costs relating to the locally administered economic assistance programs over the statewide average to 85 percent.

A section of legislative intent is added providing that the department focus on enhancing the effectiveness of its utilization review efforts in the medical services program.

House Bill No. 1012 - Department of Human Services - Program and Policy - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	$10,546,892		$10,546,892
Operating expenses	11,658 081	($192 727)	11,465,354
Equipment	53,728		53,728
Capital improvements	789		789
Grants	141,995,590	(8,632,802)	133,362,788
Total all funds	$164,255,080	($8 825 529)	$155,429,551
Less estimated income	129,295,937	(4,552,545)	124,743,392

General fund	$34,959,143	($4,272,984)	$30,686,159
FTE	112.50	0.00	112.50

[1] Program and Policy - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program				
Removes $350,000 of the $400,000 added in the executive budget for senior citizen mill levy matching grants. Funding of $1,312,945 from the general fund remains in this bill. Additional funding of $150,000 from the health care trust fund is included in House Bill No. 1196.		($350,000)		($350,000)
Reduces funding to $268,400, $200,000 of which is from the general fund for operating expenses relating to distributing telecommunications equipment		(52,727)		(52,727)
Reduces funding for SPED grants to $13,415,595, of which $9,471,034 is from the general fund to reflect targeted case management costs being paid in medical assistance		(90,065)	($461,635)	(551,700)
Reduces funding for SPED grants to $6,517,293 in this bill, of which $5,835,142 is from the general fund. Additional funding for SPED of $6,898,302 from the health care trust fund is included in House Bill No. 1196.		(2,635,892)	(4,262,410)	(6,898,302)
Reduces funding for expanded SPED grants to $1,203,280 from the general fund to reflect targeted case management costs being paid in medical assistance		(217,800)		(217,800)
Children's Special Health Program				
Reduces funding for operating expenses		(21,500)	(28,500)	(50,000)
Children and Family Services Program				
Reduces funding for intensive in-home services grants to $250,000 from the general fund (OAR 231)		(50,000)		(50,000)
Reduces funding for operating expenses		(25,000)		(25,000)
Changes the funding source from the general fund to federal TANF block grant funds and reduces funding for child protection services grants		(300,000)	200,000	(100,000)
Reduces funding for family preservation services grants		(100,000)		(100,000)
Reduces funding for early childhood services grants to provide $4,136,344, of which $105,000 is from the general fund		(40,000)		(40,000)
Mental Health and Substance Abuse Program				
Reduces operating expense funding for compulsive gambling services to provide $100,000 from the general fund		(50,000)		(50,000)
Developmental Disabilities Program				
Reduces funding for operating expenses		(10,000)		(10,000)
Vocational Rehabilitation Program				
Reduces funding for grants for independent living centers to $921,699, of which $343,992 is from the general fund. Additional funding for independent living center grants of $100,000 from the health care trust fund is included in House Bill No. 1196.		(300,000)		(300,000)
Reduces funding for operating expenses		(5,000)		(5,000)
Reduces funding for extended services grants		(25,000)		(25,000)
Total House changes - Program and Policy	0.00	($4,272,984)	($4,552,545)	($8,825,529)

A section of legislative intent is added providing that the department seek a waiver from the federal government allowing the state to spend less than 30 percent of the federal maternal and child health block grant for children with special health care needs.

A section is added providing that eligibility for children's special health services be set at 185 percent of poverty in statute, the current level set by administrative rule.

House Bill No. 1012 - Department of Human Services - State Hospital - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$1,683,431	($713,255)	$970,176
Human service centers/institutions	50,491,299	(226,000)	50,265,299
Total all funds	$52,174,730	($939,255)	$51,235,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($526,000)	$33,274,332
FTE	511.00	0.00	511.00

[1] State Hospital - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes funding from the health care trust fund for costs associated with closing the State Hospital landfill. A section of legislative intent is added providing that the State Hospital seek the assistance of the National Guard to complete the closure of the landfill			($413,255)	($413,255)
Reduces capital improvements funding		($300,000)		(300,000)
Reduces operating expense funding		(196,000)		(196,000)
Reduces equipment funding		(30,000)		(30,000)
Total House changes - State Hospital	0.00	($526,000)	($413,255)	($939,255)

House Bill No. 1012 - Department of Human Services - Developmental Center - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$934,363	($70,000)	$864,363
Human service centers/institutions	40,088,524	(265,000)	39,823,524
Total all funds	$41,022,887	($335,000)	$40,687,887
Less estimated income	30,233,007	(213,500)	30,020,107
General fund	$10,789,280	($121,500)	$10,667,780
FTE	471.14	0.00	471.14

[1] Developmental Center - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes capital improvements funding for a power generator and line power synchronization no longer being requested by the agency		($42,000)	($28,000)	($70,000)
Removes equipment funding for a dietary trayline system		(12,000)	(28,000)	(40,000)
Reduces operating expense funding		(67,500)	(157,500)	(225,000)
Total House changes - Developmental Center	0.00	($121,500)	($213,500)	($335,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	($99,054)	$4,074,396
Department of Human Services - North Central Human Service Center	8,514,537	(110,108)	8,404,429
Department of Human Services - Lake Region Human Service Center	4,600,599	(32,000)	4,568,599
Department of Human Services - Northeast Human Service Center	7,800,231	(143,200)	7,657,031
Department of Human Services - Southeast Human Service Center	9,240,626	(95,900)	9,144,726
Department of Human Services - South Central Human Service Center	5,783,215	(78,100)	5,705,115
Department of Human Services - West Central Human Service Center	8,427,678	(263,513)	8,164,165
Department of Human Services -	4,503,248	(46,100)	4,457,148

Badlands Human Service Center			
Total general fund	$53,043,584	($867,975)	$52,175,609

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,155,537	($72,500)	$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	(95,934)	5,797,056
Department of Human Services - Lake Region Human Service Center	3,658,411	(19,600)	3,638,811
Department of Human Services - Northeast Human Service Center	11,282,528	(87,500)	11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	(22,400)	11,124,027
Department of Human Services - South Central Human Service Center	5,531,495	(29,400)	5,502,095
Department of Human Services - West Central Human Service Center	10,490,557	(37,784)	10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	(4,300)	5,161,574
Total other funds	$57,323,819	($369,418)	$56,954,401

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	($171,554)	$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	(206,042)	14,201,485
Department of Human Services - Lake Region Human Service Center	8,259,010	(51,600)	8,207,410
Department of Human Services - Northeast Human Service Center	19,082,759	(230,700)	18,852,059
Department of Human Services - Southeast Human Service Center	20,387,053	(118,300)	20,268,753
Department of Human Services - South Central Human Service Center	11,314,710	(107,500)	11,207,210
Department of Human Services - West Central Human Service Center	18,918,235	(301,297)	18,616,938
Department of Human Services Badlands Human Service Center	9,669,122	(50,400)	9,618,722
Total all funds	$110,367,403	($1,237,393)	$109,130,010
FTE	904.33	(5.00)	899.33

[1] Human service center changes include

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - House changes:				
Removes addiction program positions no longer being requested by the agency. The center will use the funding to contract with a private provider for these services. The funding removed relates to the recommended compensation package increase for these positions.	(5.00)	($21,554)		($21,554)
Reduces funding for rent		(35,000)	($35,000)	(70,000)
Reduces funding for other operating expenses		(35,000)	(35,000)	(70,000)
Reduces funding for DD infant development grants		(7,500)	(2,500)	(10,000)
Total House changes - Northwest Human Service Center	(5.00)	($99,054)	($72,500)	($171,554)
North Central Human Service Center - House changes:				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606
Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short term inpatient hospitalization services		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human	1.00	($110,108)	($95,934)	($206,042)

Service Center				
Lake Region Human Service Center - House changes:				
Reduces salaries relating to a human relations counselor position that has been reclassified		($10,800)	($10,800)	($21,600)
Reduces operating expense funding		(11,200)	(8,800)	(20,000)
Reduces grants funding		(10,000)		(10,000)
Total House changes - Lake Region Human Service Center	0.00	($32,000)	($19,600)	($51,600)
Northeast Human Service Center - House changes:				
Reduces funding for adult protective services		($40,700)		($40,700)
Reduces operating expense funding		(40,000)		(40,000)
Reduces grants funding		(20,500)	($29,500)	(50,000)
Reduces grants funding		(42,000)	(58,000)	(100,000)
Total House changes - Northeast Human Service Center	0.00	($143,200)	($87,500)	($230,700)
Southeast Human Service Center - House changes:				
Reduces funding for adult protective services		($53,300)		($53,300)
Reduces operating expense funding		(17,600)	($22,400)	(40,000)
Reduces grants funding		(25,000)		(25,000)
Total House changes - Southeast Human Service Center	0.00	($95,000)	($22,400)	($118,300)
South Central Human Service Center - House changes:				
Reduces funding for adult protective services		($37,500)		($37,500)
Reduces funding for temporary and overtime salaries		(10,200)	($9,800)	(20,000)
Reduces operating expense funding		(20,400)	(19,600)	(40,000)
Reduces funding for grants		(10,000)		(10,000)
Total House changes - South Central Human Service Center	0.00	($78,100)	($29,400)	($107,500)
West Central Human Service Center - House changes:				
Reduces funding for adult protective services		($58,100)		($58,100)
Removes assistant director position	(1.00)	(107,913)	($10,284)	(118,197)
Reduces operating expense funding		(22,500)	(27,500)	(50,000)
Reduces grants funding		(75,000)		(75,000)
Total House changes - West Central Human Service Center	(1.00)	($263,513)	($37,784)	($301,297)
Badlands Human Service Center - House changes:				
Reduces funding for adult protective services		($20,400)		($20,400)
Reduces operating expense funding		(14,100)	($15,900)	(30,00)
Reduces funding for respite care grants		(5,000)		(5,000)
Reduces psychiatric services		(15,000)		(15,000)
Adds funding for chemical dependency alcohol and drug services		8,400	11,600	20,000
Total House changes - Badlands Human Service Center	0.00	($46,100)	($4,300)	($50,400)

Date: 2-21-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18012.0109

Action Taken to adopt amendment 0109

Motion Made By Rep Svedjan Seconded By Rep Delzer

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold		✓	Rep - Koppelman		
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleson		✓	Rep - Warner		✓
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman		✓			
Rep - Kliniske	✓				

Total (Yes) 16 No 4

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

18012.0108
Title.

Prepared by the Legislative Council staff for
Representative Warner
February 20, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 2, line 9, replace "740,502,079" with "719,502,079"

Page 2, line 10, replace "188,256,410" with "209,256,410"

Page 4, line 10, replace "340,546,370" with "361,546,370"

Page 4, line 11, replace "1,016,554,663" with "995,554,663"

Page 5, line 10, replace "$45,972,372" with "$24,972,372"

Page 5, line 12, replace "$41,733,630" with "$20,733,630"

Page 5, after line 15, insert:

"**SECTION 8. ESTIMATED INCOME - CONTINGENT APPROPRIATION - HEALTH CARE TRUST FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes $4,000,000 from the health care trust fund for providing state matching funds for medical assistance grants for the biennium beginning July 1, 2001, and ending June 30, 2003. This appropriation is effective only upon certification by the executive director of the department of human services to the state treasurer that the federal health care financing administration's claim for the return of $13,000,000 of the state's first-year payment has been resolved."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

HOUSE - This amendment changes the funding source of $21 million of state matching funds for medical assistance grants from the health care trust fund to the general fund. The executive budget recommended using $25 million from the health care trust fund to match federal medical assistance funds. In addition, a section is added providing that $4 million of health care trust fund moneys may be used as state matching funds for medical assistance only if the Department of Human Services executive director certifies to the State Treasurer that the federal government's claim for the return of $13 million of the state's first-year payment has been resolved.

Date: 2-21-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18012.0108

Action Taken to adopt - further amend 0108

Motion Made By Rep. Warner Seconded By Rep. Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman		✓			
Wald - Vice Chairman		✓			
Rep - Aarsvold	✓		Rep - Koppelman		✓
Rep - Boehm		✓	Rep - Martinson		✓
Rep - Byerly		✓	Rep - Monson		✓
Rep - Carlisle		✓	Rep - Skarphol		✓
Rep - Delzer		✓	Rep - Svedjan		✓
Rep - Glassheim	✓		Rep - Thoreson		✓
Rep - Gulleson	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz		✓
Rep - Kempenich		✓			
Rep - Kerzman	✓				
Rep - Kliniske		✓			

Total (Yes) 6 No 15

Absent Ø

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

18012.0105
Title.

Prepared by the Legislative Council staff for
Representative Svedjan
February 20, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the semicolon insert "to provide a statement of legislative indent;"

Page 5, after line 8, insert:

"**SECTION 7. LEGISLATIVE INTENT - FEDERAL FAMILY CAREGIVER FUNDS.** It is the intent of the legislative assembly that the department of human services determine the requirements related to the acceptance of federal family caregiver funds, including allowable uses, maintenance of effort, and future funding projections."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services - House Action

A section of legislative intent is added providing that the department determine the requirements for acceptance of federal family caregiver funds.

Date: 2-21-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18012.0105

Action Taken to further amend.

Motion Made By Rep Svedjan Seconded By Rep Warner

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleson			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Voice Vote

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

adopted

If the vote is on an amendment, briefly indicate intent:

18012.0110
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
February 21, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 3, replace "for a transfer from the North Dakota health care trust fund; and to declare" with "statements of legislative intent; to provide an exception to section 54-16-04 of the North Dakota Century Code, relating to emergency commission approval for line item transfers; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; and to amend and reenact subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code, relating to county reimbursements"

Page 1, line 4, remove "an emergency"

Page 1, line 15, replace "35,536,510" with "34,412,275"

Page 1, line 16, replace "2,208,429" with "1,185,704"

Page 1, line 18, replace "2,040,055" with "2,261,556"

Page 1, remove line 19

Page 1, line 20, replace "line items" with "all funds" and replace "60,522,444" with "49,670,844"

Page 1, line 21, replace "40,824,823" with "31,615,495"

Page 1, line 22, replace "19,697,621" with "18,055,349"

Page 2, line 1, replace "11,126,095" with "10,920,080"

Page 2, line 2, replace "17,889,079" with "17,169,938"

Page 2, line 5, replace "134,790,705" with "134,389,148"

Page 2, line 6, replace "756,354,293" with "718,078,659"

Page 2, remove line 7

Page 2, line 8, replace "line items" with "all funds" and replace "928,758,489" with "880,578,318"

Page 2, line 9, replace "740,502,079" with "671,393,327"

Page 2, line 10, replace "188,256,410" with "209,184,991"

Page 2, line 14, replace "11,658,081" with "11,465,354"

Page 2, line 17, replace "141,995,590" with "133,362,788"

Page 2, line 18, replace "line items" with "all funds" and replace "164,255,080" with "155,429,551"

Page 2, line 19, replace "129,295,937" with "124,743,392"

Page 2, line 20, replace "34,959,143" with "30,686,159"

Page 2, line 23, replace "8,328,987" with "8,157,433"

Page 2, line 24, replace "4,155,537" with "4,083,037"

Page 2, line 25, replace "4,173,450" with "4,074,396"

Page 2, line 27, replace "14,407,527" with "14,201,485"

Page 2, line 28, replace "5,892,990" with "5,797,056"

Page 2, line 29, replace "8,514,537" with "8,404,429"

Page 3, line 1, replace "8,259,010" with "8,207,410"

Page 3, line 2, replace "3,658,411" with "3,638,811"

Page 3, line 3, replace "4,600,599" with "4,568,599"

Page 3, line 5, replace "19,082,759" with "18,852,059"

Page 3, line 6, replace "11,282,528" with "11,195,028"

Page 3, line 7, replace "7,800,231" with "7,657,031"

Page 3, line 10, replace "19,813,929" with "19,695,629"

Page 3, line 11, replace "20,387,053" with "20,268,753"

Page 3, line 12, replace "11,146,427" with "11,124,027"

Page 3, line 13, replace "9,240,626" with "9,144,726"

Page 3, line 15, replace "11,314,710" with "11,207,210"

Page 3, line 16, replace "5,531,495" with "5,502,095"

Page 3, line 17, replace "5,783,215" with "5,705,115"

Page 3, line 19, replace "18,918,235" with "18,616,938"

Page 3, line 20, replace "10,490,557" with "10,452,773"

Page 3, line 21, replace "8,427,678" with "8,164,165"

Page 3, line 23, replace "9,669,122" with "9,618,722"

Page 3, line 24, replace "5,165,874" with "5,161,574"

Page 3, line 25, replace "4,503,248" with "4,457,148"

Page 3, line 27, replace "1,683,431" with "970,176"

Page 3, line 28, replace "50,491,299" with "50,265,299"

Page 3, line 29, replace "line items" with "all funds" and replace "52,174,730" with "51,235,475"

Page 3, line 30, replace "18,374,398" with "17,961,143"

Page 3, line 31, replace "33,800,332" with "33,274,332"

Page 4, line 2, replace "934,363" with "864,363"

Page 4, line 3, replace "40,088,524" with "39,823,524"

Page 4, line 4, replace "line items" with "all funds" and replace "41,022,887" with "40,687,887"

Page 4, line 5, replace "30,233,607" with "30,020,107"

Page 4, line 6, replace "10,789,280" with "10,667,780"

Page 4, line 7, replace "203,565,020" with "201,053,372"

Page 4, line 8, replace "105,931,824" with "104,935,651"

Page 4, line 9, replace "97,633,196" with "96,117,721"

Page 4, line 10, replace "340,546,370" with "354,044,220"

Page 4, line 11, replace "1,016,554,663" with "932,687,865"

Page 4, line 12, replace "1,357,101,033" with "1,286,732,085"

Page 4, line 13, replace "$2,040,055" with "$2,261,556"

Page 5, replace lines 9 through 20 with:

"**SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY.** The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth legislative assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LINE ITEM TRANSFER AUTHORITY. Notwithstanding section 54-16-04, the department of human services may transfer amounts of up to $250,000 from the operating expenses line item in subdivision 1 of section 1 of this Act to the equipment line item in subdivision 1 of section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. The department shall notify the office of management and budget of each transfer.

SECTION 9. LEGISLATIVE INTENT - MATERNAL AND CHILD HEALTH BLOCK GRANT WAIVER. It is the intent of the legislative assembly that the department of human services and the state department of health seek a waiver from the federal government to allow the state to spend less than thirty percent of its federal maternal and child health block grant for children with special health care needs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical

services program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human services consider requiring the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing prepaid telephone calling cards to its employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE INTENT - GENERAL FUND AND HEALTH CARE TRUST FUND MONEYS - SPENDING PRIORITY. It is the intent of the legislative assembly that for any programs receiving appropriations from both the general fund and health care trust fund, the department of human services spend moneys appropriated from the general fund before spending moneys from the health care trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital seek the assistance of the adjutant general in the closure of the state hospital landfill and that the adjutant general complete the project subject to the approval of the associated general contractors of North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 16. LEGISLATIVE INTENT - FEDERAL FAMILY CAREGIVER FUNDS. It is the intent of the legislative assembly that the department of human services determine the requirements related to the acceptance of federal family caregiver funds, including allowable uses, maintenance of effort, and future funding projections.

SECTION 17. AMENDMENT. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:

   a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred~~ eighty-five percent;

   b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable

valuations published pursuant to section 57-13-07 available on that date;

c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation~~; and~~.

~~d. For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

SECTION 18. A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

Establish eligibility criteria for services under this chapter at one hundred eighty-five percent of the poverty line. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Department of Human Services - Management			
Total all funds	$60,522,444	($10,851,600)	$49,670,844
Less estimated income	40,824,823	(9,209,328)	31,615,495
General fund	$19,697,621	($1,642,272)	$18,055,349
Department of Human Services - Economic Assistance			
Total all funds	$928,758,489	($48,180,171)	$880,578,318
Less estimated income	740,502,079	(69,168,752)	671,333,327
General fund	$188,256,410	$20,928,581	$209,184,991
Department of Human Services - Program and Policy			
Total all funds	$164,255,080	($8,825,529)	$155,429,551
Less estimated income	129,295,937	(4,552,545)	124,743,392
General fund	$34,959,143	($4,272,984)	$30,686,159
Department of Human Services - State Hospital			
Total all funds	$52,174,730	($939,255)	$51,235,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($526,000)	$33,274,332
Department of Human Services - Developmental Center			
Total all funds	$41,022,887	($335,000)	$40,687,887
Less estimated income	30,233,607	(213,500)	30,020,107
General fund	$10,789,280	($121,500)	$10,667,780
Department of Human Services - Northwest Human Service Center			
Total all funds	$8,328,987	($171,554)	$8,157,433
Less estimated income	4,155,537	(72,500)	4,083,037
General fund	$4,173,450	($99,054)	$4,074,396
Department of Human Services - North Central Human Service Center			
Total all funds	$14,407,527	($206,042)	$14,201,485
Less estimated income	5,892,990	(95,934)	5,797,056
General fund	$8,514,537	($110,108)	$8,404,429
Department of Human Services - Lake Region Human Service Center			
Total all funds	$8,259,010	($51,600)	$8,207,410
Less estimated income	3,658,411	(19,600)	3,638,811

General fund	$4,600,599	($32,000)	$4,568,599
Department of Human Services Northeast Human Service Center			
Total all funds	$19,082,759	($230,700)	$18,852,059
Less estimated income	11,282,528	(87,500)	11,195,028
General fund	$7,800,231	($143,200)	$7,657,031
Department of Human Services - Southeast Human Service Center			
Total all funds	$20,387,053	($118,300)	$20,268,753
Less estimated income	11,146,427	(22,400)	11,124,027
General fund	$9,240,626	($95,900)	$9,144,726
Department of Human Services - South Central Human Service Center			
Total all funds	$11,314,710	($107,500)	$11,207,210
Less estimated income	5,531,495	(29,400)	5,502,095
General fund	$5,783,215	($78,100)	$5,705,115
Department of Human Services - West Central Human Service Center			
Total all funds	$18,918,235	($301,297)	$18,616,938
Less estimated income	10,490,557	(37,784)	10,452,773
General fund	$8,427,678	($263,513)	$8,164,165
Department of Human Services - Badlands Human Service Center			
Total all funds	$9,669,122	($50,400)	$9,618,722
Less estimated income	5,165,874	(4,300)	5,161,574
General fund	$4,503,248	($46,100)	$4,457,148
Bill Total			
Total all funds	$1,357,101,033	($70,368,948)	$1,286,732,085
Less estimated income	1,016,554,663	(83,866,778)	932,687,885
General fund	$340,546,370	$13,497,850	$354,044,220

House Bill No. 1012 - Department of Human Services - Management - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,810,001		$11,810,001
Operating expenses	35,536,510	($1,124,235)	34,412,275
Equipment	2,208,429	(1,022,725)	1,185,704
Capital improvements	1,308		1,308
Loan fund - DD	2,040,055	221,501	2,261,556
Health Insurance Portability and Accountability Act (HIPAA)	8,926,141	(8,926,141)	
Total all funds	$60,522,444	($10,851,600)	$49,670,844
Less estimated income	40,824,823	(9,209,328)	31,615,495
General fund	$19,697,621	($1,642,272)	$18,055,349
FTE	122.80	0.00	122.80

[1] Management - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Adds funding for operating expenses. A section is added authorizing the department to transfer up to $250,000 from the operating expenses line item to the equipment line item without Emergency Commission approval		$250,000		$250,000
Executive Office Program				
Reduces funding for operating expenses		(7,500)		(7,500)
Managerial Support Program				
Increases funding from the lands and minerals trust fund for making DD loan fund payments to the common schools trust fund due to additional loans being approved			$221,501	221,501
Removes funding for the Health Insurance Portability and Accountability Act (HIPAA), $3,870,974 of which is from the health care trust fund and $5,055,347 of federal funds. Funding for HIPAA and other technology projects of $8,055,347 is included in House Bill No. 1196. Of the total in House Bill No. 1196, $3,000,000 is from the health care trust fund and $5,055,347 is federal funds			(8,926,141)	(8,926,141)
Reduces funding for operating expenses		(28,800)	(51,200)	(80,000)
Information Management Division Program				
Reduces funding associated with new positions added at the West Central Human Service Center (OARs 220,		(8,576)	(994)	(9,570)

227, and 229)				
Reduces funding associated with new positions added at the Southeast Human Service Center (OARs 213 and 218)		(6,380)		(6,380)
Reduces funding associated with a new position added in child support (OAR 215)		(3,190)		(3,190)
Reduces funding for operating expenses		(101,500)	(248,500)	(350,000)
Reduces operating expense funding for current systems enhancements to $2,524,714, of which $650,681 is from the general fund (OAR 205)		(637,000)		(637,000)
Removes funding from operating for upgrading to Windows 2000 (OAR 209)		(249,326)	(203,994)	(453,320)
Reduces operating expense funding for the case management system project to $1,250,000, of which $500,000 is from the general fund (OAR 225)		(250,000)		(250,000)
Transfers $412,225 from the general fund for ATM network costs from equipment to operating				
Reduces funding for equipment		(609,269)		(609,269)
Total House changes - Management	0.00	($1,042,272)	($9,209,328)	($10,851,600)

A section is added providing that the Department of Human Services prepare a report for the 2003 Legislative Assembly on any funding or FTE transfers made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium.

Sections of legislative intent are added providing that the department:

- Consider requiring its employees to share workstations.
- Consider distributing prepaid telephone calling cards to its employees to use when traveling on official state business for allowable personal calls to reduce telephone costs.
- Consider expanding its use of e-mail for distributing information to reduce printing costs.
- Spend general fund moneys before health care trust fund moneys in programs receiving appropriations from both the general fund and the health care trust fund.
- Determine the requirements for acceptance of federal family caregiver funds.

House Bill No. 1012 - Department of Human Services - Economic Assistance - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,126,095	($206,015)	$10,920,080
Operating expenses	17,889,079	(719,141)	17,169,938
Equipment	17,950		17,950
Capital improvements	2,543		2,543
Grants - Assistance payments	134,790,705	(401,557)	134,389,148
Grants - Medical assistance	756,354,293	(38,275,634)	718,078,659
Health care trust fund	8,577,824	(8,577,824)	
Total all funds	$928,758,489	($48,180,171)	$880,578,318
Less estimated income	740,502,079	(69,108,752)	671,393,327
General fund	$188,256,410	$20,928,581	$209,184,991
FTE	130.80	(3.00)	127.80

[1] Economic Assistance - House changes.

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program				
Reduces funding for the Indian county allocation to reflect the calculation at 85 percent rather than 100 percent of formula. Funding of $2,384,884 is provided, $316,877 of which is from the general fund		($387,095)		($387,095)
Reduces funding for salaries and wages to reflect a reclassification of a position from a human service program administrator to an administrative secretary		(11,909)	($15,844)	(27,753)
Reduces funding for operating expenses		(5,400)	(54,600)	(60,000)

Child Support Program				
Removes a support specialist position and related operating expenses added in the executive budget (OAR 214)	(1.00)	(75,103)		(75,103)
Reduces funding for operating expenses		(25,000)		(25,000)
Medical Services Program				
Removes funding from the health care trust fund line item relating to funding for SPED that was appropriated in this subdivision and in Program and Policy. (The funding only needs to be appropriated in Program and Policy.)			(4,262,410)	(4,262,410)
Increases DD grants funding to increase the average wage for community provider direct care workers by 10 cents per hour		484,547	1,013,965	1,498,512
Removes positions relating to Healthy Steps due to eligibility determination being transferred to the counties (HB 1441)	(2.00)	(36,997)	(135,969)	(172,966)
Reduces medical assistance grants to reflect removal of the $25 million of state matching funds included in the executive budget from the health care trust fund and related federal funds			(83,333,333)	(83,333,333)
Adds funding for medical assistance grants. The House version provides a total of $549,031,866 for medical assistance grants, excluding Healthy Steps, intergovernmental transfer payments, and developmental disabilities grants. Of this total, $160,815,101 is from the general fund.		21,000,000	49,000,000	70,000,000
Reduces funding for basic care grants to reflect targeted case management costs being paid in medical assistance		(14,462)		(14,462)
Removes funding from grants for making government nursing facility funding pool payments, including $7,946,185 from the health care trust fund that was recommended to be used as the state matching share. Funding of $38,750,000, of which $11,050,000 is from the general fund, for making these payments is included in House Bill No. 1196.			(26,440,813)	(26,440,813)
Removes funding from the health care trust fund for nursing facility grants and loans from the health care trust fund line item. Funding of $9 million from the health care trust fund for these grants and loans is included in House Bill No. 1196.			(4,020,226)	(4,020,226)
Removes operating expense funding from the health care trust fund for the additional 1999-2001 biennium transaction fee payment to Dunseith and McVille. Funding of $800,000 from the health care trust fund is included in House Bill No. 1196 for these payments.			(400,000)	(400,000)
Removes operating expense funding from the health care trust fund for the statewide long-term care needs assessment. Funding of $241,006 from the health care trust fund is included in House Bill No. 1196 for this study.			(241,006)	(241,006)
Removes funding from the health care trust fund relating to Bank of North Dakota fees. The bank withholds these fees pursuant to a continuing appropriation.			(147,358)	(147,358)
Removes funding from the health care trust fund for intergovernmental transfer program administrative costs. Funding for these administrative costs is included in House Bill No. 1196. In addition, funding for the remaining administrative costs of $76,672, of which $2,757 is from the general fund and $73,915 is federal funds, is moved from the health care trust fund line item to salaries and wages ($60,707) and to operating expenses ($15,965).			(71,158)	(71,158)
Total House changes - Economic Assistance	(3.00)	$20,928,581	($69,108,752)	($48,180,171)

A section is added amending subsection 3 of section 50-01.2-03.2 to change the formula used for calculating the Indian county allocation from 100 percent of the excess costs relating to the locally administered economic assistance programs over the statewide average to 85 percent.

A section of legislative intent is added providing that the department enhance the effectiveness of its utilization review efforts in the medical services program.

House Bill No. 1012 - Department of Human Services - Program and Policy - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$10,546,892		$10,546,892
Operating expenses	11,658,081	($192,727)	11,465,354
Equipment	53,728		53,728
Capital improvements	789		789
Grants	141,995,590	(8,632,802)	133,362,788
Total all funds	$164,255,080	($8,825,529)	$155,429,551
Less estimated income	129,295,937	(4,552,545)	124,743,392
General fund	$34,959,143	($4,272,984)	$30,686,159
FTE	112.50	0.00	112.50

[1] Program and Policy - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program				
Removes $350,000 of the $400,000 added in the executive budget for senior citizen mill levy matching grants. Funding of $1,312,945 from the general fund remains in this bill. Additional funding of $150,000 from the health care trust fund is included in House Bill No. 1196.		($350,000)		($350,000)
Reduces funding to $268,400, $200,000 of which is from the general fund for operating expenses relating to distributing telecommunications equipment		(52,727)		(52,727)
Reduces funding for SPED grants to $13,415,595, of which $8,471,034 is from the general fund to reflect targeted case management costs being paid in medical assistance		(90,065)	($461,635)	(551,700)
Reduces funding for SPED grants to $6,517,293 in this bill, of which $5,835,142 is from the general fund. Additional funding for SPED of $6,898,302 from the health care trust fund is included in House Bill No. 1196.		(2,635,892)	(4,262,410)	(6,898,302)
Reduces funding for expanded SPED grants to $1,203,260 from the general fund to reflect targeted case management costs being paid in medical assistance		(217,800)		(217,800)
Children's Special Health Program				
Reduces funding for operating expenses		(21,500)	(28,500)	(50,000)
Children and Family Services Program				
Reduces funding for intensive in-home services grants to $250,000 from the general fund (OAR 231)		(50,000)		(50,000)
Reduces funding for operating expenses		(25,000)		(25,000)
Changes the funding source from the general fund to federal TANF block grant funds and reduces funding for child protection services grants		(300,000)	200,000	(100,000)
Reduces funding for family preservation services grants		(100,000)		(100,000)
Reduces funding for early childhood services grants to provide $4,136,344, of which $105,000 is from the general fund		(40,000)		(40,000)
Mental Health and Substance Abuse Program				
Reduces operating expense funding for compulsive gambling services to provide $100,000 from the general fund		(50,000)		(50,000)
Developmental Disabilities Program				
Reduces funding for operating expenses		(10,000)		(10,000)
Vocational Rehabilitation Program				
Reduces funding for grants for independent living centers to $921,699, of which $343,992 is from the general fund. Additional funding for independent living center grants of $100,000 from the health care trust fund is included in House Bill No. 1196.		(300,000)		(300,000)
Reduces funding for operating expenses		(5,000)		(5,000)
Reduces funding for extended services grants		(25,000)		(25,000)

Total House changes - Program and Policy	0.00	($4,272,984)	($4,552,545)	($8,825,529)

A section of legislative intent is added providing that the department seek a waiver from the federal government allowing the state to spend less than 30 percent of the federal maternal and child health block grant for children with special health care needs.

A section is added providing that eligibility for children's special health services be set at 185 percent of poverty in statute, the current level set by administrative rule.

House Bill No. 1012 - Department of Human Services - State Hospital - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$1,683,431	($713,255)	$970,176
Human service centers/institutions	50,491,299	(226,000)	50,265,299
Total all funds	$52,174,730	($939,255)	$51,235,475
Less estimated income	18,374,398	(413,255)	17,961,143
General fund	$33,800,332	($526,000)	$33,274,332
FTE	511.00	0.00	511.00

[1] State Hospital - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes funding from the health care trust fund for costs associated with closing the State Hospital landfill. A section of legislative intent is added providing that the State Hospital seek the assistance of the National Guard to complete the closure of the landfill.			($413,255)	($413,255)
Reduces capital improvements funding		($300,000)		(300,000)
Reduces operating expense funding		(196,000)		(196,000)
Reduces equipment funding		(30,000)		(30,000)
Total House changes - State Hospital	0.00	($526,000)	($413,255)	($939,255)

House Bill No. 1012 - Department of Human Services - Developmental Center - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Capital improvements	$934,363	($70,000)	$864,363
Human service centers/institutions	40,088,524	(265,000)	39,823,524
Total all funds	$41,022,887	($335,000)	$40,687,887
Less estimated income	30,233,607	(213,500)	30,020,107
General fund	$10,789,280	($121,500)	$10,667,780
FTE	471.14	0.00	471.14

[1] Developmental Center - House changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes capital improvements funding for a power generator and line power synchronization no longer being requested by the agency		($42,000)	($28,000)	($70,000)
Removes equipment funding for a dietary trayline system		(12,000)	(28,000)	(40,000)
Reduces operating expense funding		(67,500)	(157,500)	(225,000)
Total House changes - Developmental Center	0.00	($121,500)	($213,500)	($335,000)

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	($99,054)	$4,074,396
Department of Human Services -	8,514,537	(110,108)	8,404,429

North Central Human Service Center			
Department of Human Services - Lake Region Human Service Center	4,600,599	(32,000)	4,568,599
Department of Human Services - Northeast Human Service Center	7,800,231	(143,200)	7,657,031
Department of Human Services Southeast Human Service Center	9,240,626	(95,900)	9,144,726
Department of Human Services - South Central Human Service Center	5,783,215	(78,100)	5,705,115
Department of Human Services - West Central Human Service Center	8,427,678	(263,513)	8,164,165
Department of Human Services - Badlands Human Service Center	4,503,248	(46,100)	4,457,148
Total general fund	$53,043,584	($867,975)	$52,175,609

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$4,155,537	($72,500)	$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	(95,934)	5,797,056
Department of Human Services - Lake Region Human Service Center	3,658,411	(19,600)	3,638,811
Department of Human Services - Northeast Human Service Center	11,282,528	(87,500)	11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	(22,400)	11,124,027
Department of Human Services - South Central Human Service Center	5,531,495	(29,400)	5,502,095
Department of Human Services - West Central Human Service Center	10,490,557	(37,784)	10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	(4,300)	5,161,574
Total other funds	$57,323,819	($369,418)	$56,954,401

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	($171,554)	$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	(206,042)	14,201,485
Department of Human Services - Lake Region Human Service Center	8,259,010	(51,600)	8,207,410
Department of Human Services - Northeast Human Service Center	19,082,759	(230,700)	18,852,059
Department of Human Services - Southeast Human Service Center	20,387,053	(118,300)	20,268,753
Department of Human Services - South Central Human Service Center	11,314,710	(107,500)	11,207,210
Department of Human Services - West Central Human Service Center	18,918,235	(301,297)	18,616,938
Department of Human Services - Badlands Human Service Center	9,669,122	(50,400)	9,618,722
Total all funds	$110,367,403	($1,237,393)	$109,130,010
FTE	904.33	(5.00)	899.33

[1] Human service center changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - House changes:				
Removes addiction program positions no longer being requested by the agency. The center will use the funding to contract with a private provider for these services. The funding removed relates to the recommended compensation package increase for these positions.	(5.00)	($21,554)		($21,554)
Reduces funding for rent		(35,000)	($35,000)	(70,000)
Reduces funding for other operating expenses		(35,000)	(35,000)	(70,000)
Reduces funding for DD infant development grants		(7,500)	(2,500)	(10,000)
Total House changes - Northwest Human Service Center	(5.00)	($99,054)	($72,500)	($171,554)
North Central Human Service Center - House changes:				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606

Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short term inpatient hospitalization services		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human Service Center	1.00	($110,108)	($95,934)	($206,042)
Lake Region Human Service Center - House changes:				
Reduces salaries relating to a human relations counselor position that has been reclassified		($10,800)	($10,800)	($21,600)
Reduces operating expense funding		(11,200)	(8,800)	(20,000)
Reduces grants funding		(10,000)		(10,000)
Total House changes - Lake Region Human Service Center	0.00	($32,000)	($19,600)	($51,600)
Northeast Human Service Center - House changes:				
Reduces funding for adult protective services		($40,700)		($40,700)
Reduces operating expense funding		(40,000)		(40,000)
Reduces grants funding		(20,500)	($29,500)	(50,000)
Reduces grants funding		(42,000)	(58,000)	(100,000)
Total House changes - Northeast Human Service Center	0.00	($143,200)	($87,500)	($230,700)
Southeast Human Service Center - House changes:				
Reduces funding for adult protective services		($53,300)		($53,300)
Reduces operating expense funding		(17,600)	($22,400)	(40,000)
Reduces grants funding		(25,000)		(25,000)
Total House changes - Southeast Human Service Center	0.00	($95,000)	($22,400)	($118,300)
South Central Human Service Center - House changes:				
Reduces funding for adult protective services		($37,500)		($37,500)
Reduces funding for temporary and overtime salaries		(10,200)	($9,800)	(20,000)
Reduces operating expense funding		(20,400)	(19,600)	(40,000)
Reduces funding for grants		(10,000)		(10,000)
Total House changes - South Central Human Service Center	0.00	($78,100)	($29,400)	($107,500)
West Central Human Service Center - House changes:				
Reduces funding for adult protective services		($58,100)		($58,100)
Removes assistant director position	(1.00)	(107,913)	($10,284)	(118,197)
Reduces operating expense funding		(22,500)	(27,500)	(50,000)
Reduces grants funding		(75,000)		(75,000)
Total House changes - West Central Human Service Center	(1.00)	($263,513)	($37,784)	($301,297)
Badlands Human Service Center - House changes:				
Reduces funding for adult protective services		($20,400)		($20,400)
Reduces operating expense funding		(14,100)	($15,900)	(30,00)
Reduces funding for respite care grants		(5,000)		(5,000)
Reduces psychiatric services		(15,000)		(15,000)
Adds funding for chemical dependency alcohol and drug services		8,400	11,600	20,000
Total House changes - Badlands Human Service Center	0.00	($46,100)	($4,300)	($50,400)

Date: 2-21-01
Roll Call Vote #: 4

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18012.0110

Action Taken DO PASS AS AMENDED

Motion Made By Rep. Svedjan Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold		✓	Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleson	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman		✓			
Rep - Kliniske	✓				

Total (Yes) 19 No 2

Absent Ø

Floor Assignment Rep. Svedjan

If the vote is on an amendment, briefly indicate intent:

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 67 YEAS, 30 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bellew; Belter; Berg; Boehm; Brandenburg; Brusegaard; Byerly; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Disrud; Dosch; Drovdal; Eckre; Froseth; Grande; Grosz; Gunter; Haas; Hawken; Herbel; Huether; Jensen; Johnson, D.; Johnson, N.; Kasper; Keiser; Kelsch, R.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Kliniske; Koppang; Koppelman; Kretschmar; Maragos; Martinson; Meier; Monson; Nelson; Nicholas; Nottestad; Pietsch; Pollert; Porter; Price; Renner; Rennerfeldt; Ruby; Severson; Skarphol; Svedjan; Thoreson, B.; Thoreson, L.; Tieman; Timm; Wald; Weiler; Weisz; Wikenheiser; Speaker Bernstein

NAYS: Aarsvold; Boucher; Brekke; Cleary; Ekstrom; Froelich; Galvin; Glassheim; Grumbo; Gulleson; Hanson; Hunskor; Kelsh, S.; Kerzman; Kroeber; Lemieux; Lloyd; Mahoney; Metcalf; Mueller; Niemeier; Onstad; Sandvig; Schmidt; Solberg; Thorpe; Warner; Wentz; Winrich; Wrangham

ABSENT AND NOT VOTING: Fairfield

Engrossed HB 1407 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1414: A BILL for an Act to provide for the business products utilization commission; to amend and reenact sections 54-34.3-08 and 54-34.3-11 of the North Dakota Century Code, relating to powers of the business products utilization commission; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 88 YEAS, 9 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bellew; Belter; Berg; Boucher; Brandenburg; Brekke; Carlisle; Clark; Cleary; DeKrey; Delmore; Devlin; Disrud; Dosch; Drovdal; Eckre; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Grosz; Grumbo; Gulleson; Gunter; Haas; Hanson; Hawken; Herbel; Huether; Hunskor; Jensen; Johnson, D.; Johnson, N.; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Kliniske; Koppang; Koppelman; Kretschmar; Kroeber; Lemieux; Mahoney; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Nottestad; Onstad; Pietsch; Pollert; Porter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Skarphol; Solberg; Svedjan; Thoreson, B.; Thoreson, L.; Thorpe; Tieman; Timm; Wald; Warner; Weiler; Weisz; Wentz; Wikenheiser; Winrich; Speaker Bernstein

NAYS: Boehm; Brusegaard; Byerly; Carlson; Delzer; Grande; Lloyd; Renner; Wrangham

ABSENT AND NOT VOTING: Fairfield

Engrossed HB 1414 passed and the title was agreed to.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has passed and your favorable consideration is requested on: SB 2053, SB 2217, SB 2220, SB 2267, SB 2288, SB 2308, SB 2315, SB 2317, SB 2336, SB 2358, SB 2376, SB 2379, SB 2390, SB 2397, SB 2407, SB 2413, SB 2414, SB 2420, SB 2449, SCR 4009, SCR 4016, SCR 4020, SCR 4029.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has passed the emergency clause carried, and your favorable consideration is requested on: SB 2216, SB 2424.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HB 1145, HB 1173, HB 1210, HB 1220, HB 1318, HB 1327, HB 1338, HB 1386, HB 1391, HB 1423, HB 1431, HB 1455, HB 1456, HB 1459, HB 1469, HB 1474, HCR 3002, HCR 3016, HCR 3019, HCR 3026, HCR 3032, HCR 3033, HCR 3041, HCR 3044, HCR 3045.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)

MR. PRESIDENT: The House has passed the emergency clause carried, and your favorable consideration is requested on: HB 1468.

REPORT OF STANDING COMMITTEE

HB 1012: Appropriations Committee (Rep. Timm, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "for a transfer from the North Dakota health care trust fund; and to declare" with "statements of legislative intent; to provide an exception to section 54-16-04 of the North Dakota Century Code, relating to emergency commission approval for line item transfers; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; and to amend and reenact subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code, relating to county reimbursements"

Page 1, line 4, remove "an emergency"

Page 1, line 15, replace "35,536,510" with "34,412,275"

Page 1, line 16, replace "2,208,429" with "1,185,704"

Page 1, line 18, replace "2,040,055" with "2,261,556"

Page 1, remove line 19

Page 1, line 20, replace "line items" with "all funds" and replace "60,522,444" with "59,070,844"

Page 1, line 21, replace "40,824,623" with "41,615,495"

Page 1, line 22, replace "19,697,621" with "18,055,349"

Page 2, line 1, replace "11,126,095" with "10,920,060"

Page 2, line 2, replace "17,669,079" with "17,169,938"

Page 2, line 5, replace "134,790,705" with "134,389,146"

Page 2, line 6, replace "756,354,293" with "716,078,659"

Page 2, remove line 7

Page 2, line 8, replace "line items" with "all funds" and replace "928,758,489" with "880,576,318"

Page 2, line 9, replace "790,502,079" with "871,393,937"

Page 2, line 10, replace "188,256,410" with "209,184,991"

Page 2, line 14, replace "11,656,081" with "11,465,354"

Page 2, line 17, replace "141,995,590" with "133,360,766"

Page 2, line 18, replace "line items" with "all funds" and replace "164,255,050" with "155,429,551"

Page 2, line 19, replace "129,095,937" with "124,743,990"

Page 2, line 20, replace "34,969,143" with "30,685,561"

Page 2, line 23, replace "6,828,987" with "8,157,483"

Page 2, line 24, replace "4,155,537" with "4,063,037"

Page 2, line 25, replace "4,173,450" with "4,074,996"

Page 2, line 27, replace "14,407,527" with "14,201,465"

Page 2, line 28, replace "5,892,990" with "5,797,056"

Page 2, line 29, replace "8,514,537" with "8,404,429"

Page 3, line 1, replace "8,259,010" with "8,207,410"

Page 3, line 2, replace "3,658,411" with "3,638,811"

Page 3, line 3, replace "4,600,599" with "4,568,599"

Page 3, line 5, replace "19,082,759" with "18,852,059"

Page 3, line 6, replace "11,282,528" with "11,195,028"

Page 3, line 7, replace "7,800,231" with "7,657,031"

Page 3, line 10, replace "19,813,929" with "19,695,629"

Page 3, line 11, replace "20,387,053" with "20,268,753"

Page 3, line 12, replace "11,146,427" with "11,124,027"

Page 3, line 13, replace "9,240,626" with "9,144,726"

Page 3, line 15, replace "11,314,710" with "11,207,210"

Page 3, line 16, replace "5,531,495" with "5,502,095"

Page 3, line 17, replace "5,783,215" with "5,705,115"

Page 3, line 19, replace "18,918,235" with "18,616,938"

Page 3, line 20, replace "10,490,557" with "10,452,773"

Page 3, line 21, replace "8,427,078" with "8,164,165"

Page 3, line 23, replace "9,669,122" with "9,618,722"

Page 3, line 24, replace "5,165,874" with "5,161,574"

Page 3, line 25, replace "4,503,248" with "4,457,148"

Page 3, line 27, replace "1,683,431" with "970,176"

Page 3, line 28, replace "50,491,299" with "50,265,299"

Page 3, line 29, replace "line items" with "all funds" and replace "52,174,730" with "51,235,475"

Page 3, line 30, replace "18,374,398" with "17,961,143"

Page 3, line 31, replace "33,800,332" with "33,274,332"

Page 4, line 2, replace "934,363" with "864,363"

Page 4, line 3, replace "40,088,524" with "39,823,524"

Page 4, line 4, replace "line items" with "all funds" and replace "41,022,887" with "40,667,887"

Page 4, line 5, replace "30,233,607" with "30,020,107"

Page 4, line 6, replace "10,789,280" with "10,667,780"

Page 4, line 7, replace "203,545,020" with "201,053,372"

Page 4, line 8, replace "105,931,624" with "104,935,631"

Page 4, line 9, replace "97,633,196" with "96,117,721"

Page 4, line 10, replace "340,546,370" with "354,044,220"

Page 4, line 11, replace "1,016,554,663" with "932,667,665"

Page 4, line 12, replace "1,357,101,033" with "1,286,732,085"

Page 4, line 13, replace "$2,040,055" with "$2,261,556"

Page 5, replace lines 9 through 20 with

"**SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY.** The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth legislative assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LINE ITEM TRANSFER AUTHORITY. Notwithstanding section 54-16-04, the department of human services may transfer amounts of up to $250,000 from the operating expenses line item in subdivision 1 of section 1 of this Act to the equipment line item in subdivision 1 of section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. The department shall notify the office of management and budget of each transfer.

SECTION 9. LEGISLATIVE INTENT - MATERNAL AND CHILD HEALTH BLOCK GRANT WAIVER. It is the intent of the legislative assembly that the department of human services and the state department of health seek a waiver from the federal government to allow the state to spend less than thirty percent of its federal maternal and child health block grant for children with special health care needs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical services program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human services consider reducing the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing prepaid telephone calling cards to its employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE INTENT - GENERAL FUND AND HEALTH CARE TRUST FUND MONEYS - SPENDING PRIORITY. It is the intent of the legislative assembly that for any programs receiving appropriations from both the general fund and health care trust fund, the department of human services spend the moneys appropriated from the general fund before spending the moneys from the health care trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital be given the assistance of the adjutant general in the closure of the state hospital landfill, and that the adjutant general, notwithstanding any provisions of the administrative code, assist the state hospital in complying with North Dakota law for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 16. LEGISLATIVE INTENT - FEDERAL FAMILY CAREGIVER FUNDS. It is the intent of the legislative assembly that the department of human services determine the requirements related to the acceptance of federal family caregiver funds, including allowable uses, maintenance of effort, and future funding projections.

SECTION 17. AMENDMENT. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:

   a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred~~eighty-five percent;

   b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date;

   c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation~~; and~~.

   ~~d. For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

SECTION 18. A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

> Establish eligibility criteria for services under this chapter at one hundred eighty-five percent of the poverty line. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Department of Human Services Management			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Economic Assistance			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Program and Policy			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services State Hospital			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]

General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Northeast Human Service Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services North Central Human Service Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Lake Region Human Service Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Southeastern Human Service Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Developmental Disabilities Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Developmental Disabilities Grant Program			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Southeastern Human Service Center			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
Department of Human Services Rehabilitation Services			
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
FTE	[illegible]	[illegible]	[illegible]

House Bill No. 1012 - Department of Human Services - Management - House Action

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total all funds	[illegible]	[illegible]	[illegible]
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	[illegible]	[illegible]	[illegible]
FTE	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]		[illegible]	[illegible]
[illegible]			
[illegible]			
[illegible]			
[illegible]			
[illegible]			
Executive Office Program			
[illegible]			[illegible]
Managerial Support Program			
[illegible]		[illegible]	[illegible]
[illegible]			
[illegible]		[illegible]	[illegible]

federal funds. Funding for HIPAA and other technology projects of $8,055,347 is included in House Bill No. 1196. Of the total in House Bill No. 1196, $3,000,000 is from the health care trust fund and $5,055,347 is federal funds				
Reduces funding for operating expenses		(28,850)	(51,200)	(80,000)
Information Management Division Program				
Reduces funding associated with new positions added at the West Central Human Service Center (OAPs 225, 227, and 229)		(8,576)	(994)	(9,570)
Reduces funding associated with new positions added at the Southeast Human Service Center (OAPs 213 and 218)		(6,360)		(6,360)
Reduces funding associated with a new position added in child support (OAP 215)		(3,190)		(3,190)
Reduces funding for operating expenses		(101,500)	(248,500)	(350,000)
Reduces operating expense funding for current systems enhancements to $2,524,774, of which $650,681 is from the general fund (OAP 205)		(537,000)		(537,000)
Removes funding from operating for upgrading to Windows 2000 (OAP 209)		(249,326)	(203,994)	(453,320)
Reduces operating expense funding for the case management system project to $1,250,000, of which $500,000 is from the general fund (OAP 225)		(250,000)		(250,000)
Transfers $412,225 from the general fund for ATM network costs from equipment to operating				
Reduces funding for equipment		(500,000)		(500,000)
Total House changes - Management	[illegible]	$1,642,279	($9,259,326)	($[illegible])

A section is added providing that the Department of Human Services prepare a report for the 2003 Legislative Assembly on any funding or FTE transfers made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium.

Sections of legislative intent are added providing that the department:

- Consider requiring its employees to share workstations.
- Consider distributing prepaid telephone calling cards to its employees to use when traveling on official state business for allowable personal calls to reduce telephone costs.
- Consider expanding its use of e-mail for distributing information to reduce printing costs.
- Spend general fund moneys before health care trust fund moneys in programs receiving appropriations from both the general fund and the health care trust fund.
- Determine the requirements for acceptance of federal family caregiver funds.

House Bill No. 1012 - Department of Human Services - Economic Assistance - House Action

	[illegible]	House Changes	House Version
Salaries and wages	[illegible]	[illegible]	[illegible]
Operating expenses	[illegible]	[illegible]	[illegible]
Equipment	[illegible]		[illegible]
Capital improvements	[illegible]		[illegible]
Grants - Assistance payments	[illegible]	[illegible]	[illegible]
Grants - Medical assistance	[illegible]	($38,275,624)	[illegible]
Health care trust fund	[illegible]	($8,577,624)	
Total all funds	$[illegible]	($48,160,[illegible])	$660,578,[illegible]
Less estimated income	[illegible]	($[illegible])	$[illegible]
General fund	$166,259,416	$20,926,581	$[illegible]
FTE	[illegible]	[illegible]	[illegible]

[1] Economic Assistance - House changes.

	FTE	General Fund	Estimated Income	Total
Economic Assistance Policy Program				
Reduces funding for the county administration to reflect the calculation of 85 percent of the 100 percent of funding of $[illegible] provided. $[illegible], of which is from the general fund		$[illegible]		$[illegible]
Reduces funding for salaries and wages to reflect the classification of operations from a [illegible]		[illegible]	$[illegible]	[illegible]

program administrator to an administrative assistant				
Reduces funding for operating expenses	[illegible]	[illegible]	[illegible]	[illegible]
Child Support Program				
Removes a budget stabilization position and related operating expenses added in the executive budget (OAP 214)	[illegible]	[illegible]		[illegible]
Reduces funding for operating expenses	[illegible]	[illegible]		[illegible]
Medical Services Program				
Removes funding from the health care trust fund for the cost relating to funding for SPED fee waiver appropriated in this subdivision and in Program and Policy. The funding you seek to be appropriated in Program and Policy			[illegible]	[illegible]
Increases DD grants funding to increase the average wage for community provider direct care workers by [illegible] cents per hour	[illegible]	[illegible]	[illegible]	[illegible]
Removes positions relating to Medicaid State plan eligibility determination being transferred to the counties (HB 1441)	[illegible]	[illegible]	[illegible]	[illegible]
Reduces medical assistance grants to reflect approval of the $25 million of state matching funds included in the executive budget from the health care trust fund and reduced federal funds			[illegible]	[illegible]
Adds [illegible] medical assistance grants. The House [illegible] [illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]			[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
[illegible]				[illegible]
Total House changes - Economic Assistance	[illegible]	$[illegible]	$[illegible]	$[illegible]

A section is added amending subsection 3 of section 50-01.2-03.1 to change the formula used for calculating the Indian county allocation from 100 percent of the excess costs relating to the locally administered economic assistance programs over the statewide average to 85 percent.

A section of legislative intent is added providing that the department minimize the effectiveness of its utilization review efforts in the medical services program.

House Bill No. 1012 - Department of Human Services - Program and Policy - House Action

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Grants	[illegible]	[illegible]	[illegible]
Total all funds	$194,[illegible]	$8,825,129	$155,479,557
Less estimated income	[illegible]	[illegible]	[illegible]
General fund	$34,[illegible]	$4,272,964	$30,[illegible]
FTE	[illegible]	0.00	[illegible]

* Program and Policy - House changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Removes $250,000 of the $400,000 added in the executive budget for senior citizen nutrition funding grants. Funding of $1,312,945 from the general fund remains in this bill. Additional funding of $750,000 from the health care trust fund is included in House Bill No. 1196.		$350,000		$350,000
Reduces funding to $268,400. $250,000 of which is from the general fund for operating expenses relating to distributing telecommunications equipment		(52,727)		[illegible]
Reduces funding for SPED grants to $13,415,595, of which $8,471,034 is from the general fund to reflect targeted case management costs being paid in medical assistance		(96,065)	$461,535)	[illegible]
Reduces funding for SPED grants to $6,517,293 in this bill, of which $3,835,142 is from the general fund. Additional funding for SPED of $6,698,302 from the health care trust fund is included in House Bill No. 1196.		(2,635,852)	(4,262,410)	(6,898,302)
Reduces funding for expanded SPED grants to $1,203,280 from the general fund to reflect targeted case management costs being paid in medical assistance		(217,560)		(217,560)
Children's Special Health Program Reduces funding for operating expenses		(21,500)	(28,500)	[illegible]
Children and Family Services Program Reduces funding for intensive in-home services grants to $250,000 from the general fund (OAR 231)		(50,000)		(50,000)
Reduces funding for operating expenses		(25,000)		(25,000)
Changes the funding source from the general fund to federal TANF block grant funds, and reduces funding for child protection services grants		(300,000)	200,000	(100,000)
Reduces funding for family preservation services grants		(100,000)		(100,000)
Reduces funding for early childhood services grants to provide $4,136,344, of which $105,000 is from the general fund		(40,000)		(40,000)
Mental Health and Substance Abuse Program Reduces operating expense funding for compulsive gambling services to provide $100,000 from the general fund		(50,000)		(50,000)
Developmental Disabilities Program Reduces funding for operating expenses		(10,000)		(10,000)
Vocational Rehabilitation Program Reduces funding for grants for independent living centers to $921,695, of which $741,992 is from the general fund. Additional funding for independent living center grants of $123,300 from the health care trust fund is included in House Bill No. 1196.		(9,000)		(9,000)
Reduces funding for operating expenses		(5,000)		(5,000)
Reduces funding for extended services grants		(20,000)		(20,000)
Total House changes - Program and Policy	[illegible]	$4,272,964	$4,[illegible]	$8,[illegible]

A section of legislative intent is added providing that the department seek a waiver from the federal government allowing the state to spend less than 30 percent of the federal maternal and child health block grant for children with special health care needs.

A section is added providing that eligibility for children's special health services be set at 185 percent of poverty in statute, the current level set by administrative rule.

House Bill No. 1012 - Department of Human Services - State Hospital - House Action

	[illegible]	HOUSE CHANGES *	HOUSE VERSION
Capital improvements	$1,[illegible]	$[illegible]	$[illegible]
Human service	$2,[illegible]	$[illegible]	$2,765,299

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Lake Region Human Service Center			
Department of Human Services - Northeast Human Service Center	11,282,528	(87,500)	11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	(22,400)	11,124,027
Department of Human Services - South Central Human Service Center	5,531,495	(29,400)	5,502,095
Department of Human Services - West Central Human Service Center	10,490,557	(37,784)	10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	(4,300)	5,161,574
Total other funds	$57,323,819	($369,418)	$56,954,401

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES [1]	HOUSE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	($171,554)	$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	(206,042)	14,201,485
Department of Human Services - Lake Region Human Service Center	5,259,010	(51,600)	5,207,410
Department of Human Services - Northeast Human Service Center	19,082,759	(250,700)	18,832,059
Department of Human Services - Southeast Human Service Center	20,367,053	(118,900)	20,248,153
Department of Human Services - South Central Human Service Center	11,314,710	(107,500)	11,207,210
Department of Human Services - West Central Human Service Center	18,918,235	(301,297)	18,616,938
Department of Human Services - Badlands Human Service Center	9,679,122	(60,400)	9,618,722
Total all funds	$110,367,403	($1,237,393)	$109,130,010
FTE	904.33	(5.00)	899.33

[1] Human service center changes include

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - House changes:				
Removes addiction program positions no longer being requested by the agency. The center will use the funding to contract with a private provider for these services. The funding removed relates to the recommended compensation package increase for these positions.	(5.00)	($21,554)		($21,554)
Reduces funding for rent		(35,000)	($35,000)	(70,000)
Reduces funding for other operating expenses		(35,000)	(35,000)	(70,000)
Reduces funding for DD infant development grants		(7,500)	(7,500)	(15,000)
Total House changes - Northwest Human Service Center	(5.00)	($99,054)	($72,500)	($171,554)
North Central Human Service Center - House changes:				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606
Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions.		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short-term inpatient hospitalization services		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human Service Center	1.00	($110,108)	($95,934)	($206,042)
Lake Region Human Service Center - House changes:				
Reduces salaries relating to a human relations counselor position that has been reclassified		($10,800)	($10,800)	($21,600)
Reduces operating expense funding		(11,200)	(8,800)	(20,000)
Reduces grants funding		(10,000)		(10,000)
Total House changes - Lake Region Human Service Center	0.00	($32,000)	($19,600)	($51,600)
Northeast Human Service Center - House changes:				
Reduces funding for adult protective services		($40,700)		$40,700
Reduces operating expense funding		(40,000)		(40,000)
Reduces grants funding		(25,500)	($25,500)	(50,000)
Reduces grants funding		(40,000)	(60,000)	(100,000)
Total House changes - Northeast Human Service Center	(1.00)	($146,200)	($85,500)	($231,700)
Southeast Human Service Center - House changes				

Reduces funding for adult protective services		[illegible]		[illegible]
Reduces operating expense funding		[illegible]	[illegible]	[illegible]
Reduces grants funding		[illegible]		[illegible]
Total House changes - Southeast Human Service Center	[illegible]	[illegible]	[illegible]	[illegible]
South Central Human Service Center - House changes				
Reduces funding for adult protective services		[illegible]		[illegible]
Reduces funding for temporary and overtime salaries		[illegible]	[illegible]	[illegible]
Reduces operating expense funding		[illegible]	[illegible]	[illegible]
Reduces funding for grants		[illegible]		[illegible]
Total House changes - South Central Human Service Center	[illegible]	[illegible]	[illegible]	[illegible]
West Central Human Service Center - House changes				
Reduces funding for adult protective services		[illegible]		[illegible]
Removes assistant director position	[illegible]	[illegible]	[illegible]	[illegible]
Reduces operating expense funding		[illegible]	[illegible]	[illegible]
Reduces grants funding		[illegible]		[illegible]
Total House changes - West Central Human Service Center	[illegible]	[illegible]	[illegible]	[illegible]
Badlands Human Service Center - House changes				
Reduces funding for adult protective services		[illegible]		[illegible]
Reduces operating expense funding		[illegible]	[illegible]	[illegible]
Reduces funding for respite care grants		[illegible]		[illegible]
Reduces psychiatric services		[illegible]		[illegible]
Adds funding for chemical dependency alcohol and drug services		[illegible]	[illegible]	[illegible]
Total House changes - Badlands Human Service Center	[illegible]	[illegible]	[illegible]	[illegible]

REPORT OF STANDING COMMITTEE

HB 1013: Appropriations Committee (Rep. Timm, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1013 was placed on the Sixth order on the calendar.

Page 1, line 3, remove the first "and", after "reenact" insert "subsection 4 of", and after "section" insert "15-40.1-07.8 or in the alternative to amend and reenact subsection 4 of section 15.1-27-11, and section"

Page 1, line 4, after "to" insert "supplemental payments and" and after "instruction" insert "," and to declare an emergency"

Page 1, line 14, replace "12,273,865" with "12,170,316"

Page 1, line 15, replace "17,431,193" with "17,031,193"

Page 1, line 18, replace "485,542,761" with "461,035,668"

Page 1, after line 18, insert
"Grants - Teacher compensation payments 48,840,055"

Page 1, line 21, replace "51,260,000" with "49,896,695"

Page 1, line 22, replace "149,970,455" with "149,350,063"

Page 1, line 23, replace "50,000" with "100,000"

Page 1, line 24, replace "35,000" with "20,000"

Page 2, line 1, replace "767,839,439" with "807,524,355"

Page 2, line 2, replace "237,017,455" with "237,044,955"

Page 2, line 3, replace "550,821,984" with "570,479,400"

Page 2, line 24, replace "2,594,635" with "2,966,958"

2001 SENATE APPROPRIATIONS

HB 1012

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 28, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.0-54.4
1		X	0.0-50.4
2	X		0.0-53.7
2		X	0.0-14.8
2		X	14.8-48.3
3	X		0.0-54.1
3		X	0.0-22.5
Committee Clerk Signature			

Minutes:

Senator Nething opened the hearing on HB 1012.

Carol Olson, Executive Director, ND Human Services, gave an overview and changes from the House (testimony attached) and the highlights of concern.

Yvonne Smith, Deputy Director, Department Human Services, gave an overview of the budget (testimony and charts attached) also handed out a Guide to ND Department of Human Services (attached) .

Senator Robinson: Where will you be with HB 1196. Is there an intergovernmental transfer of funds.

Yvonne Smith: Yes there would be. If you look at the chart for funding, HB 1196 of the $113.9 million budgeted, $55 million would be in our budget. There is concern that the $33.5 million rebasing needs to be considered in the future. It will be phased out on a five year schedule.

Senator Robinson: Will the $40 million create an impact on your department?

Yvonne Smith: Yes it will.

Senator Thane: On page 8,, pharmaceutical costs it states costs have increased demand and price of drugs. Is there more of a demand than pharmaceutical company reduced than increase, volume? Please explain.

Yvonne Smith: There are several factors. Costs are inflating and demand for new drugs are expensive as the company's have exclusive rights and can boost costs. There is more pharmaceutical advertising today and with this more drugs are being asked for.

Senator Thane: The Healthy Step Program. 16.4% increase; what justification is there for this?

Yvonne Smith: Advanced costs and Blue Cross/Blue Shield to continue coverage.

End Tape #1, Side A, meter 54.4

Start Tape #1, Side B, meter 0.0

Senator Bowman: With prescriptions federal verses state. Does this affect the budget?

Yvonne Smith: Yes.

Senator Bowman: How do you work with the government on prescriptions? And do you keep up with this?

Yvonne Smith: We keep in touch with both to keep on top of prescriptions.

Senator Andrist: As costs increase and no benefits are resulting. Mainly technology that is depressing the nursing home care. Patients not getting the better service but the offices. Explain.

Yvonne Smith: I wish I had answers for this and I know it is frustrating. There are benefits with technology for medical services and maybe next week with services. Technology is really helping with the policy divisions, being more efficient. We need more information from nursing homes on regulations that are required.

Senator Thane: Short falls are projected. Was the House aware of this and also the information I have on the number of children with special needs, adopting increasing, was the House aware of this. What are we suppose to do with these kids?

Yvonne Smith: The Adoption and Safe Families Act is tough. Tough guidelines with foster care and the time limits.

Senator Robinson: Healthy Steps and SCHIP, increased premium and budgeting for funding dollars, Medicaid federal dollars.

Yvonne Smith: Looking at SCHIP funding, it has an enhanced match, less Medicaid programs.

FIELD SERVICES - Tape #1, Side B, meter 4.0

Yvonne Smith: Will give an overview of this section, a component of the department (testimony and charts attached).

Senator Nething: Do you have charts or data to show how you are servicing these people?

Yvonne Smith: We do client satisfaction surveys and there other data charts.

Senator Nething: How is chemical dependency?

Yvonne Smith: Chronic but improving.

Senator Bowman: Admissions at the State Hospital have dropped in half from 1600 to 851 but still requesting the same amount of funding; where is the savings?

Yvonne Smith: The admissions data is tricking to draw a conclusion. There are more long term clients and forensics. Time of stay is longer with treatment because of the mental illnesses. Infrastructure is expensive to keep doors open.

Yvonne Smith, testimony continued with charts of developmentally disabled, strategic planning and results, grant reductions for three centers.

Senator Solberg: On Page 4, the partnership project, the Federal Government doesn't feel this is a good project; how long have they been funding the $5.7 million that is now in general funds?

Yvonne Smith: It is a five year grant project starting in 1994 with state and local match required. Federal funded demonstration grant.

Senator Solberg: Department now with straight funds?

Yvonne Smith: Centers with the Partnership Project which is for children at home with family care. Base and general funds, Title 19 used for figures.

Senator Solberg: Funding coming from or to for districts and regions?

Yvonne Smith: $600,000 from Child Services Coordinating Committee coming into the state and is included.

Yvonne Smith, testimony continued.

Senator Andrist: Amount cut for elderly, are they vulnerable; aging services for the elderly?

Yvonne Smith: Each centers has an amount in the budget. They are contracted for staff time for entire region for elderly/disabled. The abuse is neglect by someone. The staff goes out to visit, possible intervention. Almost all instances the help is for individuals who live on their own. There is financial exploitation or neglect.

Break

STATE HOSPITAL - Tape #1, Side B, 34.2

Alex Schweitzer, Superintendent, Department of Human Services Institutions, State Hospital and Developmental Center testified (testimony and graphs attached).

End Tape #1, Side B, meter 50.4

Start Tape #2, Side A, meter 0.0

Senator Robinson: Is there pressure to keep the numbers down; too much built into the structure/system?

Alex Schweitzer: This is a concern; Since I've been here in 1995, idol system, developmental system dealing with placement and difficulties. Community issues to reduce client in the system and keep pressure down. Need to balance developmental system with communities. To transfer a patient, it is discussed first with Human Services, they are screened before any admission.

Senator Robinson: Are checks and balances in place?

Alex Schweitzer: Yes, not perfect and a ways to go.

Senator Andrist: My region has very few referrals but stay at local human service center; your hospital for more local or from certain areas? And why aren't all regions like this?

Alex Schweitzer: Admissions are down because most regions are using the community based services. Patient's to the hospital are mainly from the south central region and it is the only option for this region as it is a large area. The other six regions have low admissions at the hospital. We do have special and forensic services for certain patients not available at the local level.

DEVELOPMENTAL CENTER - Tape #2, Side A, meter 6.0

Alex Schweitzer, testimony continued (attached). He concluded by asking that the committee consider the landfill funding and funding for Human Service centers so there are unnecessary stays at the State Hospital.

Senator Schobinger: What was the amount of your general funds before the House amendments?

Alex Schweitzer: The Developmental Center, $10.7 cut to $10.66, look at Exhibit "G".

Senator Tallackson: Are you dealing with the high natural gas prices, any switches?

Alex Schweitzer: Our natural gas is locked in this biennium and it is a good deal for us. We do have a coal furnace but it needs upgrades and we are not looking at it at this time.

Senator Thane: Are your residents permanent? Will they ever move?

Alex Schweitzer: There are 146 residents at the facility today. We maybe will place 20. The long term to transfer or discharged.

Senator Thane: Fair number that turn around and come back from the communities?

Alex Schweitzer: Yes, look at the admissions sheet. Usually return because of a crisis; some come from homes where the parent has aged or is deceased and they are having troubles.

Senator Andrist: The Developmental Center and State Hospital; the ratio is three patients per employee, is this comparable to the rest of the country?

Alex Schweitzer: Yes. It is compared to the West Psychiatric Hospitals and other centers. The staff to patient also depends on the ward.

Tape #2, Side A, meter 14.2

OTHER INTERESTED PARTIES

Kip Knaup, a consumer of mental health services, testified (testimony attached) and asked to restore funding.

Teresa Larson, Director for the Protection and Advocacy Project (P&A) testified (testimony attached).

Senator Andrist: Without funds, 5 out of 8 human service centers will terminate?

Teresa Larson: Was informed regions four through eight will remain, and no longer the other three centers. This information can be provided to you in the testimony this afternoon.

Rose Stoller, Mental Health Association, testified on serious mental illness conditions requiring hospitalization verses other conditions like heart disease, stop smoking, etc. patients requiring treatment, mainly depression. Testimony to be provided for the record.

Senator Nething: Sections 7 through 17; anyone speak on the amendment from House?

Carol Olson: A different division will address this.

Brenda Weisz, Executive Office & Management Support, Department of Human Services, explained the binder they passed out to the committee and where information should be inserted as it is handed out by the various divisions and also at the last tab, miscellaneous, there is a glossary with terms and acronyms to assist the committee with the various testimony.

Tape #2, Side A, meter 47.2

CHILDREN'S SPECIAL HEALTH

Tamara Gallup-Millner, Deputy Director of the Children's Special Health Services Division in the Department of Human Services, testified (testimony attached).

End Tape #2, Side A, meter 53.7

Start Tape #2, Side B, meter 0.0

Testimony Tamara Gallup-Millner continued.

Senator Andrist: The SCHIP Program, your poverty level is 140% to obtain service; do you provide above and beyond the SCHIP Program which eligibility is 185% poverty level, why they higher?

Tamara Gallup-Millner: To answer your first part of the question, children can have dual assistance and some have insurance coverage. We do not duplicate payments, they are

coordinated. The 185% poverty, the needs of the families are addressed and aligned with SCHIP, deduction level probably closer.

Senator Andrist: SCHIP has been around for two years, is this an impact to you?

Tamara Gallup-Millner: Very few people are eligible for SCHIP, currently 27 out of 2700.

Senator Thane: Special health needs, are they covered by Medicaid and is this picked up after you?

Tamara Gallup-Millner: Mostly with foster care, claims payments probably under Medicaid.

Senator Solberg: On page 4, results are more children, lost ground chart.

Tamara Gallup-Millner: Consists with number of children services. Link the children to a source of aide; overall 14% have no source of coverage and this is decreasing.

Senator Solberg: Five County public health nurses; are they part of your salaries?

Tamara Gallup-Millner; The contract services division funds that staff time and minimal operations, funding is for both.

Senator Solberg: Aren't public health nurses locally funded, why the extra?

Tamara Gallup-Millner: Addle Service by contract funding.

Senator Andrist: Have you examined the possibility of merging with the SCHIP Program to fill in the gaps?

Tamara Gallup-Millner: That is a good idea for health insurance and gaps. Only 29 are eligible with SCHIP Program. We have different insurance, mainly uninsured children.

Senator Nething: We will cut off here and start this afternoon with Aging Services and testimony other interested parties.

Hearing closed. Tape #2, Side B, meter 14.8.

Senator Nething opened the hearing on HB 1012 (2:30 p.m.).

AGING SERVICES, Tape #2, Side B, meter 14.8

Linda Wright, Director, Aging Service Division, Department of Human Services, testified (testimony attached).

Senator Robinson: Explain the working relationship with Adult Protection Services and Protection & Advocacy, active?

Linda Wright: Good question, and yes we had several meetings last year, not to duplicate. Focus to serve and whom we are protecting and not to duplicate.

Senator Solberg: SPED started two years ago, lay surplus, where utilized; still same?

Linda Wright: Will provide you with spend downs for current biennium expended. SPED over $500,000 (about), $50,000 left end of this biennium.

Senator Thane: 680 cases, self neglect; can you clarify this and what can be done.

Linda Wright: Example, neighbor wandering outside in below zero temperatures; bills due; newspapers not being picked up. We get call and our worker goes out to assess. If competent it is okay. If worker sees a problem, they will work to try and get them services to help with the situation.

End Tape #2, Side B, meter 48.3

Start Tape #3, Side A, meter 0.0

Brian Arett, Executive Director for Fargo Senior Commission, Inc., testified (testimony attached).

Senator Schobinger: On the first page at the bottom of your testimony, original dollar for dollar match of what is levied at the local level, funding needed $2.75 million, Governor's budget $1.62 million, can you explain this?

Brian Arett: The Governor's budget of $1.62 million, projection of 66 cents on the dollar. We want over and above that for $2.75 million, the full dollar for dollar match, to consider more in home services.

Senator Nething: Have you ever been funded dollar for dollar match; how long ago?

Brian Arett: A long time ago, before my time with this age of people over 24 years ago.

Senator Andrist: Senior meals; I know some who won't attend because it is a subsidized meal; why can't they pay for their own when they want to and not have it subsidized?

Brian Arett: High priority; can't change setting the price; we do ask for donations; many do 40% funding for these donations for their service. Half the elderly 65 years of age are hospitalized is because of nutritional reasons.

Senator Heitkamp: I have seen TV adds where meals are delivered to private homes. Any dollars from corporate America to pay for the program?

Brian Arett: From private dollars and grants for meal programs. 40% Local dollars, 40% state and federal funds, and 20% private dollars. Labor is done by volunteers for Meals on Wheels.

Senator Thane: The commodity program, has this disappeared?

Brian Arett: Yes it has.

Senator Bowman: These meals, are they hurting local cafes? Are we subsidizing people that really need it?

Brian Arett: Regions in the small towns, the cafes are contracted to make the meals. They benefit from funding and are appreciative keeping the cafes going by receiving several thousands of dollars a year across the state. The program has no impact on these businesses.

Roger Wetzel, Director of Community Health and Eldercare at St. Alexius, testified (testimony attached) and supports this funding.

Norm Stuhmiller, AARP, testified (attached AARP brochure, Helping Shape State Policy). Spoke on aging issues, living for elderly, a statewide interest.

CONTINUED FROM THIS MORNING; PARTNERSHIP PROGRAM

Tape #3, Side A, meter 16.4

Shirley Reimer, played recorder to committee of testimony of a friend, Sheri Anderson (attached).

Linda Lund, Fargo, ND, testified on serious illnesses and need for in home services. Both her children have bipolar disorder. The partnership program helps for in home therapy and transition to the home for both of them. Flexible funding with no hospitalizations help families with stressors. Favors the Federation of Families.

Shirley Reimer, read testimony of a friend, Debra Jenrdo, from Fargo, ND, District #44. (testimony attached). She also handed out copies of evaluations from kids in Fargo noting to the committee the children are very dramatic and keep this in mind when reading the evaluations.

PROGRAM AND POLICY

Tape #3, Side A, meter 44.6

Paul Ronningen, Director of Children and Family Services Division, testified (testimony attached).

End Tape #3, Side A, meter 54.1

Start Tape #3, Side B, meter 0.0

Testimony of Paul Ronningen continued.

Senator Nething: On page 15 your talk of the projects short fall, how much needed from the general fund?

Paul Ronningen: $262,826 from general fund figures.

Senator Nething: The reason, reject projections?

Paul Ronningen: Didn't include the funds, not sure was the rationale was.

Senator Tomac: The $2.1 million cut, to adjust do you just quit taking cases or how adjust?

Paul Ronningen: My response to that is kids are in our custody, my perspective we have to pay the bill or we could be sued. Need to re-adjust budget.

Senator Andrist: Family Preservation Services decreased $650,000; why federal funds being cut and what is this service?

Paul Ronningen: Six services provided across the state.

Jerry Houn: spoke on this issue stating Family Preservation Services decreased as there are several programs more efficient; we are looking at a new model. Area child welfare TANF dollars, need to be careful to authorize TANF, it is up and coming, depending spending and shifting of money of Family Preservation.

Senator Nething: Will continue tomorrow morning with Mental Health Substance Abuse, which will take about a half hour per Carol Olson, she will let folks know to be here at 9:00 a.m.

Hearing closed. Tape #3, Side B, meter 22.5

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1012

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 1, 2001

Tape Number	Side A	Side B	Meter #
Tape #1	Director's Overview		0.0-43.8
Tape #1	Child/fam Testimony		43.8 - 55.0
Tape #1		Child/fam Testimony	0.0-21.3-33.7
Tape #2	Voc Rehab-Director		0.0-42.0
Tape #2	Voc Rehab/develop		42.0-54.4
Tape #2		Voc Rehab/develop	0.0-32.8
Tape #3	Develop Disabled		0.0-26.0
Tape #3	Child Support-Dir		26.0-54..6
Tape #3		Child Support	0.0-6.5
Committee Clerk Signature			

Minutes:

Senator Nething, Chair of the Senate Appropriations Committee, reconvened the hearing on HB1012 - Department of Human Services, on Thursday, March 1, 2001 at 8:30 a.m..

Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services in the North Dakota Department of Human Services, presented an overview of the Division and its budget (a copy of written testimony is attached).

Senator Solberg: Reduction in the gaming; a bill passed in the Senate to add additional -- so your figures are inaccurate? Perhaps the timing?

Karen Romig Larson: Correct; SB2308 put approximately 89 thousand in appropriation.

Senator Solberg: Do you work directly with gaming personnel -- addiction counselors there and strictly your department?

Karen Romig Larson: Our Assistant Director works closely with them, monitors contracts with the Lutheran Social Services and gaming personnel.

Senator Solberg: Regarding contracts -- are you people partnering in funds?

Karen Romig Larson: Collaboration is done on a very informal basis; only talking about it while in meetings with representatives from other associations.

Senator Nething: Per your charts -- 1 out of every 4 individuals in North Dakota are binge drinkers? Perhaps the definition of binge drinking differs for some people?

Karen Romig Larson: Correct --- much is due to the fact we are unable to define normal use. At seminars for Driving Under the Influence and no treatment is enforced, we have no records -- we are being precursor for the real danger/risks that may follow a DUI charge.

Senator Nething: Yet the numbers for treatment are lower?

Karen Romig Larson: Correct -- we have no private sector data; some cases are in courts; some have health care treatments.

Senator Nething: Ages 12-17 we can understand somewhat -- but the definition as most of us think is that one drinks to become intoxicated -- your definition?

Karen Romig Larson: It's a major challenge to define -- for prevention it's more of a patter of use -- ages 18-25 are college age -- we define a profile of person rather than set of behaviors. More concerned about problems it leads to.

Senator Holmberg: Anything in the tobacco treatment arena?

Karen Romig Larson: All prevention aimed at tobacco/alcohol --- research tells us most gateway to drinking dependency often begins with tobacco use. Early on detention and help, in context of

all -- part of block grant requires documentation -- some efficient is put on the perceived ease in the youth's ability to purchase tobacco products.

Senator Holmberg: How do you coordinate efforts with the Health Department -- tobacco is readily available -- as legislators we appropriate dollars to the Department of Public Instruction, your department -- how is the coordination done? All working towards the same goal?

Karen Romig Larson: It is a major venue --- interagency teamwork is in process; try not to duplicate services.

Senator Holmberg: Hopefully by the end of the day we understand how all fits and what other bills have impacted it all.

Senator Thane: Is there scientific evidence between smoking and drinking? Which comes first? One reinforces the other?

Karen Romig Larson: Research indicates tobacco usage is first; alcohol second and marijuana third. One indication is that the treatment providers do not treat tobacco use while they treat the alcohol or marijuana use -- perhaps should treat both dependencies at the same time.

Senator Schobinger: Your survey (attachment H) how may were sent/how many returned? The outcome indicates 30% see no increase in outcome and 93% are satisfied -- explanation?

Karen Romig Larson: Need to get the documentation regarding numbers of completion's -- case managers give the survey directly to the client. There are a number of variables when self-reported; realize this leaves for less objectivity.

Senator Solberg: Attachments A, B ,C & D --- national variances on North Dakota statistics?

Karen Romig Larson: It is an area of concern-- costly research; difficult in the rural areas, accessibility for services etc. National figures are from North Dakota homes -- profiles North Dakota; information given to the national studies.

Senator Solberg: A & B more accurate than C & D?

Karen Romig Larson: Correct.

Senator Thane: Clinical depression -- part of graphs?

Karen Romig Larson: One of the group categories; by definition listed as serious. There is a move-a-foot to add others; known as pure biological based -- testing others for interest.

Rev. Keith D. Ingle, MSW, President, Lutheran Social Services of North Dakota, testified in support of HB1012 - sharing information on Adults Adopting Special Kids (AASK) - and included testimony on behalf of the Village and the Lutheran Social Services (a copy of written testimony is attached).

Senator Nething: Did you, or others from your organization testify at the House hearing?

Rev. Ingle: I did not, Leanne Johnson did-- so in essence the message was delivered.

Senator Andrist: AASK numbers went from 32 to 88 in '99; then this year to 100 -- explanation? Where were these kids before? Where do those you are unable to place go? Those you didn't reach stay?

Rev. Ingle: Numbers up for care speculators -- we are more aware, have the ability to see disabilities and are now have more effective alternatives. Ability to serve effectively -- unable to do anything until the parental rites are terminated.

Senator Andrist: Those who weren't in the past -- now in foster care?

Rev Ingle: Some in foster care, some in homes. As hard as the department works, there are children who endure physical and sexual abuse. Special needs adoption and ordinary adoptions are something we can work on. For some children the only alternative is staying in the home.

Leanne Johnson, Adoption Director for Adults Adopting Special Kids (A.A.S.K.), Lutheran Social Services, North Dakota provided testimony to support an increase in funding for the special needs adoption line item of HB1012 (a copy of her written testimony is attached).

Senator Nething: Did you testify at the House hearing? No change?

Leanne Johnson: Yes, my understanding.

Jodi Pelishek testified in support of increasing funding of the line item of special needs adoptions in North Dakota to $223,000 (a copy of her written testimony is attached).

Senator Andrist: If 20 can't be served now-- which is one person's caseload -- and you're asking for $223,000 per year -- isn't this more than needed to serve 20?

Leanne Johnson: 20 are on the waiting list but 69 plus families are waiting for adoption assessment process. There is a need to recruit and other items involved. Fargo and Minot are the heaviest areas -- others are spread out. 112 on concurrent basis of legal termination; now we are involved at a wider period of time -- all factors considered there is a need for 4 staff.

Senator Heitkamp: In Mary's case -- was it her special need or the upbringing she endured?

Jodi Pelishek: In part, yes the special needs; but if treated at an earlier stage the rate of success would/might have been higher.

Rev Ingle: Regarding the additional funding: 196 children/families now get into relationships that are acceptable; staff would be relieved of pressures they now experience with additional funds.

Tim Eissinger (Lobbyist #541), Chairman of the Residential Child Care Facilities Association for North Dakota spoke in support of the proposed $50 Optional Adjustment Request (a copy of his written testimony is attached).

Senator Nething: There's in place -- a rate cap? If not cut, do we need to look at it?

Tim Eissinger: Yes.

Diane Szudera, employee for the Home on The Range, testified in support of the $50 per month increase in social service reimbursement (a copy of her written testimony is attached).

Carlotta McCleary, Bismarck resident and parent of a son who has symptoms similar to Pervasive Developmental Disorder, testified in support of the North Dakota Partnerships and the core service be sustained in the budget (a copy of her written testimony is attached).

Carlotta McCleary (Lobbyist #504), regional parent coordinator for the North Dakota Federation of Families for Children's Mental Health testified in support of HB1012 (a copy of her written testimony is attached).

Senator Nething: The Committee will stand at ease until 10:25 a.m.

Senator Nething: Reconvened the hearing on HB1012.

Gene Hysjulien, Director of the Disability Services Division, North Dakota Department of Human Services provided documentation regarding HB1012 (a copy of his written testimony is attached).

Senator Grindberg: Have you, or will be hear from private providers?

Gene Hysjulien: No contacts thus far.

Senator Grindberg: There is a report regarding the workforce development -- yet you have no response in your report regarding the consulting portion on developmentally disabled and the vocational rehabilitation -- the concept of a one stop shop work force --- there has been some consolidation in other states. Have you thought about it?

Gene Hysjulien: Been working through out history -- we work closely with Job Service; legislation passed and in the future. Our role will be - is in concurrence with working with

employers in that arena. Job Service has an advisory place on our Board; we dove tail and Mr. Hersch is involved -- an effective way. The one stop piece -- lots of talk -- the larger states have more issues/agencies to work together. In North Dakota we work with the Job Service; we're linked in the technology, share information regarding clients, counseling, placement etc. We are pleased with the interaction there. All in one building? No, with the number of clients we serve and also clients of the Human Service Centers --- technology links us; we have a one stop there. In the area of new initiative -- we've been doing it, make sure businesses in the community know our expertise is available -- we approach them not always on bended knees but we let them know we have something to offer. Willing to help in the area of interviewing, job description etc.

Senator Grindberg: Why not approach the comprehensive plan -- looks like you've already done it?

Gene Hysjulien: The report is not finalized -- it is in draft form; it's a matter of timing.

Senator Grindberg: Pilot project -- consistent -- bureaucracy or local entity? If dollars are put into the local entity instead of Human Services -- would it make lives easier with private care? Why dictate what private contractors can pay?

Gene Hysjulien: They talk more in the area of developmental disability. Vocational rehabilitation is the primary area where we are. Lot seems because of Medicaid payments --- need to make adjustment for waivers. Vocational rehabilitation arrive at the rate, taking into consideration of cost etc. It is a provider issue -- what can be accomplished at that price -- if there is extra, fine -- but efficiency is necessary.

Senator Holmberg: In the area of independent living centers-- original budget received 300 thousand plus -- what was the original dollar number appropriated two years ago?

Gene Hysjulien: Beyond match: $279,802.

Senator Holmberg: Says additional 300 thousand; net gain from last budget; cut done months ago?

Gene Hysjulien: Actual change in the House: 300 thousand general fund out; intergovernmental transfer plus $279,702 included. 200 thousand net reduction from House. Optional budget adjustment -- maybe heard that was restored by the governor in his budget?

Senator Holmberg: $279 optional? Governor accepted that; he raised it 300 thousand? Not top line priority?

Gene Hysjulien: Correct -- few general funds without match. Top OAR not in budget.

Senator Holmberg: No possibility that you cut it thinking/knowing we would restore it?

Gene Hysjulien: No, hard decision; choice that needed to be made to achieve additional federal funding (3 1/2%) -- we wanted to have the money in the budget to get the match.

Gene Hysjulien, Director, North Dakota Department of Human Services, Disability Services Division, Developmental Disabilities presented documentation regarding this section of HB1012 (a copy of his written testimony is attached).

Senator Bowman: The November projections? Who does it? How accurate have they been over the last few years? If cut, you get by -- perhaps all those dollars weren't needed.

Gene Hysjulien deferred the question to Brenda Weisz, Executive Office and Managerial Support: I do; Yes; as positive as can be based on current information/trends. If we don't get the dollars -- because of Medicaid mandates we are required to do, we'd probably have to reduce rate paid to providers.

Senator Lindaas: Large number of disabled in North Dakota? Definition? Category? Are all 120 thousand your clients?

Gene Hysjulien: Census data projection -- includes all ages; elderly as well as workers. Mental and physical disabilities determine if one is functional -- variables include language, vision, mobility, heart condition etc. Numbers might/could be reduced; 68 thousand working age. We are not serving all only those who desire to work.

Senator Thane: Ten cents an hour -- going to group homes -- regardless of who operates them?

Gene Hysjulien: Understand it goes to direct contact staff.

Senator Thane: If more dollars available - pay all?

Gene Hysjulien: Yes.

Senator Thane: Are you okay with the transitioning of infant development to school admonition? Is there something lacking in the transition?

Gene Hysjulien: No big issues -- works depending which program is tied in.

Senator Robinson: Ten cents an hour -- how did the House arrive at that?

Gene Hysjulien: Can't answer that.

Arvy Smith, Analyst for Office of Management and Budget: No additional information on how the House arrived at ten cents -- the department did the OAR, but OMB and the Governor felt Gene is going in the right direction.

Gene Hysjulien: We went to the advisory committee , which includes 3 providers, parents, professionals -- all agreed that $.45 per hour provides more accurate funding.

Todd Kranda (Lobbyist #400) North Dakota Association of Community Facilities, provided testimony in support of the Developmental Disabilities budget (a copy of his written testimony is attached). He introduced the next three speakers: Jeff Pederson, Mary Simonson, and Charlie Robinson.

Jeff Pederson, Chief Executive Officer for Friendship, Inc. Spoke in support of HB1012 (a copy of his written testimony is attached).

Mary Simonson, Administrator of Open Door Center located in Valley City, testified in support of HB1012 (a copy of her written testimony is attached).

Charlie Robinson, NDACF testified for HB1012. He is the administrator of the facility in Williston that cares for 68 people. The previous speakers said it all -- he could only echo what was said. The quality of staff is most important -- there is a 30% turnover; with each turnover a chunk of history goes -- we need to retain the staff -- he supports the forty-five cents increase and the 3% as well as the fringe benefit percentage increase.

Senator Andrist: I was under the impression that a lot of volunteers help?

Charlie Robinson: No, and we haven't them on staff; some churches provide Bible education courses.

Pat Krodie, a care provider spoke in support of HB1012 (a copy of his written testimony is attached).

Individuals not identified requested that Fact Sheets on the Centers for Independent Living be placed in the records (2 page copy attached).

Senator Nething: Committee is recessed until Floor Action this afternoon, which should be at approximately 2:15 p.m.

Senator Nething: The Senate Appropriations Committee is reconvened at 2:15 p.m. On March 1 and the hearing on HB1012 continued.

Charles Bremseth, Executive Director of the LISTEN Center in Grand Forks, spoke in support of HB1012 funding (a copy of his written testimony is attached).

Senator Grindberg: Are you a private provider with State contract? Would it be cheaper for us as legislators to give the dollars directly to you than to go through Human Services --would contracting direct help in retaining workers?

Charles Bremseth: Yes. Personally I like the idea -- it has some merit, have to see how things work in Fargo -- there is a gambit of rules, too many issues that would need to be researched.

Senator Andrist: Presently regulated to staff salaries?

Charles Bremseth: Salary and wages are tied.

Senator Andrist: Are dollars based on workers or clients?

Charles Bremseth: Number of clients.

Senator Andrist: Could you raise salaries without permission?

Charles Bremseth: Under current conditions we can raise salaries, but would have to pick up additional dollars on our own --out of other areas.

Senator Bowman: Management get paid raises?

Charles Bremseth: Management positions locked.

Sharon Kromarek, Bismarck Residential Supervisor testified in support of HB1012, services to people with developmental disabilities (a copy of her written testimony is attached).

Senator Andrist: Did your group testify, consider participation in HB1196? Inter-govern mental transfer -- where nursing home staff salaries were involved?

Todd Kranda: Did not; scope of the bill did not include us. We have focused our efforts here in one bill.

Senator Robinson: House side-- was there serious discussion, tight discussion when arriving at the ten cents per hour?

Todd Kranda: There was a motion for ninety cents -- defeated; forty-five cent proposal died; ended up with the ten cents.

Barbara Murry, Chief Operations Officer at Pride, Inc. In Bismarck testified in support of HB1012 increases (a copy of her written testimony is attached).

Senator Robinson: We need to honor the deal of the '97 session -- what shortfall is here? What dollars are we looking at?

Todd Kranda: OAR included the forty-five cent hourly increase Calculation sheet distributed for individual reference (a copy of the ND Department of Human Services, Cost of Fringe Benefit and Salary increase for DD Providers). 6.7 million is 70/30 2 Million general fund; and 4 Million special funds.

Chuck Stebbins, Center employee here in Bismarck testified in support (a copy of his written testimony is attached).

Senator Robinson: Vocational rehabilitation involved?

Chuck Stebbins: North Dakota has 120 thousand and growing number of individuals who may be eligible for rehabilitation -- the unemployment rate is 7% nationally, and perhaps same in ND.

Mike Schwindt, Child Support Enforcement Director for the Department of Human Services provided testimony addressing the Division's budget request (a copy of his written testimony is attached).

Senator Grindberg: When the feds draft regulations -- do you have a comment period for response? Done it? Have dialogue?

Mike Schwindt: Yes. Written comments were due December 7, 1999. Dialogue with other states as well. Basically, the federal government will read the comments, chose not to change or

perhaps as in the paternity cases establish penalties -- some changes have been made by dialogue, input by states.

Senator Andrist: Electronic fund transfer? Federal agencies often make this mandatory -- need the State to authorize you to have that done?

Mike Schwindt: 11 states have signed up; some of the federal government agencies do not participate.

Senator Andrist: What about the payments that you make to individuals?

Mike Schwindt: We have the authority to do so, but we are not there yet; working through the process to get there.

Senator Solberg: Guidepost for received payments -- turnaround time getting it to the child(ren)?

Mike Schwindt: Payments due the first of the month -- received by the 27th or 28th of the previous month -- custodial parent gets on the 2nd or 3rd -- 10% of the responses are good -- generally in today, out tomorrow --- what takes time is when no entry in the system regarding the court order.

Senator Solberg: Numbers continue to rise?

Mike Schwindt: 75 per month.

Senator Solberg: When legislation was passed regarding welfare reform --- the birth certificate required the father's name on it -- if not on it, child (custodial parent) not eligible for assistance -- this system failing?

Mike Schwindt: TANF and child support differ. Births out of wedlock continue; automatic referrals come from social services.

Senator Nething: Some people in system not on TANF?

Mike Schwindt: Yes.

Senator Nething: Two qualification criteria -- TANF requires disclosure -- other sees growth?

Mike Schwindt: Some want service

Senator Robinson: 10% pay early? There is a situation in my district where a father made double payment one month -- knowing he would be unemployed for several months -- the custodial parent received double payment one month, was denied coverage the second month - explanation?

Mike Schwindt: Would need to verify record, but generally speaking if the court order is $500 a month, and a thousand comes in -- 500 is paid, the second 500 suspended --- unless the payee specifies what is to be done, some want the balance to go as a gift -- we need to know the intent -- it takes time to take care of all these details.

Senator Schobinger: One of the issues in my district involves the court system. The non-custodial parent is behind in payments -- the judge doesn't/won't make a determination for 3-4 months ---- your department have a remedy? Need to go through the courts?

Mike Schwindt: Not much we can do -- judicial is the third branch of government.

Senator Nething: There must be a linkage between your department and the court administration -- both on the supreme and district levels?

Mike Schwindt: On an informal basis --- we work on those things.

Senator Nething: When at one of those information meetings -- you might mention that the Senate appropriations has some interest in this matter.

Mike Schwindt: Yes, I hear you.

Two individuals left written testimony in support of HB1012 which they requested be part of the record; Jack McDonald (Lobbyist #238), The ARC of North Dakota (a copy of his written

testimony is attached). Jon Larson, Executive Director of Enable, Inc. (a copy of his written testimony is attached).

Senator Nething recessed the Senate Appropriation Committee hearing on HB1012 until 8:30 a.m. On Friday, March 2.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 2, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.8-54.54
		X	0.0-53.4
2	X		0.0-8.6
Committee Clerk Signature			

Minutes:

Senator Nething reconvened the hearing on HB 1012.

Blaine Nordwall, Director, Economic Assistance Policy, Department of Human Services, testified (testimony and graphs attached), giving an overview of their budget.

Senator Nething: The programs you have listed, is their a linkage between the recipient and your department?

Blaine Nordwall: The county social services administer the programs.

Senator Nething: All economic assistance?

Blaine Nordwall: That is correct.

Senator Andrist: A few years ago we did welfare reform; looking at page 8 and percentages, we are not getting ahead; it doesn't look like we are inning this war.

Blaine Nordwall: Understanding welfare reform; this changed application for cash benefits; now seeing and giving direction for people to move to the work force. We are helping with the

child care of these people working. Shifting pay assistant grants but pay people to work for the working poor and that is why the numbers are up.

Senator Bowman: The intentions for poor get back to work; doesn't this open the door for other clients to get in the system. Is the job getting done as it was intended to do?

Blaine Nordwall: There are two areas. The direction is to help the clients and these are mostly the working poor, those almost giving up. Helping with the high cost of child care so that they can work or they couldn't. We also are subsidizing the employer to an extent.

Senator Nething: How does the program control the eligibility rule making?

Blaine Nordwall: Food stamps and Medicaid guidelines. Federal requirements for low income, block grants control, not much federal control but an oversight by federal.

Senator Nething: Do you get a lump sum in grants then you distribute?

Blaine Nordwall: TANF, legislative block grants, child care, determine requirements.

Senator Schobinger: Welfare Reform was to get jobs and to get off welfare to save tax payer dollars. This doesn't seem to be happening, the savings to the tax payer is not there, is this true?

Blaine Nordwall: At the Federal level, expectations were to get people off assistance, includes a combo of this. Health insurance, food stamp benefits, earned income credit, all together get the family off poverty. If we stop supporting, some support will always be with us.

Senator Schobinger: Attempt, why not just give them the cash.

Senator Nething: How much do they now pay in taxes compared to before?

Blaine Nordwall: They pay probably very little in taxes, property and sales tax.

Senator Tomac: Looks like we are shifting direct support to other supports. Page 4, performance bonuses, how do they fit in, additional spending authority, how do you spend these grants?

Blaine Nordwall: Performance Bonuses are a package to the state who competes for federal funds under the TANF and Block Grants. No insurance they will come, but mostly to get people into the work force.

Senator Tomac: How are these funds spent?

Blaine Nordwall: They are not all spend. Those required to be spent are all of the TANF grant.

Senator Tomac: On page 9, Food stamp benefit increases, remove motor vehicle and savings. We can set our own perimeters in the state?

Blaine Nordwall: The old AFDC Program recipients were eligible for food stamps didn't look at assets. State funding now services TANF dollars and now food stamps look at income test. This was an innovative approach by North Dakota on these figures

Senator Tomac: What is the income eligibility?

Blaine Nordwall: Still same as before by filling out form, it just figures the eligibility differently.

Senator Tomac: What is eligibility for a four member family?

Blaine Nordwall: Take 130% poverty level, I'd say about $24,000 per year.

Senator Kringstad: The fuel costs; how does this work, by mileage or do you just fill the tanks?

Blaine Nordwall: They are limited each month; we look at the mileage commuting from home to work. The amounts for fuel has increase dramatically. We pay the same rate as state employees for their mileage.

Senator Thane: Restrictions on savings; can they put a modest amount away for college for their children?

Blaine Nordwall: It varies. If they are on TANF $5,000-$8,000 depending on the number of children; Medicaid is $3,000 and $6,000 maximum depending on size of family.

Senator Andrist: Any economic assistance from general funds?

Blaine Nordwall: Grants are all federal funds. Operations from special funds. Little from the general fund.

Senator Bowman: When grants are up, do you adjust by a rule, cut benefits.

Blaine Nordwall: When federal grants decrease, changes are made and adjustments were necessary.

Senator Solberg: The Citigroup; how do these cards work with RFT, weekly, monthly, yearly. Are they on bids and what kind of RFT?

Blaine Nordwall: This company is the only entity that is in this business; there were more years ago when the cards were started. They are the only company to negotiate with on this. It was figured on the number cases for their revenue, and now with number of cases down we had to negotiate. We are hoping someone else gets into this business to compete.

Senator Nething: We will now take testimony from other interested parties on Child Support and Policy & Grants. None to testify.

Tape #1, Side A, meter 51.4

MEDICAL SERVICES

David Zentner, Director of Medical Services for the Department of Human Services, testified (testimony attached) gave background information regarding the budget request for the Medicaid and Healthy Steps Program.

End Tape #1, Side A, meter 54.4

Start Tape #1, Side B, meter 0.0

Testimony David Zentner continued.

Senator Nething: Question why wasn't the $700,000 restored by the House?

Arvy Smith, OMB, This amount was under funded when the budget was put together and no, the House did not add it in.

Testimony David Zenter continued.

Senator Nething: The 7% on drugs; doesn't the budget allow this 7% increase?

David Zenter: We try to anticipate the increase or estimate it.

Senator Nething: Isn't it already factor in with the inflation index?

David Zenter: We did not apply the CPI to drug costs as they are going up fast than normal.

Senator Solberg: The 7% is applied after increase usage?

David Zenter: That is correct, look at utilization.

Continued testimony (page 6) David Zenter

Break. Tape #1, Side B, meter 26.4

Continued testimony of David Zenter. Meter 28.1

Senator Nething: The basic care assistance with incidental activities of daily living and activity of daily living; how are these different?

David Zenter: Daily care is mainly for the body and activity living more for outside like shopping, medical appointments.

Senator Nething: Distinction of activities, incidental for outside.

David Zenter: Daily is ordinary. Basic is for most of care, activities directly to persons body. The incidental areas there is need for additional help by third party.

Senator Andrist: I'm trying to still understand this. Basic care is bargain verses Medicaid skilled nursing. Some people are in between but can get basic, there are gaps here. Nursing Homes offer skilled care per federal rules. Why can't home care with skilled services offer basic care.

David Zenter: There are no specific restrictions. We meet standards requirements for skilled care in nursing homes. Nursing homes are skilled care not basic. In HB 1196 there is language that designates moving beds to basic care. Some movement to allow different care in nursing facilities for assisted living; waiver helpful.

Continued testimony David Zentner.

Senator Solberg: Healthy Steps to the counties in HB 1441. Sounds like a nightmare. It is now state run for eligibility, explain.

David Zentner: This only eliminates the asset test for the program and to combine applications forms for both programs down to about 2-4 pages in length, for review.

Senator Bowman: And will this change the 140% poverty eligibility

David Zentner: No. They only administer the eligibility guidelines, we do the requirements of the program.

Senator Bowman: Why not leave it the way it is as the state intended when the program was set up, why the county now?

David Zentner: Simplification purposes only.

End Tape #1, Side B, meter 53.4

Senator Bowman: Doe the FTE increase include software, etc., not showing in the budget.

David Zentner: ITD budget takes care of this, software and technical services and they are not in the individual budgets.

Senator Grindberg: On Page 4, private providers, explain.

David Zentner: We primary pay services to private provides; but we do pay services to other state departments.

Senator Grindberg: 45 cents per hour to employees. Does this impact them?

David Zentner: Not specifically or directly, DD servi :es This services to hospital/physicians.

Senator Grindberg: Audits of hospitals. Same type as others with 3-4 years in arrears. Audits for both hospitals/physicians?

David Zentner: We contract with Blue Cross/Blue Shield. Medicare first and we are second as there are a lot of turnovers. Just got the 1997 audit done now. Mainly looking for payments of allowable costs or not

Senator Solberg: Nursing homes, salary enhancement by the number of patients? Is there documentation of those not admitted now and liability of Medicaid?

.David Zentner: Rely longer term association with staffing issues. 2 out of 5 patients to facility not admitted because of staffing. Bed buy downs depends on how many patients reduced with positive impact.

Senator Thane: TIP. Not sure if you talked about this, but is there concern with reduced funding?

David Zentner: Looking at Chart G, limiting number of beds to 25 slots, we now have 30, if funded dollars are not there. Five patients will have to wait for services. This is only one option.

Senator Thane: Five give or take.

David Zentner: yes.

Senator Nething: Will now take testimony of other interested parties. None testified.

Terry Traynor, Assistant Director of ND Association of Counties, testified (testimony attached). Their main concern was the allocation of administrative reimbursement for the "Indian Counties" of the State.

With no further testimony, the hearing was recessed until Monday morning.

Tape #2, Side A, meter 8.6

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 5, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.0-54.6
		X	0.0-15.5
2	X		0.0-8.9
Committee Clerk Signature			

Minutes:

Senator Nething continued the hearing on HB 1012.

Shelly Peterson, gave a few comments on the bill regarding the crossover. She stated they have decided to give their testimony when HB 1196 is to be heard in this committee on nursing facilities. They felt this was more appropriate without having duplicate testimony on this issue. $72 million for nursing facilities is the amount in HB 1196 which is now in the Senate Human Services committee.

Senator Nething: Are you sure you don't want to testify on this bill as well. Is all your funding in that bill, HB 1196?

Shelly Peterson: The enhanced funding.

Senator Nething: The changed rebasing is that in HB 1196.

Shelly Peterson: Yes, that is correct.

Senator Solberg: Are you satisfied with the Medicaid funding for nursing homes?

Shelly Peterson: Not necessarily, Medicaid basic care is okay. Nursing facilities are under funded. To get this funding back will be in HB 1196 and we will address it when that bill comes up in your committee.

Galen Jordre, ND Pharmaceutical Association, appeared to testify (testimony attached).

In closing, increase of drugs are mainly by manufacturer. Increase of 16% for prescription drugs to pharmacy. We like to work directly with the utilization committee.

Senator Solberg: The rising costs of drugs; are there any other states have this type of managed care system for pharmaceuticals for Medicaid/SHIPS.

Galen Jordre: A few other states. Arizona turned its entire Medicaid component to managed care. All states are using some kind of system to save.

Senator Nething: Is there a specific request or recommendation for prescription repayments?

Galen Jordre: Our recommendation is reimbursements as we are receiving now. Pharmacists are working with that as provide community go with the rest. No change could hurt pharmacists.

Edward Forte, Social Services with Ramsey, Benson Counties, testified. We have concerns with swap provisions in economic assistance mainly with the reductions in HB 1012 with the formula in reductions for Indian counties. Mainly with the Lake Regions area in Ramsey County where majority of the reservations are. Reduce tribal projects with 49% reimbursement for reservation projects, where case load is 81%. Already under funded to provide services. We will be dismayed with further reductions. With the counties to be funded we will have to make it up from other counties and we feel this is the states responsibility.

Senator Nething: Give us a summary of what swap provisions were made in the House?

Allen Knudsen, Legislative Council, stated other programs are provided to counties and this is part of the reason House reduced Human Services budget. Look at Section 17.

MANAGEMENT SUBDIVISION

Brenda Weisz, Director of Fiscal Administration, testified (testimony attached) giving an overview.

Senator Robinson: In the course of the interim, technology with HIPAA the moving target and needs to decline. Is that number reflected here, looking at budget are there changes to reduce more?

Brenda Weisz: Roger Hertz from our department will be going over that issue and will be able to answer your question.

Senator Solberg: Looking at the reduction on Page 4, $325,000, is this due to reduction DD revolving loan fund #1. Why and what has happened here?

Brenda Weisz: The DD revolving loan fund #1 was established in 1981. DD loans are commissioned based services. Since 1991-1993 these have been part of the budget proceeds, and now proceeds are diminished which help managerial support.

Senator Solberg: All DD Loan Funds in arrears; are they all the same?

Brenda Weisz: DD Loans #2 & #3; #2 started in 1983 and #3 started in 1985 and are not revolving loan funds, and will not be replenished. They are passed through to the land and mineral trust.

Senator Solberg: Were these created by the Land Department?

Brenda Weisz: Yes Loans #2 and #3, then back into that trust fund.

Arvy Smith, OMB, not sure initial source of Loan #1. Allows that funding source to DHS Budget. The source declines funds are needed.

Senator Thane: Comment, assistance certain in areas with grievances, does the managerial support counties?

Brenda Weisz: With personnel assistance which has contact weekly. I'm not an expert on this area with the counties but in Human Resource policy area mainly.

INFORMATION MANAGEMENT

Tape #1, Side A, meter 33.8

Roger Hertz, Director of the Information Management Division (IMD) testified (testimony attached).

End Tape #1, Side A, meter 54.6

Start Tape #1, Side B, meter 0.0

Testimony Roger Hertz continued explaining HIPAA The final form HIPAA is being pushed forward to implement and this is where the main costs is. This is desired by the health care industry and was not started by the government.

Senator Bowman: Sounds like HIPAA is the most important part of your technology.

Roger Hertz: Biggest part and also a threat.

Senator Bowman: You did not know the cost originally and you are still not sure of the actual cost, could the estimate be higher?

Roger Hertz: There are a lot of variables, that is correct.

Senator Bowman: Is there other funding to transfer if not used in other parts of technology?

Roger Hertz: At this point, it doesn't look good. We need the professional services even if the funds aren't there.

Senator Solberg: You are talking about payers and receivers, this could in some way reinvent more HIPAA Can't you get together with the private sector to get this project completed?

Roger Hertz: There is a ND HIPAA Coalition which was working in this area, not sure if it will stay together. The hospitals have their own solutions. The principle is there but just isn't enough similarities required and a platform.

Senator Solberg: The ideas of HIPAA are all the same standards and receivable for all provides.

Roger Hertz: Standard format to do the business with all the health industry.

Senator Solberg: Then why can't they be all in one system?

Roger Hertz: It sounds convincing. Government and private sector on one system? With technology, I honestly don't think it will happen.

Senator Solberg: Now there is motor pool costs; to reduce trips are you looking at an area network?

Roger Hertz: That is planned for next biennium when we plan to add communication lines and will be able to do video conferencing.

Senator Nething: Is there any further testimony on the Management Subdivision? With no further testimony the hearing will be left open for the 2:30 p.m. testimony this afternoon.

Tape #1, Side B, meter 15.1

Senator Nething : Reconvened the hearing on HB 1012 from this morning.

TESTIMONY OF OTHER INTERESTED PARTYS

Tape #2, Side A, meter 0.0

Nancy Kopp, Executive Director, ND Optometric Association, testified (testimony attached) for the committee favorable consideration and support of the Optional Adjustment Request of the Department of Human Services regarding the reimbursement fees for optometic services.

Senator Nething: Arvy, explain this part of the budget.

Arvy Smith, OMB, stated the total optional budget is $1.1 million for physician and optometry. There were 23 priorities for Medicaid, this being number 17 down on the list.

Nancy Kopp: Medicare is now at $55.20 for reimbursement, or $477,000 optional adjustment request of the total. Optometrists would be consider the same as Healthy Steps at $46.00 reimbursement.

Senator Nething: So if you go to $55.00 it is $477,000; if you go to $46.00 it would be roughly $390,000.

Senator Tallackson: Aren't there federal funds in this with Medicaid?

Nancy Kopp: Yes, there are federal funds included with a 12% increase, the rest is general funds.

Arvy Smith: The $477,000; this is approximately 70/30.

Nancy Kopp: The $477,000 is the optometry portion of the $1 million general fund in this budget.

With no further testimony, the hearing was recessed and to be continued tomorrow, 3/6/01.

Tape #2, Side A, meter 8.9.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 6, 2001

Tape Number	Side A	Side B	Meter #
1	X		1.2-54.1
		X	0.0-23.0
		X	23.1-38.6
Committee Clerk Signature			

Minutes:

Senator Nething reconvened the hearing on HB 1012.

Lucy Kosetelecky, Director, Elder Care, Dickinson, ND, testified (testimony attached). She also spoke about local restaurants, the individuals with financial means and donations to meals. Many elderly depend on this program for nutrition, for the body and mind. The budget for Elder Care is $810,000, of this $357,633 is federal funding, the remainder is from other sources. The match money of $143,000 goes to numerous providers plus small grants, innovative to make local money. When the program started meals were $4.50 and today are $5.34, costs have risen and the amount of people needing the service. We have six outreach workers and they live in the counties they serve. She went to talk about a family in need and how the program/outreach workers helped.

Kathy Pfeifle, spoke on behalf of the ND conference of Social Welfare and gave her testimony (testimony attached) and asked the committee to reinstate the $210,000 that was removed by the House for Vulnerable Adult Protective Services program.

Senator Nething: You also have testimony on the CHIPS Program?

Kathy Pfeifle: Yes I do and gave her testimony (testimony attached) and asked the committee to consider supporting and expanding CHIPS coverage in this bill.

Norm Stuhmiller, spoke on behalf of Carol Wright, Project Director for James River Senior Citizen's Center and author of this testimony (testimony attached of Carol Wright). He stated the number of 65 year old people in the state today is more than the number of 10 year olds and asked that they reinstate matching increase to dollar per dollar.

Bob Puyear, Consumer Advisory Committee (CAC) for the Interagency Program for Assistive Technology (IPAT), testified (testimony attached).

Vickay Gross, spoke and gave testimony on behalf of Teresa Larsen, Director of the Protection and Advocacy Project (P&A), (testimony attached).

Kathy Schmit, Bismarck, ND, gave her testimony (testimony attached) and support for community services.

Harold Michels, Accessible Space Inc., Minot, ND, testified (copy of letter to Yvonne Smith).

Allan Marx, Sr., Bismarck, ND, testified (testimony attached) asking committee to put money back in to the budget.

Kip Knaup, consumer, from Bismarck, ND, gave his comments and testimony (testimony attached) on the reductions to this bill.

Judy Moen, employed at Options Independent Living Center, Grand Forks, ND, testified (testimony attached) and asked committee to restore $300,000 funding that the Governor recommended.

End Tape #1, Side A, meter 54.1

Start Tape #1, Side B, meter 0.0

Testimony of Judy Moen continued.

Senator Andrist: There is a struggle with the growing needs of the elderly; some place down the line the state will be expected to fund all their needs. Are you looking for volunteers to help?

Judy Moen: Yes we do look for volunteers and we have volunteers who serve many elderly people. Volunteers in rural areas are needed where services are offered, but you still need someone there to help the volunteers with transportation etc. A lot of senior citizens that do volunteer work, are now going back to work until they are 70-74 years of age or moving south.

David Espinoza, Grand Forks, ND, testified (testimony attached) asking committee to restore $300,000 funding that the Governor recommended for independent living.

Raylynn Lauderdale, People First of North Dakota, gave her testimony (testimony attached) stating each line item in this budget reflects the quality of life for citizens of this state.

Also handed out Facts About Olmstead (attached). She also had a friend speak, not sure of the name but by the registrar, Freedom Resource Center, asking committee to leave the money in and don't take it out. This is needed to live on and that is what I am asking for, do not want to go to a nursing home as I am capable of doing things. Leave the money in.

Edward Forde, representing Ramsey, Benson, Towner County Social Services and County Directors Association, testified and spoke briefly on the technology needed for economic assistance programs. If funding for technology, mainly food stamps processing, fails this

session, it will just be greater next session and improvements will be greater. Impossible to work with two or more computer systems. He read a letter from Michon C. Sax, President, NDACSSD (attached).

Senator Bowman: So what you are saying is you need money appropriated, and that this is not a new program, and when it is implemented it could be outdated.

Edward Forde: I don't know the full details. Food Stamp processing is very critical for delivery services. With the new technology it will be much easier to change than the old mainframe which was started in 1984 and server based technology, we need versatility.

Arvy Smith, OMB, the food stamp processing money was optional technology and we were not able to afford this funding in the budget with the other priorities. The funds are just not there for that program.

Rose Stoller, Executive Director, Mental Health Association of ND, handed in her testimony (attached). This was read to the committee last week.

Senator Nething: We are in recess until 10:30 this morning for additional testimony.

Tape #1, Side B, meter 22.9

Hearing reconvened from this morning.

TESTIMONY OTHER INTERESTED PARTYS

Tape #1, Side B, meter 23.9

Nate Ulgarde, Freedom Resource Center, (copies attached) testified stating he and the other three directors of Freedom Choice visited the governor and gave their proposal, statistics of service, costs incurred, running telecommunications and stories of what people do and who people work with. The Governor put increase in the budget of $300,000. Governor Hoeven also kept this in.

Basically the funding request was put in by both Governor's for this budget. Without increased funding, we will have to look at other sources.

Deanna Bakken, Fargo, ND, and Board Member of Freedom Resource Center for independent living, (testimony attached) testified and stated we will think independent living and that we are not different from other people. Also had committee listen to a music tape.

Vicki Schlenker, Freedom Resource Center, stated that independent living includes consumer choice. Independence and choice for living in your home verses nursing home and we are working towards this goal. Money and choice, please give us your support.

Donene Feist, handed in written testimony but was not read.

Carol Olson, Director, Department of Humans Services, this is our final testimony and if any information is needed we will provide it to the committee.

Senator Nething: Subcommittee appointed to HB 1012, is Senator Solberg, Chair, Senator Bowman, Senator Tomac, Senator Thane and Senator Heitkamp. You will be meeting in the Harvest Room 3/8/01 at 8:30 a.m. And 2:30 p.m.

With no further testimony, the hearing was closed on HB 1012.

Tape ##, Side B, meter 39.0

3/27/01 Passed out to the committee-History of Adult Protective Services in ND (attached).

4-2-01 Full Committee Action (Tape #2, Side A, Meter # 18.3-51.3)

Senator Nething reopened the hearing on HB1012 - Human Services.

Senator Solberg, Subcommittee Chair led the discussion covering a review of the bill, testimony, and the Subcommittee's findings. Amendments #18012.0214 were presented to the full committee and explained by Allen Knudsen, Legislative Council Staff. Discussion on the amendments. Senator Solberg moved for the adoption; Senator Bowman seconded. Discussion; call for the vote; Voice Vote: Carried. Senator Holmberg requested his no vote be recorded). Discussion on the bill as amended. Senator Solberg moved a DO PASS AS AMENDED; Senator Tomac seconded. Discussion; call for the vote: 14 yes; 0 no; 0 absent and not voting. Senator Solberg accepted the floor assignment.

April 17, 2001 Full Committee Action (Tape #3, Side A, Meter # 22.3-35.4, #1 of 2 bill actions)

Senator Nething reopened the hearing on HB1012- Department of Human Services.

Senator Solberg moved to recede action taken by the Senate Appropriations on April 2 (do pass and amend # 18012.0214); seconded by Senator Bowman. Discussion; voice vote: motion carried.

Senator Solberg moved for the adoption on amendments (18012.0215 to be combined with 18012.0214 --- on amendments #18012.0216). Second by Senator Andrist. Discussion; call for the vote: motion carried on voice vote.

Discussion on the bill. Senator Solberg moved a DO PASS AS AMENDED; second by Senator Bowman. Discussion; call for the vote: 13 yes; 1 no; 0 absent and not voting.

Senator Solberg accepted the floor assignment.

18012.0206
Title.

Prepared by the Legislative Council staff for
Senator Lee
March 20, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 2, line 10, replace "718,078,659" with "721,153,956"

Page 2, line 11, replace "880,578,318" with "883,653,615"

Page 2, line 12, replace "671,393,327" with "673,546,035"

Page 2, line 13, replace "209,184,991" with "210,107,580"

Page 4, line 15, replace "354,044,220" with "354,966,809"

Page 4, line 16, replace "932,687,865" with "934,840,573"

Page 4, line 17, replace "1,286,732,085" with "1,289,807,382"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 327 - Department of Human Services Economic Assistance - Senate Action

Medical services grants are increased by $3,075,297, of which $922,589 is from the general fund, for increasing provider payments in the medical assistance program.

18012.0214
Title.0300
Fiscal No. 2

Prepared by the Legislative Council staff for
Senator Solberg
March 31, 2001

JE3
4-2-1
1 of 7

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Amendments to ENGR HB 1012 APPROP 4/2/01

Page 1, line 3, after the first semicolon insert "to provide for a legislative council study;"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1 and" and after "to" insert "compensation for members of the state hospital governing board and"

Amendments to ENGR HB 1012 APPROP 4/2/01

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,574,490"

Page 2, line 10, replace "718,078,659" with "734,826,875"

Page 2, line 11, replace "880,578,318" with "890,398,201"

Page 2, line 12, replace "671,393,327" with "677,877,772"

Page 2, line 13, replace "209,184,991" with "212,520,429"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Amendments to ENGR HB 1012 APPROP 4/2/01

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,602,059"

Page 3, line 11, replace "7,657,031" with "7,407,031"

Page 3, line 14, replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

2 of 7

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Amendments to ENGR HB 1012 **APPROP** **4/2/01**

Page 4, line 2, replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 12, replace "201,053,372" with "200,390,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,569,092"

Page 4, line 15, replace "354,044,220" with "356,254,625"

Page 4, line 16, replace "932,687,865" with "937,640,453"

Page 4, line 17, replace "1,286,732,085" with "1,293,895,078"

Amendments to ENGR HB 1012 **APPROP** **4/2/01**

Page 5, remove lines 28 through 31

Amendments to ENGR HB 1012 **APPROP** **4/2/01**

Page 6, remove lines 1 and 2

Amendments to ENGR HB 1012 **APPROP** **4/2/01**

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive

gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 19. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 20. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, replace "eighty-five" with "ninety-three"

Amendments to ENGR HB 1012 APPROP 4/2/01

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria treatment services for which income is not to be considered when determining eligibility"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Department of Human Services - Management				
Total all funds	$60,522,444	$49,670,844	$0	$49,670,844
Less estimated income	40,824,823	31,615,495		31,615,495
General fund	$19,697,621	$18,055,349	$0	$18,055,349
Department of Human Services - Economic Assistance				
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
Department of Human Services - Program and Policy				
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
Department of Human Services - State Hospital				
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451
Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308
Department of Human Services - Developmental Center				
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887
Less estimated income	30,233,607	30,020,107		30,020,107
General fund	$10,789,280	$10,667,780	$0	$10,667,780
Department of Human Services - Northwest Human Service Center				
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433
Less estimated income	4,155,537	4,083,037		4,083,037

General fund	$4,173,460	$4,074,396	$0	$4,074,396
Department of Human Services - North Central Human Service Center				
Total all funds	$14,407,627	$14,201,485	$0	$14,201,485
Less estimated income	5,892,990	5,797,056		5,797,056
General fund	$8,514,637	$8,404,429	$0	$8,404,429
Department of Human Services - Lake Region Human Service Center				
Total all funds	$8,259,010	$8,207,410	($84,750)	$8,122,662
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065
Department of Human Services - Northeast Human Service Center				
Total all funds	$19,082,759	$18,852,059	($250,000)	$18,602,059
Less estimated income	11,282,528	11,195,028		11,195,028
General fund	$7,800,231	$7,657,031	($250,000)	$7,407,031
Department of Human Services - Southeast Human Service Center				
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456
Less estimated income	11,146,427	11,124,027	(4,326)	11,119,701
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755
Department of Human Services - South Central Human Service Center				
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459
Department of Human Services - West Central Human Service Center				
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938
Less estimated income	10,490,557	10,452,773		10,452,773
General fund	$8,427,678	$8,164,165	$0	$8,164,165
Department of Human Services - Badlands Human Service Center				
Total all funds	$9,669,122	$9,618,722	($83,096)	$9,535,626
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704
Bill Total				
Total all funds	$1,357,101,033	$1,286,732,085	$7,162,993	$1,293,895,078
Less estimated income	1,016,554,663	932,687,865	4,952,588	937,640,453
General fund	$340,546,370	$354,044,220	$2,210,405	$356,254,625

House Bill No. 1012 - Department of Human Services - Management - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Department of Human Services - Economic Assistance - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$11,126,095	$10,920,080	$759,123	$11,679,203
Operating expenses	17,889,079	17,169,938	127,202	17,297,140
Equipment	17,950	17,950		17,950
Capital improvements	2,543	2,543		2,543
Grants - Assistance payments	134,790,705	134,389,148	(7,814,658)	126,574,490
Grants - Medical assistance	756,354,293	718,078,659	16,748,216	734,826,875
Health care trust fund	8,577,824			
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
FTE	130.80	127.80	9.00	136.80

[1] Economic Assistance - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $196,000 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version increases the formula allocation by 8 percent, from 85 to 93 percent. Total funding of $2,580,884 is provided, $512,877 of which is from the general fund.		$196,000		$196,000
Child Support Program No changes				

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Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46		59,620	$139,114	198,734
Adds DD grants funding to increase the average wage for community provider direct care workers by an additional 20 cents per hour. The House provided funding to increase the average wage for those workers by 10 cents per hour		969,094	2,027,930	2,997,024
Adds DD grants funding to increase the fringe benefit percentage allowed for community providers by 3 percent, from 30 to 33 percent		868,264	1,810,844	2,679,108
Funding for basic care grants of $8,010,658 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual				
Consolidates the children's special health services program into the medical services program	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding for medical assistance grants. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction.		500,000	1,166,667	1,666,667
Total Senate changes - Economic Assistance	9.00	$3,335,438	$6,484,445	$9,819,883

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals.

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income.

Provisions of Senate Bill No. 2239 provide that the Department of Human Services assist individuals with phenylketonuria (PKU) to purchase food and formula. Funding for these services is to be provided within the funding levels authorized for children's special health services within the medical services program.

A section is added providing for a Legislative Council study of state administration of child support.

House Bill No. 1012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152
Equipment	53,728	53,728		53,728
Capital improvements	789	789		789
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
FTE	112.50	112.50	(10.00)	102.50

[1] Program and Policy - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation.		$100,000		$100,000

Children's Special Health Services Program Consolidates the children's special health services program into the medical services program	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the 2001-03 biennium.		50,000		50,000
Developmental Disabilities Program No changes				
Vocational Rehabilitation Program Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196		75,000		75,000
Total Senate changes - Program and Policy	(10.00)	($576,404)	($1,418,026)	($1,994,430)

House Bill No. 1012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Capital improvements	$1,683,431	$970,176		$970,176
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451
Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308
FTE	511.00	511.00	(2.00)	509.00

[1]

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
State Hospital - Senate changes				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	(55,512)		(55,512)
Total Senate changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day.

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation.

House Bill No. 1012 - Department of Human Services - Developmental Center - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429
Department of Human Services - Lake Region Human Service Center	4,600,599	4,568,599	($44,534)	4,524,065
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	(250,000)	7,407,031
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459
Department of Human Services - West Central Human Service Center	8,427,678	8,164,165		8,164,165
Department of Human Services -	4,503,248	4,457,148	(49,444)	4,407,704

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Badlands Human Service Center				
Total general fund	$53,043,584	$52,176,609	($437,605)	$51,738,004

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,155,637	$4,083,037		$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056
Department of Human Services - Lake Region Human Service Center	3,658,411	3,638,811	($40,224)	3,598,587
Department of Human Services - Northeast Human Service Center	11,282,528	11,195,028		11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652
Department of Human Services - Northeast Human Service Center	19,082,759	18,852,059	(250,000)	18,602,059
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925
Department of Human Services - West Central Human Service Center	18,918,235	18,616,938		18,616,938
Department of Human Services - Badlands Human Service Center	9,669,122	9,618,722	(83,096)	9,535,626
Total all funds	$110,367,403	$109,130,010	($551,436)	$108,578,574
FTE	904.33	899.33	(4.00)	895.33

[1] Human service centers changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - Senate changes				
No changes				
North Central Human Service Center - Senate changes				
No changes				
Lake Region Human Service Center - Senate changes				
Removes a vacant position - The center may determine the specific position to remove.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Senate changes				
Reduces general fund support - The center may determine the specific areas to reduce.		($250,000)		($250,000)
Southeast Human Service Center - Senate changes				
Removes a vacant office assistant III	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Senate changes				
Removes a vacant addiction counselor	(1.00)	($42,666)	($35,629)	($78,285)
West Central Human Service Center - Senate changes				
No changes				
Badlands Human Service Center - Senate changes				
Removes a vacant human relations counselor II	(1.00)	($49,444)	($33,652)	($83,096)

Date: 4-2-01

Roll Call Vote #:

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 4152 / 2012

Senate Appropriations Committee

☐ Subcommittee on

or

☐ Conference Committee

Legislative Council Amendment Number 1801.0214

Action Taken (Engrossed) Do Pass as Amended

Motion Made By Senator Solberg Seconded By Senator Fornes

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 14 No 0

Absent 0

Floor Assignment Senator Solberg

If the vote is on an amendment, briefly indicate intent:

18012.0215
Title.

Prepared by the Legislative Council staff for
Senator Solberg
April 4, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 5, after "transfers" insert "; to provide for basic care facility rates;"

Page 1, line 6, remove "and"

Page 1, line 8, after "reimbursements" insert "; and to declare an emergency"

Page 7, after line 4, insert:

"**SECTION 17. Basic care facility private room rates.** The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents."

Page 8, after line 5, insert:

"**SECTION 20. EMERGENCY.** Section 17 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

18012.0214 & 18012.0215
Combined into
18012.0216

18012.0216
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
Senate Appropriations
April 4, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 3, after the first semicolon insert "to provide for a legislative council study;"

Page 1, line 5, after "transfers" insert "to provide for basic care facility rates"

Page 1, line 6, remove "and"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1 and" and after "to" insert "compensation for members of the state hospital governing board and"

Page 1, line 8, after "reimbursements" insert "; and to declare an emergency"

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,574,490"

Page 2, line 10, replace "718,078,659" with "734,826,875"

Page 2, line 11, replace "880,578,318" with "890,398,201"

Page 2, line 12, replace "671,393,327" with "677,877,772"

Page 2, line 13, replace "209,184,991" with "212,520,429"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,602,059"

Page 3, line 11, replace "7,657,031" with "7,407,031"

Page 3, line 14, replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Page 4, line 2, replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 12, replace "201,053,372" with "200,390,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,569,092"

Page 4, line 15, replace "354,044,220" with "356,254,625"

Page 4, line 16, replace "932,687,865" with "937,640,453"

Page 4, line 17, replace "1,286,732,085" with "1,293,895,078"

Page 5, remove lines 28 through 31

Page 6, remove lines 1 and 2

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report

its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 19. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 20. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 21. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, replace "eighty-five" with "ninety-three"

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria treatment services for which income is not to be considered when determining eligibility"

Page 8, after line 5, insert:

"**SECTION 24. EMERGENCY.** Section 20 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Department of Human Services Management				
Total all funds	$60,522,444	$49,670,844	$0	$49,670,844
Less estimated income	40,824,823	31,615,495		31,615,495
General fund	$19,697,621	$18,055,349	$0	$18,055,349
Department of Human Services - Economic Assistance				
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
Department of Human Services - Program and Policy				
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
Department of Human Services - State Hospital				
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451
Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308
Department of Human Services - Developmental Center				
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887
Less estimated income	30,233,607	30,020,107		30,020,107
General fund	$10,789,280	$10,667,780	$0	$10,667,780
Department of Human Services - Northwest Human Service Center				
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433
Less estimated income	4,155,537	4,083,037		4,083,037
General fund	$4,173,450	$4,074,396	$0	$4,074,396
Department of Human Services - North Central Human Service Center				
Total all funds	$14,407,527	$14,201,485	$0	$14,201,485
Less estimated income	5,892,990	5,797,056		5,797,056
General fund	$8,514,537	$8,404,429	$0	$8,404,429
Department of Human Services - Lake Region Human Service Center				
Total all funds	$8,259,010	$8,207,410	($84,758)	$8,122,652
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065
Department of Human Services - Northeast Human Service Center				
Total all funds	$19,082,759	$18,852,059	($250,000)	$18,602,059
Less estimated income	11,282,528	11,195,028		11,195,028
General fund	$7,800,231	$7,657,031	($250,000)	$7,407,031
Department of Human Services - Southeast Human Service Center				
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456
Less estimated income	11,146,427	11,124,027	(4,326)	11,119,701
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755
Department of Human Services - South Central Human Service Center				
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459
Department of Human Services - West Central Human Service Center				
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938
Less estimated income	10,490,557	10,452,773		10,452,773
General fund	$8,427,678	$8,164,165	$0	$8,164,165
Department of Human Services - Badlands Human Service Center				
Total all funds	$9,669,122	$9,618,722	($83,096)	$9,535,626
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704
Bill Total				
Total all funds	$1,357,101,033	$1,286,732,085	$7,162,993	$1,293,895,078
Less estimated income	1,016,554,663	932,687,865	4,952,588	937,640,453
General fund	$340,546,370	$354,044,220	$2,210,405	$356,254,625

House Bill No. 1012 - Department of Human Services - Management - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Department of Human Services - Economic Assistance - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$11,126,095	$10,920,080	$759,123	$11,679,203
Operating expenses	17,889,079	17,169,938	127,202	17,297,140
Equipment	17,950	17,950		17,950
Capital improvements	2,543	2,543		2,543
Grants - Assistance payments	134,790,705	134,389,148	(7,814,658)	126,574,490
Grants - Medical assistance	756,354,293	718,078,659	16,748,216	734,826,875
Health care trust fund	8,577,824			
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
FTE	130.80	127.80	9.00	136.80

[1] Economic Assistance - Senate changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $196,000 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version increases the formula allocation by 8 percent, from 85 to 93 percent. Total funding of $2,580,884 is provided, $512,877 of which is from the general fund		$196,000		$196,000
Child Support Program No changes				
Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46		59,620	$139,114	198,734
Adds DD grants funding to increase the average wage for community provider direct care workers by an additional 20 cents per hour. The House provided funding to increase the average wage for these workers by 10 cents per hour.		969,094	2,027,930	2,997,024
Adds DD grants funding to increase the fringe benefit percentage allowed for community providers by 3 percent, from 30 to 33 percent		868,264	1,810,844	2,679,108
Funding for basic care grants of $8,010,650 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual				
Consolidates the children's special health services program into the medical services program	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding for medical assistance grants. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction		500,000	1,166,667	1,666,667
Total Senate changes - Economic Assistance	9.00	$3,335,438	$6,484,445	$9,819,883

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals.

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income.

Provisions of Senate Bill No. 2239 provide that the Department of Human Services assist individuals with phenylketonuria (PKU) to purchase food and formula. Funding for these services is to be provided within the funding levels authorized for children's special health services within the medical services program.

A section is added providing for a Legislative Council study of state administration of child support.

Sections are added allowing, as an emergency measure, basic care facilities to charge a higher rate for private rooms.

House Bill No. 1012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152
Equipment	53,728	53,728		53,728
Capital improvements	789	789		789
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
FTE	112.50	112.50	(10.00)	102.50

[1] Program and Policy - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation		$100,000		$100,000
Children's Special Health Services Program Consolidates the children's special health services program into the medical services program	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the 2001-03 biennium.		50,000		50,000
Developmental Disabilities Program No changes				
Vocational Rehabilitation Program Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196.		75,000		75,000
Total Senate changes - Program and Policy	(10.00)	($576,404)	($1,418,026)	($1,994,430)

House Bill No. 1012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Capital improvements	$1,683,431	$970,176		$970,176
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451

Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,232	$33,274,332	($111,024)	$33,163,308
FTE	511.00	511.00	(2.00)	509.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
State Hospital - Senate changes				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	(55,512)		(55,512)
Total Senate changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day.

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation.

House Bill No. 1012 - Department of Human Services - Developmental Center - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429
Department of Human Services - Lake Region Human Service Center	4,600,599	4,568,599	($44,534)	4,524,065
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	(250,000)	7,407,031
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459
Department of Human Services - West Central Human Service Center	8,427,678	8,164,165		8,164,165
Department of Human Services - Badlands Human Service Center	4,503,248	4,457,148	(49,444)	4,407,704
Total general fund	$53,043,584	$52,175,609	($437,605)	$51,738,004

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,155,537	$4,083,037		$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056
Department of Human Services - Lake Region Human Service Center	3,658,411	3,638,811	($40,224)	3,598,587
Department of Human Services - Northeast Human Service Center	11,282,528	11,195,028		11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652
Department of Human Services -	19,082,759	18,852,059	(250,000)	18,602,059

Northeast Human Service Center				
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925
Department of Human Services - West Central Human Service Center	18,918,235	18,616,938		18,616,938
Department of Human Services - Badlands Human Service Center	9,669,122	9,618,722	(83,096)	9,535,626
Total all funds	$110,367,403	$109,130,010	($551,436)	$108,578,574
FTE	904.33	899.33	(4.00)	895.33

[1] Human service centers changes include

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - Senate changes No changes				
North Central Human Service Center - Senate changes No changes				
Lake Region Human Service Center - Senate changes Removes a vacant position - The center may determine the specific position to remove.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Senate changes Reduces general fund support - The center may determine the specific areas to reduce.		($250,000)		($250,000)
Southeast Human Service Center - Senate changes Removes a vacant office assistant III	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Senate changes Removes a vacant addiction counselor	(1.00)	($42,656)	($35,629)	($78,285)
West Central Human Service Center - Senate changes No changes				
Badlands Human Service Center - Senate changes Removes a vacant human relations counselor II	(1.00)	($49,444)	($33,652)	($83,096)

Date: 4-17-01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SJ Res 2012

Senate Appropriations Committee

☐ Subcommittee on

or

☐ Conference Committee

Combine to 18012.0216

Legislative Council Amendment Number 18012.0215 + 18012.0214

Action Taken Do Pass as Amended

Motion Made By Senator Nelson

Seconded By Senator Bowman

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg		✓			
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 13 No 1

Absent 0

Floor Assignment Senator Solberg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1012, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 3, after the first semicolon insert "to provide for a legislative council study;"

Page 1, line 5, after the semicolon insert "to provide for basic care facility rates;"

Page 1, line 6, remove "and"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1 and" and after "to" insert "compensation for members of the state hospital governing board and"

Page 1, line 8, after "reimbursements" insert "; and to declare an emergency"

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,574,490"

Page 2, line 10, replace "718,078,659" with "734,826,875"

Page 2, line 11, replace "880,578,318" with "890,398,201"

Page 2, line 12, replace "671,393,327" with "677,877,772"

Page 2, line 13, replace "209,184,991" with "212,520,429"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,602,059"

Page 3, line 11, replace "7,657,031" with "7,407,031"

Page 3, line 14, replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Page 4, line 2, replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 12, replace "201,053,372" with "200,390,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,569,092"

Page 4, line 15, replace "354,044,220" with "356,254,625"

Page 4, line 16, replace "932,687,865" with "937,640,453"

Page 4, line 17, replace "1,286,732,085" with "1,293,895,078"

Page 5, remove lines 28 through 31

Page 6, remove lines 1 and 2

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the

department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 19. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 20. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 21. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, replace "eighty-five" with "ninety-three"

Page 7, line 20, after the semicolon insert "and"

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria treatment services for which income is not to be considered when determining eligibility"

Page 8, after line 5, insert:

"**SECTION 24. EMERGENCY.** Section 20 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Department of Human Services - Management				
Total all funds	$60,522,444	$49,670,844	$0	$49,670,844
Less estimated income	40,824,823	31,615,495		31,615,195

General fund	$19,697,621	$18,055,349	$0	$18,055,349
Department of Human Services - Economic Assistance				
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
Department of Human Services - Program and Policy				
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
Department of Human Services - State Hospital				
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451
Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308
Department of Human Services - Developmental Center				
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887
Less estimated income	30,233,607	30,020,107		30,020,107
General fund	$10,789,280	$10,667,780	$0	$10,667,780
Department of Human Services - Northwest Human Service Center				
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433
Less estimated income	4,155,537	4,083,037		4,083,037
General fund	$4,173,450	$4,074,396	$0	$4,074,396
Department of Human Services - North Central Human Service Center				
Total all funds	$14,407,527	$14,201,485	$0	$14,201,485
Less estimated income	5,892,990	5,797,056		5,797,056
General fund	$8,514,537	$8,404,429	$0	$8,404,429
Department of Human Services - Lake Region Human Service Center				
Total all funds	$8,259,010	$8,207,410	($84,758)	$8,122,652
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065
Department of Human Services - Northeast Human Service Center				
Total all funds	$19,082,759	$18,852,059	($250,000)	$18,602,059
Less estimated income	11,282,528	11,195,028		11,195,028
General fund	$7,800,231	$7,657,031	($250,000)	$7,407,031
Department of Human Services - Southeast Human Service Center				
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456
Less estimated income	11,148,427	11,124,027	(4,326)	11,119,701
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755
Department of Human Services - South Central Human Service Center				
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459
Department of Human Services - West Central Human Service Center				
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938
Less estimated income	10,490,557	10,452,773		10,452,773
General fund	$8,427,678	$8,164,165	$0	$8,164,165
Department of Human Services - Badlands Human Service Center				
Total all funds	$9,669,122	$9,618,722	($83,096)	$9,535,626
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704
Bill Total				
Total all funds	$1,357,101,033	$1,286,732,085	$7,162,993	$1,293,895,078
Less estimated income	1,016,554,663	932,687,865	4,952,588	937,640,453
General fund	$340,546,370	$354,044,220	$2,210,405	$356,254,625

House Bill No. 1012 - Department of Human Services - Management - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Department of Human Services - Economic Assistance - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$11,126,095	$10,920,080	$759,123	$11,679,203
Operating expenses	17,889,079	17,169,938	127,202	17,297,140
Equipment	17,950	17,950		17,950
Capital improvements	2,543	2,543		2,543
Grants - Assistance payments	134,790,705	134,389,148	(7,814,658)	126,574,490
Grants - Medical assistance	756,354,293	718,078,659	16,748,216	734,826,875
Health care trust fund	8,577,824			
Total all funds	$928,758,489	$880,578,318	$9,819,883	$890,398,201
Less estimated income	740,502,079	671,393,327	6,484,445	677,877,772
General fund	$188,256,410	$209,184,991	$3,335,438	$212,520,429
FTE	130.80	127.80	9.00	136.80

[1] Economic Assistance - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $196,000 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version increases the formula allocation by 8 percent, from 85 to 93 percent. Total funding of $2,580,884 is provided, $512,877 of which is from the general fund.		$196,000		$196,000
Child Support Program No changes				
Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46		59,620	$139,114	198,734
Adds DD grants funding to increase the average wage for community provider direct care workers by an additional 20 cents per hour. The House provided funding to increase the average wage for these workers by 10 cents per hour.		969,094	2,027,930	2,997,024
Adds DD grants funding to increase the fringe benefit percentage allowed for community providers by 3 percent, from 30 to 33 percent		868,264	1,810,844	2,679,108
Funding for basic care grants of $8,010,858 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual				
Consolidates the children's special health services program into the medical services program	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding for medical assistance grants. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction.		500,000	1,166,667	1,666,667
Total Senate changes - Economic Assistance	9.00	$3,335,438	$6,484,445	$9,819,883

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals.

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income.

Provisions of Senate Bill No. 2239 provide that the Department of Human Services assist individuals with phenylketonuria (PKU) to purchase food and formula. Funding for these services is to be provided within the funding levels authorized for children's special health services within the medical services program.

A section is added providing for a Legislative Council study of state administration of child support.

Sections are added allowing, as an emergency measure, basic care facilities to charge a higher rate for private rooms.

House Bill No. 1012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152
Equipment	53,728	53,728		53,728
Capital improvements	789	789		789
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755
FTE	112.50	112.50	(10.00)	102.50

[1] Program and Policy - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation.		$100,000		$100,000
Children's Special Health Services Program Consolidates the children's special health services program into the medical services program	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the 2001-03 biennium.		50,000		50,000
Developmental Disabilities Program No changes				
Vocational Rehabilitation Program Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196.		75,000		75,000
Total Senate changes - Program and Policy	(10.00)	($576,404)	($1,418,026)	($1,994,430)

House Bill No. 1012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Capital improvements	$1,683,431	$970,176		$970,176
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451
Less estimated income	18,374,398	17,961,143		17,961,143
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308
FTE	511.00	511.00	(2.00)	509.00

1

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
State Hospital - Senate changes				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	(55,512)		(55,512)
Total Senate changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day.

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation.

House Bill No. 1012 - Department of Human Services - Developmental Center - Senate Action

The Senate did not change the House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429
Department of Human Services - Lake Region Human Service Center	4,600,599	4,568,599	($44,534)	4,524,065
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	(250,000)	7,407,031
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459
Department of Human Services - West Central Human Service Center	8,427,678	8,164,165		8,164,165
Department of Human Services - Badlands Human Service Center	4,503,248	4,457,148	(49,444)	4,407,704
Total general fund	$53,043,584	$52,175,609	($437,605)	$51,738,004

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$4,165,637	$4,083,037		$4,083,037
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056
Department of Human Services -	3,658,411	3,638,811	($40,224)	3,598,587

Lake Region Human Service Center				
Department of Human Services - Northeast Human Service Center	11,282,528	11,195,028		11,195,028
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES [1]	SENATE VERSION
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652
Department of Human Services - Northeast Human Service Center	19,082,759	18,852,059	(250,000)	18,602,059
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925
Department of Human Services - West Central Human Service Center	18,918,235	18,616,938		18,616,938
Department of Human Services - Badlands Human Service Center	9,669,122	9,618,722	(83,096)	9,535,626
Total all funds	$110,367,403	$109,130,010	($551,436)	$108,578,574
FTE	904.33	899.33	(4.00)	895.33

[1] Human service centers changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - Senate changes No changes				
North Central Human Service Center - Senate changes No changes				
Lake Region Human Service Center - Senate changes Removes a vacant position - The center may determine the specific position to remove.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Senate changes Reduces general fund support - The center may determine the specific areas to reduce.		($250,000)		($250,000)
Southeast Human Service Center - Senate changes Removes a vacant office assistant III	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Senate changes Removes a vacant addiction counselor	(1.00)	($42,656)	($35,629)	($78,285)
West Central Human Service Center - Senate changes No changes				
Badlands Human Service Center - Senate changes Removes a vacant human relations counselor II	(1.00)	($49,444)	($33,652)	($83,096)

2001 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1012

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

X- Conference Committee

Hearing Date: FRIDAY, APRIL 20, 2001

Tape Number	Side A	Side B	Meter #
4-20-01	**X-1**		**00-399**
Committee Clerk Signature Micki Schmidt (Rush)			

Minutes: **CHAIRMAN KEN SVEDJAN, REP. JEFF DELZER, REP. JAMES KERZMAN, SENATOR SOLBERG, SENATOR BOWMAN, SENATOR TOMAC**

00-Chairman Svedjan: We will call this committee to order. Roll call: We have a quorum. We're here to conference HB 1012.

140-Sen. Solberg: Went over the Senate amendments, (attachment #1). Changes in Economic Assistance. Increased DD grants wages by 20 cents above the 10 cents that the House put in, removed the program director position, added ½ million dollars for Medicaid Grants. **445-** There was a mistake of 1 million dollars in making up the budget in OMB. **575-**Program and Policy: restored $100,000 for the Senior citizen mill levy.

1245-Vice-Chairman Delzer: Do you have a list of how many people on the State Hospital Board are not employed by the department of Legislatures?

1263-Sen. Bowman: No.

1314-Sen. Solberg: Concerned about is Medical Services. Discussed the Law suit in Indiana over the family cap and are collecting child support payments- 50% goes to TANNF, and 50% is being held at the enforcement unit. We'd like to get this on. Concerns on the Indian Counties also.

1611- Discussion on Lake Region treatment program.

1758- Discussion on Badlands position.

1836-Arvy: The turn back was $350,117.

1980- Discussion on the $250,000 that was taken out of Northeast.

2019-Sen. Bowman: Discussion on how it's going to hurt the people being served. Save on expenses by pulling in the management team.

2166-Sen. Solberg: On the NE HSC, even after the deduction in general fund revenues, they still received a 8.45 % general increase, overall increase of 3.43%.

2231-Chairman Svedjan: You must remember the history on this. For the center to come up with the savings equal to what it is the reduction is out of this conference committee, that those reductions not be passed down to their contractors. I'm very concerned about that. You'll hear me ask for some language in there that will exempt the contractors from any reductions.

2403-Sen. Bowman: Discussion on the position at Dickinson.

2560-Rep. Kerzman: It's a unique situation and we should go back and revisit it.

2788-Vice-Chairman Delzer: The Medicaid line is $756,000,000, which is Medicaid and DD. I think that there's money enough from when we went through it on the reprojection, that there's enough to handle the situation. How would the Senators feel about switching from the directive of the 20 cents an hour and the 30 to 33 to just putting that in a line?

2863-Chairman Svedjan: Otherwise, how would the Senators feel about rather than designating the DD money for salary increases and fringe benefit increases, don't change the numbers but take the restriction off. So just put the money in their line and they can use it as they wish.

3021-Vice-Chairman Delzer: Questions and Discussion on the PKU. **3187-** Concerns with the Indian Counties, the amount. If I divide that out by percentages, it looks to me like it's $24,500 for each percentage. I think we need to put a little money back into the NE, not the whole $250,000. Also reducing the Indian Counties by 6% and using some of that for NE. Concerns with the mill levy match, not the money but the idea of matching the 1 cent, or the 1 mill or the 2 mill. I think it should be put in as a study or brought in to the next Legislative session and looked at so the whole body gets to look at that.

3369-Sen. Solberg: I agree.

3593- On the table: Indian Co. Reimbursement, DD workers, NE HSC, Badlands HSC, Devil's Lake, Lake Region, Adult Protective Services, Indiana Law suit, PKU, and mill levy match.

3770-Vice-Chairman Delzer: In Adult Protective Services, neither the Senate or the House put it back in.

3955-Chairman Svedjan: Think through what you want requested as amendments. We stand adjourned today.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

X Conference Committee

Hearing Date: SATURDAY, APRIL 21, 2001

Tape Number	Side A	Side B	Meter #
4-20-01 HB 1012	**X-1**		**00-5480**
Committee Clerk Signature Micki Schmidt (cush)			

Minutes: **CHAIRMAN SVEDJAN, REP. DELZER**

REP. KERZMAN, SEN. SOLBERG

SEN. BOWMAN, SEN. TOMAC

00-Chairman Svedjan: We call this Conference Committee to order. Roll call: we have a quorum. There was discussion on PKU. (refer to attachment #1)

292-Vice-Chairman Delzer: All of the federal funding in the Department of Health is appropriated in HB 2004. We removed the $80,000 when we looked at the budget. I would consider adding $57,619 to general funds in the HS budget. **512-** This is out of a Block grant that is currently split at 67/33 %.

688-Sen. Solberg: We have moved the program and have to put some funding with it. I would hope that we could move the $57,619 general funds into that to activate federal funds on that. **If you need a motion on that I would so move. Rep. Kerzman seconded it.**

745-Chairman Svedjan: The motion is for us to instruct LC to draft an amendment that we will give final consideration to, at our next meeting, to move $57,619 in general funds into the Children's special health program which is in medical in the dept. of HS. Q? Voice vote: 6 yes, motion carries.

823-Sen. Solberg: On the Child Support law suit, we need an amendment on here by allowing those individuals who are over the family can, that those moneys would go directly to the custodial parent and child rather than be held 50/50 in TANNF and the support unit.

895-Chairman Svedjan: So that I'm clear on this, the nature of the law suit in Indiana is that they're going after the department because 50% is retained for TANNF?

DISCUSSION ON THE LAW SUIT:

Sen. Tomac was concerned if this is a problem in ND?

1283- **Sen. Solberg moved the unnumbered amendment, (attachment #2) to be drafted as part of the package. Sen. Bowman seconded it.** More discussion on this. **Voice vote: 6-yes, motion carries. 1567-** Lake Region: **Rep. Kerzman moved to restore the FTE at Lake Region. Sen. Tomac seconded it.** Discussion on this. **Voice Vote: 3-yes, 3- nay, motion fails. 1994- Badlands FTE: Rep. Kerzman moved to restore that position in the Badlands HSC. Sen. Bowman seconded it.** Discussion on this. **Voice vote: 6-yes, motion carries.**

2445- **Developmental Disabilities:** Discussion on this. **Rep. Delzer moved to remove the stipulation, the 20 cents per hour and the 3% on benefits and that the funds identified by the Senate, be put into the bottom line. Sen. Solberg seconded it.** Discussion on this. **3530- Voice Vote: 4-yes, 2-nay, motion carries.**

3634- Mill levy Match: Discussion on this. **3924-**We'll leave this alone this time. **Rep. Delzer moved to ask the Council to draft a study resolution. Sen. Bowman seconded it.** Discussion on this. **Voice vote: 6-yes, motion carries.**

4218- Indian county: Discussion on this. This issue ties into the medical assistance part of it and could tie into NE HSC issue also. We will adjourn for today.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

X Conference Committee

Hearing Date: MONDAY, APRIL 23, 2001

Tape Number	Side A	Side B	Meter #
4-23-01 HB 1012	**X-1**		**00-504**
Committee Clerk Signature Micki Schmidt (Rush)			

Minutes: **CHAIRMAN SVEDJAN, REP. DELZER**

REP. KERZMAN, SEN. SOLBERG,

SEN. BOWMAN, SEN. TOMAC

00-Chairman Svedjan: We will call this Committee Conference to order. Roll call: We have a quorum. We have some more information on the issue relative to the Indiana law suit, the child support issue as it relates to the family cap. (ATTACHMENT #1)

55-Sen. Solberg: (see attachment #2)

147-Chairman Svedjan: In our action on Saturday, we had requested that this amendment be made part of the package and once we got further information, we could then decide whether we go for adoption of this. Discussion on this. **292- Sen. Solberg moved to have the amendment drafted. Rep. Kerzman seconded it. Voice vote: 2-yes, 0-nay, not all members voted.**

426- Indian County issue: Discussion on this. **536-**Allen: LC, explains the percentage: We were asked if we could remove the percentage from the formula and just base it on what the Legislative Appropriations have provided.

652-Vice-Chairman Delzer: We had the total fundings, with the $196,000 and without, where did we get that? Allen states that they were in the Senate amendments, page 5.**708- Rep. Delzer moves that they should try that at Legislative Appropriations level, to remove the 85%, and to fund it at 2.4 million.**

734-Chairman Svedjan: So the effect of that would be to remove the 181 and 196. **753-** Sen. Tomac states that that would be taking it back to the House version, within $15,000. **782- Sen. Solberg seconded it. This would be to make the change in language as suggested by Legislative Council. The effect would be to bring the Senate amendment down by about $181,000.** Discussion on this. **1377- Voice Vote: 4-yes, 2-nay, motion carries.**

1404-Chairman Svedjan: Next to the Northeast HSC. I would like to see us try to restore some of what was reduced by the Senate in that budget. The action that we just took on the Indian Counties, would afford some dollars to move there. Furthermore, I would like to see language put in the bill, that the extent to which we do not restore all of what the Senate removed, I would like to see language in there that says that any budgetary adjustments that the NEHSC needs to make would be done exclusive of their contractors. Discussion on this. **1775- It's been suggested that we focus on the Medical Assistance part first.** Discussion on this.

3069-Vice-Chairman Delzer: I move that we add the $200,000 general funds along with the language that was proposed by Sen. Solberg. Sen. Bowman seconded it. Discussion on this.

3099- Rep. Kerzman proposed a substitute amendment to change the $200,000 to $2,000,000. Sen. Tomac seconded it. Discussion on this. **3372- Voice Vote: on the substitute amendment: 2-yes, 4-nay, motion fails.** We now have the original motion. **3410- Sen. Tomac moves a motion to change the $200,000 to $619,000. Rep. Kerzman seconded it.** Discussion on this. **Voice vote: 2-yes, 4-nay, motion fails.**

3532-Sen. Solberg: **I'm going to amend the motion, with that $200,000 we add the $181,000 that was reduced in a previous motion. That will short us in the Fiscal note, $38,000.**

3573-Chairman Svedjan: OK, so the amended motion is the $181,000 added to the $200,000. You moved an amendment to the original motion, Sen. Bowman seconded it. Discussion? **3617-Voice Vote: 4-yes, 2-nay, motion carries. Now we have the original motion before us. 3755-Voice Vote: 5-yes, 1-nay, motion carries.**

3814-Chairman Svedjan: Back to the **NE HSC.**

3847-Vice-Chairman Delzer: I would make a motion that we add the language on the Northeast and $75,000. Sen. Solberg seconded it. Discussion on this. **4974-Voice Vote: 4-yes, 2-nay, motion carries.**

5010-Chairman Svedjan: We will adjourn for now. We have remaining: Adult Protective Services, Subsidized adoption, Compulsive gambling, and another amendment.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

X CONFERENCE COMMITTEE

Hearing Date: MONDAY, APRIL 23, 2001

Tape Number	Side A	Side B	Meter #
4-23-01 HB 1012	**X-1**		**00-5400**
#1012		**X-1**	**428-1899**
Committee Clerk Signature Micki Schmidt (Reese)			

Minutes: **CHAIRMAN SVEDJAN, REP. DELZER**

REP. KERZMAN, SEN. SOLBERG

SEN. BOWMAN, SEN. TOMAC

00-Chairman Svedjan: We will call this Committee Conference to order. **Adult Protective Services.** Sen. Tomac explains this. Discussion on this. **915- Sen. Tomac moves to add Two half time FTE's in Adult Protective Services. 1120- Rep. Kerzman seconded it.** Discussion on this. **1129- Voice Vote: 3-yes, 3-nay, motion fails.**

1165- Subsidized Adoption: Discussion on this. **1748- Rep. Kerzman moves to add $262,826 to budget for Adoptions. Sen. Tomac seconded it.** Discussion on this. **2105-Voice Vote: 3-yes, 3-nay, motion fails.**

2141-Compulsive Gambling: Discussion on this. **No action required on this.**

3478- Amendment, 18012.0219, handed out by Rep. Delzer. He explains that this would do:

The budget bill next session would come in at the same level that we passed it out at. 3532-

I would move this amendment. Sen. Bowman seconded it. Discussion on this.

Tape 1, side B-428- Continued Discussion. **1057-Voice Vote: 4-yes, 2-nay, motion carries. A recorded vote was requested by Rep. Kerzman.**

Chairman Svedjan, Y Rep. Delzer, Y Rep. Kerzman, N Sen. Solberg, Y

Sen. Bowman, Y Sen. Tomac, N.

That concludes our work today. We will adjourn.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1012

House Appropriations Committee
Human Resources Division

X Conference Committee

Hearing Date: TUESDAY, APRIL 24, 2001

Tape Number	Side A	Side B	Meter #
4-23-01 HB 1012	**X-1**		**00-1330**
Committee Clerk Signature Mickie Schmidt (Rush)			

Minutes: **CHAIRMAN SVEDJAN, REP. DELZER, REP. KERZMAN**

SEN. SOLBERG, SEN. BOWMAN, SEN. TOMAC

00-Chairman Svedjan: We will call this Conference Committee to order. Welcome Sen. Thane. He is pinch hitting for Sen. Solberg, for he is in the hospital. Roll call: we have a quorum. What we need to do yet is to adopt the actions that we have taken over the last few days. Also incorporated in these amendments are all the amendments that the Senate made with which we had no difficulty. It means that the Senate has to recede from their amendments and then we readopt the amendments that we had no issue with and now we will be adopting these which are the result of what we've conferenced as well.

160-Allen, LC: Explains the amendment, 18012.0220. **1362- Sen. Bowman moves to adopt the Conference Committee amendments, 18012.0220. Sen. Thane seconded it.** Discussion. **1395- Hearing none, we'll take a Roll call vote on a motion to adopt the conference committee amendments as stated on document 18012.0220.**

CHAIRMAN SVEDJAN, Y REP. DELZER, Y REP. KERZMAN, N

SEN. THANE, Y SEN. BOWMAN, Y SEN. TOMAC, N

The motion carries. That concludes our work and thanks for your input in this. Thank you all!

We are now adjourned.

Date: 4-21-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House House Appropriations, Human Resources Committee

☐ Subcommittee on

or

☒ Conference Committee

Legislative Council Amendment Number

Action Taken move $7,619 in gen. funds to Childrens special Health program

Motion Made By Sen Solberg Seconded By Rep Kerzman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KEN SVEDJAN					
V. CHAIRMAN JEFF DELZER					
REP. KEITH KEMPENICH					
REP. JAMES KERZMAN					
REP. AMY KLINISKE					
REP. JOHN M. WARNER					
Sen. Solberg			Voice Vote		
Sen. Bowman					
Sen. Tomac					

Total (Yes) 6 No 0

Absent 0

Floor Assignment ~~Click here to type Floor Assignment~~

If the vote is on an amendment, briefly indicate intent: motion carries

4-21-01 #2

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 6, remove "and"

Page 1, line 7, after "Code" insert ", and section 50-09-06.1 of the North Dakota Century Code"

Page 1, line 8, after "reimbursements" insert "and assignment of support rights; and to provide an effective date"

Page 7, after line 30, insert:

SECTION 18. AMENDMENT. Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~

3. Terminates when eligibility ceases except with respect to any support obligation unpaid at that time; and

4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."

Page 8, after line 5, insert:

SECTION 20. EFFECTIVE DATE. Section 18 of this Act becomes effective January 1, 2002."

Renumber accordingly

Date: 4-21-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on Human Resources
or
☒ Conference Committee

Legislative Council Amendment Number

Action Taken Mov to Adopt ~~draft~~ amendments (unnumbered) (Attachment #2)

Motion Made By Sen Solberg Seconded By Sen. Bowman

Representatives	Yes	No	Representatives	Yes	No
Chairman Ken Svedjan					
Vice-Chairman Jeff Delzer					
Rep. Keith Kempenich					
Rep. James Kerzman					
Rep. Amy Kliniske					
Rep. John M. Warner					
Sen. Solberg			voice vote		
Sen. Bowman					
Sen. Tomac					

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carried -

Date: 4-21-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House Appropriations Committee

☐ Subcommittee on

or

☒ Conference Committee

Legislative Council Amendment Number

Action Taken Move to restore FTE at Lake Region

Motion Made By Rep Kerzman Seconded By Sen Tomac

Representatives	Yes	No	Representatives	Yes	No
			VOICE VOTE		

Total (Yes) 3 No 3

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Failed

Date: 4-21-01
Roll Call Vote #: 4

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number _____

Action Taken move to restore the FTE - Bedlands (not the dollars)

Motion Made By Rep Kerzman Seconded By Sen. Bowman

Representatives	Yes	No	Representatives	Yes	No

voice vote

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion carried

Date: 4-21-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number _____

Action Taken move to remove the 20% + 3% in benefits - in DD Grant and the Senate funds be put into the bottom line.

Motion Made By Rep. Delzer Seconded By Sen. Solberg

Representatives	Yes	No	Representatives	Yes	No

Voice Vote

Total (Yes) 4 No 2

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion carries -

Date: 4-21-01
Roll Call Vote #: 6

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number

Action Taken move to have LC draft a resolution -

Motion Made By Rep. Delzer Seconded By Sen. Bowman

Representatives	Yes	No	Representatives	Yes	No
			Voice vote		

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion carried

Date: 4-23-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House Appropriations Committee

☐ Subcommittee on

or

☒ Conference Committee

Legislative Council Amendment Number

Action Taken motion to have amendment drafted

Motion Made By Sen. Solberg Seconded By Rep. Kerzman

Representatives	Yes	No	Senators	Yes	No
Chairman Svedjan			Senator Solberg		
Vice-Chairman Delzer Rep.			Senator Bowman		
Rep. Kerzman			Senator Tomac		
			Voice Vote		

Total (Yes) 2 No 0 – Not all members voted

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: ?

Date: 4-23-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on

or

☒ **Conference Committee**

Legislative Council Amendment Number

Action Taken Motion to Remove the 85% and to fund it at 2.4 million and make the change in language

Motion Made By Rep. Delzer Seconded By Sen. Solberg

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		
			Voice Vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 4-23-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion to authorize the "2" ½ time FTES in Adult Protective Services

Motion Made By Tomac Seconded By Kerzman

Representatives	Yes	No	Senators	Yes	No
Chairman Svedjan			Senator Solberg		
Vice-Chairman Delzer			Senator Bowman		
Rep. Kerzman			Senator Tomac		

Total (Yes) 3 No 3

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: Motion Fails

Date: 4-23-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number _____

Action Taken motion to add 262,824 to budget for Adoptions

Motion Made By Kerzman Seconded By Tomac

Representatives	Yes	No	Senators	Yes	No
Chairman Svedjan			Senator Solberg		
Vice-Chairman Delzer			Senator Bowman		
Rep. Kerzman			Senator Tomac		

Voice vote

Total (Yes) 3 No 3

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion fails

Date: 4-23-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number ~~0219~~ - 18012.0219

Action Taken move to adopt this amendment

Motion Made By Rep. Delzer Seconded By Bowman

Representatives	Yes	No	Senators	Yes	No
Chairman Svedjan	✓		Senator Solberg	✓	
Vice-Chairman Delzer	✓		Senator Bowman	✓	
Rep. Kerzman		✓	Senator Tomac		✓

voice vote

Total (Yes) 4 No 2

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion carries -

18012.0220
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 23, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

That the Senate recede from its amendments as printed on pages 1513-1519 of the House Journal and pages 1377-1384 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 3, after the first semicolon insert "to provide for legislative council studies; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium;"

Page 1, line 5, after "transfers" insert "to provide for basic care facility rates"

Page 1, line 6, remove "and"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1,", after "50-01.2-03.2" insert ", and section 50-09-06.1", and after "to" insert "compensation for members of the state hospital governing body,"

Page 1, line 8, after "reimbursements" insert ", and assignment of support rights; to provide an effective date; and to declare an emergency"

Page 1, line 19, replace "34,412,275" with "34,511,962"

Page 1, line 23, replace "49,670,844" with "49,770,531"

Page 2, line 1, replace "31,615,495" with "31,715,182"

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,393,606"

Page 2, line 10, replace "718,078,659" with "736,187,339"

Page 2, line 11, replace "880,578,318" with "891,577,781"

Page 2, line 12, replace "671,393,327" with "678,799,617"

Page 2, line 13, replace "209,184,991" with "212,778,164"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,677,059"

Page 3, line 11, replace "7,657,031" with "7,482,031"

Page 3, line 14, replace "centers/institutions" with "center operations" and replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Page 4, line 2, replace "Human service centers/institutions" with "Operations" and replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 8, replace "Human service centers/institutions" with "Operations"

Page 4, line 12, replace "201,053,372" with "200,465,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,644,092"

Page 4, line 15, replace "354,044,220" with "356,587,360"

Page 4, line 16, replace "932,687,865" with "938,661,985"

Page 4, line 17, replace "1,286,732,085" with "1,295,249,345"

Page 5, remove lines 28 through 31

Page 6, remove lines 1 and 2

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - SENIOR CITIZEN MILL LEVY MATCHING PROGRAM. The legislative council shall consider studying during the 2001-02 interim, the senior citizen mill levy matching grant program. If chosen, the study must address the appropriateness of whether the program match a percentage of the total mills levied by each county or match funds only on the first mill levied by each county. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - NORTHEAST HUMAN SERVICE CENTER FUNDING. It is the intent of the legislative assembly that any budget adjustments made by the northeast human service center relating to the unspecified $175,000 reduction in general fund support made by the fifty-seventh legislative assembly not be made in areas of the budget that provide funding for contracts with private providers for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 20. MEDICAID FUNDING - REPORTS TO BUDGET SECTION. The department of human services shall report to each meeting of the budget section during the 2001-02 interim on the status of actual medical assistance expenditures to projections based on legislative appropriations for the biennium beginning July 1, 2001, and ending June 30, 2003. Each report must include the department's medical services utilization review efforts and the effect of these efforts on utilization and expenditures. If the department of human services anticipates that actual expenditures will exceed the funding provided by the legislative assembly for medical assistance grants, the department shall report to the budget section on the department's efforts to manage the funds appropriated to the department to provide for the anticipated shortfall and, if necessary, seek budget section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the next legislative assembly.

SECTION 21. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION. Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the

fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 22. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 23. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 24. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 25. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, remove "eighty-five"

Page 7, line 16, overstrike "percent" and insert immediately thereafter "a percentage based on the level of legislative appropriations"

Page 7, after line 30, insert:

"**SECTION 27. AMENDMENT.** Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~

3. Terminates when eligibility ceases, except with respect to any support obligation unpaid at that time; and

4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria or maple syrup urine disease treatment services for which income is not to be considered when determining eligibility"

Page 8, after line 5, insert:

"**SECTION 29. EFFECTIVE DATE.** Section 27 of this Act becomes effective January 1, 2002.

SECTION 30. EMERGENCY. Section 24 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Management						
Total all funds	$60,522,444	$49,670,844	$99,687	$49,770,531	$49,670,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,349	$0	$18,055,349	$18,055,349	$0
Department of Human Services - Economic Assistance						
Total all funds	$928,758,489	$880,578,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
Department of Human Services - Program and Policy						
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366	123,325,366	----------
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
Department of Human Services - State Hospital						
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143	----------	17,961,143	17,961,143	----------
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
Department of Human Services - Developmental Center						
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887	$40,687,887	$0
Less estimated income	30,233,607	30,020,107	----------	30,020,107	30,020,107	----------
General fund	$10,789,280	$10,667,780	$0	$10,667,780	$10,667,780	$0
Department of Human Services - Northwest Human Service Center						
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433	$8,157,433	$0
Less estimated income	4,155,537	4,083,037	----------	4,083,037	4,083,037	----------
General fund	$4,173,450	$4,074,396	$0	$4,074,396	$4,074,396	$0
Department of Human Services - North Central Human Service Center						
Total all funds	$14,407,527	$14,201,485	$0	$14,201,485	$14,201,485	$0
Less estimated income	5,892,990	5,797,056	----------	5,797,056	5,797,056	----------
General fund	$8,514,537	$8,404,429	$0	$8,404,429	$8,404,429	$0

Department of Human Services Lake Region Human Service Center						
Total all funds	$8,259,010	$8,207,410	($84,758)	$8,122,652	$8,122,652	$0
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587	3,598,587	
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065	$4,524,065	$0
Department of Human Services - Northeast Human Service Center						
Total all funds	$19,082,759	$18,852,059	($175,000)	$18,677,059	$18,602,059	$75,000
Less estimated income	11,282,528	11,195,028		11,195,028	11,195,028	
General fund	$7,800,231	$7,657,031	($175,000)	$7,482,031	$7,407,031	$75,000
Department of Human Services - Southeast Human Service Center						
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456	$20,213,456	$0
Less estimated income	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755	$9,093,755	$0
Department of Human Services - South Central Human Service Center						
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925	$11,128,925	$0
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459	$5,662,459	$0
Department of Human Services - West Central Human Service Center						
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938	$18,616,938	$0
Less estimated income	10,490,557	10,452,773		10,452,773	10,452,773	
General fund	$8,427,678	$8,164,165	$0	$8,164,165	$8,164,165	$0
Department of Human Services - Badlands Human Service Center						
Total all funds	$9,669,122	$9,618,722	($83,096)	$9,535,626	$9,535,626	$0
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704	$4,407,704	$0
Bill Total						
Total all funds	$1,357,101,033	$1,286,732,085	$8,517,260	$1,295,249,345	$1,293,895,078	$1,354,267
Less estimated income	1,016,554,663	932,687,865	5,974,120	938,661,985	937,640,453	1,021,532
General fund	$340,546,370	$354,044,220	$2,543,140	$356,587,360	$356,254,625	$332,735

House Bill No. 1012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,810,001	$11,810,001		$11,810,001	$11,810,001	
Operating expenses	35,536,510	34,412,275	$99,687	34,511,962	34,412,275	$99,687
Equipment	2,208,129	1,185,704		1,185,704	1,185,704	
Capital improvements	1,308	1,308		1,308	1,308	
Loan fund - DD	2,040,055	2,261,556		2,261,556	2,261,556	
HIPAA	8,926,141					
Total all funds	$60,522,444	$49,670,844	$99,687	$49,770,531	49,670,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,349	$0	$18,055,349	$18,055,349	$0
FTE	122.80	122.80	0.00	122.80	122.80	0.00

[1] Management - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Executive Office Program No changes - The same as the Senate version.				
Managerial Support Program No changes - The same as the Senate version				
Information Management Division Program Adds funding from federal TANF block grant funds for computer system changes relating to the amendment to NDCC Section 50-09-06.1 that precludes the department from assigning child support collections for a child that is subject to the TANF benefit cap. (Section 27)			$99,687	$99,687

A section is added requiring the Office of Management and Budget to submit for introduction the Department of Human Services appropriations bill for the 2003-05 biennium to the 58th Legislative Assembly at the same funding levels by line item and employee levels authorized by the 57th Legislative Assembly for the 2001-03 biennium. Any executive budget changes are to be submitted as a recommendation for change to the bill as introduced. (Section 21)

House Bill No. 1012 - Department of Human Services - Economic Assistance - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,126,095	$10,920,080	$759,123	$11,679,203	$11,679,203	
Operating expenses	17,889,079	17,169,938	127,202	17,297,140	17,297,140	
Equipment	17,950	17,950		17,950	17,950	
Capital improvements	2,543	2,543		2,543	2,543	
Grants - Assistance payments	134,790,705	134,389,148	(7,995,542)	126,393,606	126,574,490	($180,884)
Grants - Medical assistance	756,354,293	718,078,659	18,108,680	736,187,339	734,826,875	1,360,464
Health care trust fund	8,577,824	----------	----------	----------	----------	----------
Total all funds	$928,758,489	$880,578,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
FTE	130.80	127.80	9.00	136.80	136.80	0.00

[1] Economic assistance - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $180,884 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version restored $196,000 of the House reduction. The Conference Committee version changes the statutory formula provisions by removing the specific reference to a percentage and adding that the grant payments would be based on legislative appropriations. The Senate version increased the formula allocation by eight percent, from 85 percent as approved by the House to 93 percent. Total funding of $2,400,000 is provided, $331,993 of which is from the general fund.		$15,116		$15,116
Child Support Program No changes, the same as the Senate version.				
Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46, the same as the Senate version.		59,620	$139,114	198,734
Adds DD grants funding. The Senate had added the same amount of funding but specified that the funding be used to increase the fringe benefit percentage allowed for community providers by three percent, from 30 to 33 percent and to increase the average wage for community provider direct care workers by 20 cents per hour in addition to the 10 cent per hour increase added by the House.		1,837,358	3,838,774	5,676,132
Funding for basic care grants of $8,010,658 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual, the same as the Senate version.				
Consolidates the children's special health services program into the medical services program, the same as the Senate version.	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position, the same as the Senate version.	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding in children's special health services grants for costs associated with PKU-related services in accordance with provisions of Senate Bill No. 2239.		57,619	57,619	
Adds funding for medical assistance grants, the same as the Senate version. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction.		500,000	1,166,667	1,666,667
Adds funding for medical assistance grants relating to additional costs associated with provisions of House Bill No. 1441, which eliminates the asset test for medical assistance for children and families coverage groups and pregnant women.	----------	----------	----------	----------
Total Conference Committee changes - Economic assistance	9.00	$3,593,173	$7,406,290	$10,999,463

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals, the same as the Senate version. (Section 16)

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs, the same as the Senate version.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income, the same as the Senate version.

A section is added providing for a Legislative Council study of state administration of child support, the same as the Senate version. (Section 17)

Sections are added allowing, as an emergency measure, basic care facilities to charge a higher rate for private rooms, the same as the Senate version. (Sections 24 and 30)

A section is added amending NDCC Section 50-09-06.1, to preclude the department from assigning child support collections for any child that is subject to the benefit cap under the state's TANF program, effective January 1, 2002. (Sections 27 and 29)

A section is added providing that the department report to the Budget Section on the status of medical assistance expenditures and its utilization review efforts and, if the department anticipates that actual expenditures will exceed legislative appropriations for medical assistance grants, that the department report to the Budget Section on its efforts to provide for the shortfall and, if necessary, seek Budget Section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the 58th Legislative Assembly. (Section 20)

House Bill No. 1012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689	$9,650,689	
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152	11,388,152	
Equipment	53,728	53,728		53,728	53,728	
Capital improvements	789	789		789	789	
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763	132,341,763	
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366	123,325,366	
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
FTE	112.50	112.50	(10.00)	102.50	102.50	0.00

[1] Program and policy - Conference Committee changes

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants, the same as the Senate version. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation		$100,000		$100,000
Children's Special Health Services Program Consolidates the children's special health services program into the medical services program, the same as the Senate version.	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes, the same as the Senate version.				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources		50,000		50,000

for compulsive gambling services during the 2001-03 biennium, the same as the Senate version (Section 22)				
Developmental Disabilities Program No changes, the same as the Senate version				
Vocational Rehabilitation Program Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers, the same as the Senate version. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196		75,000		75,000
Total Conference Committee changes - Program and policy	(10.00)	($575,404)	($1,418,026)	($1,994,430)

A section is added providing for a Legislative Council study of the senior citizen mill levy matching program. (Section 18)

House Bill No. 1012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Capital improvements	$1,683,431	$970,176		$970,176	$970,176	
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275	50,154,275	
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143		17,961,143	17,961,143	
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
FTE	511.00	511.00	(2.00)	509.00	509.00	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] State Hospital - Conference Committee changes				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	(55,512)		(55,512)
Total Conference Committee changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day, the same as the Senate version. (Section 25)

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation, the same as the Senate version. (Section 23)

House Bill No. 1012 - Department of Human Services - Developmental Center - Conference Committee Action

The Conference Committee did not change the Senate or House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396	$4,074,396	
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429	8,404,429	
Department of Human Services - Lake Region Human Service Center	4,600,599	4,568,599	($44,534)	4,524,065	4,524,065	
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	(175,000)	7,482,031	7,407,031	$75,000
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755	9,093,755	
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459	5,662,459	

Department of Human Services - West Central Human Service Center	8,427,678	8,164,165		8,164,165	8,164,165	
Department of Human Services - Badlands Human Service Center	4,503,248	4,457,148	(49,444)	4,407,704	4,407,704	
Total general fund	$53,043,584	$52,175,609	($362,605)	$51,813,004	$51,738,004	$75,000

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,155,537	$4,083,037		$4,083,037	$4,083,037	
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056	5,797,056	
Department of Human Services - Lake Region Human Service Center	3,658,411	3,638,811	($40,224)	3,598,587	3,598,587	
Department of Human Services - Northeast Human Service Center	11,282,528	11,195,028		11,195,028	11,195,028	
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773	10,452,773	
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570	$56,840,570	

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433	$8,157,433	
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485	14,201,485	
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652	8,122,652	
Department of Human Services - Northeast Human Service Center	19,082,759	18,852,059	(175,000)	18,677,059	18,602,059	$75,000
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456	20,213,456	
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925	11,128,925	
Department of Human Services - West Central Human Service Center	18,918,235	18,616,938		18,616,938	18,616,938	
Department of Human Services - Badlands Human Service Center	9,669,122	9,618,722	(83,096)	9,535,626	9,535,626	
Total all funds	$110,367,403	$109,130,010	($476,436)	$108,653,574	$108,578,574	$75,000
FTE	904.33	899.33	(3.00)	896.33	895.33	1.00

[1] Human service centers changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL

Northwest Human Service Center - Conference Committee changes
No changes, the same as the Senate version

North Central Human Service Center - Conference Committee changes
No changes, the same as the Senate version.

Lake Region Human Service Center - Conference Committee changes Removes a vacant position - The center may determine the specific position to remove, the same as the Senate version.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Conference Committee changes Reduces general fund support. The Senate had reduced the general fund by $250,000. A section of legislative intent is added providing that any budget adjustments made as a result of this reduction be made to areas of the budget other than funding for contracts with private providers. (Section 19)		($175,000)		($175,000)
Southeast Human Service Center - Conference Committee changes Removes a vacant office assistant III, the same as the Senate version.	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Conference Committee changes Removes a vacant addiction counselor, the same as the Senate version.	(1.00)	($42,656)	($35,629)	($78,285)
West Central Human Service Center - Conference Committee changes No changes.				
Badlands Human Service Center - Conference Committee changes Removes funding relating to a vacant human relations counselor II. The Senate had removed the funding and one FTE.		($49,444)	($33,652)	($83,096)

Date: 4-24-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ Conference Committee

Legislative Council Amendment Number 18012.0220

Action Taken Adopt the Committee Conference Amendments

Motion Made By Bowman Seconded By Thane

Representatives	Yes	No	Senators	Yes	No
Chairman Svedjan	✓		Senator Solberg Thane	✓	
Vice-Chairman Delzer	✓		Senator Bowman	✓	
Rep. Kerzman		✓	Senator Tomac		✓

Total (Yes) 4 No 2

Absent 0

Floor Assignment Chairman Svedjan

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 4-24-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on _____
or
☒ **Conference Committee**

Legislative Council Amendment Number _____

Action Taken Motion to add $200,000 along with the language proposed by Sen. Solberg.

Motion Made By Rep. Delzer Seconded By Sen. Bowman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		
			Voice vote		

Total (Yes) 5 No 1

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: motion carries

(this was the 6th vote out of line)

Date: 4-24-01
Roll Call Vote #: 4

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on

or

☒ **Conference Committee**

Legislative Council Amendment Number

Action Taken Subsitute motion to change the $200,000 to $2,000,000

Motion Made By Rep. Kerzman Seconded By Sen. Tomac

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		
			Voice Vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion fails

Date: 4-24-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on
or
☒ **Conference Committee**

Legislative Council Amendment Number

Action Taken motion to change the $200,000 to $619,000

Motion Made By Sen. Tomac Seconded By Rep. Kerzman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		
			Voice Vote		

Total (Yes) 2 No 4

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion Fails

Date: 4-24-01
Roll Call Vote #: 6

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on
or
☒ **Conference Committee**

Legislative Council Amendment Number

Action Taken amend to the original motion the addition of $181,000 + the language

Motion Made By Sen. Solberg Seconded By Sen. Bowman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		
			Voice Vote		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

Date: 4-23-01
Roll Call Vote #: 7

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1012

House _____ Committee

☐ Subcommittee on
or
☒ **Conference Committee**

Legislative Council Amendment Number

Action Taken motion to add the language + $75,000 to NE HSC

Motion Made By Rep. Delzer Seconded By Sen. Solberg

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN SVEDJAN			SEN. SOLBERG		
REP. DELZER			SEN. BOWMAN		
REP. KERZMAN			SEN. TOMAC		

Total (Yes) 4 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent: motion carries

18012.0221
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 24, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

That the Senate recede from its amendments as printed on pages 1513-1519 of the House Journal and pages 1377-1384 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 3, after the first semicolon insert "to provide for legislative council studies; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium;"

Page 1, line 5, after "transfers" insert "to provide for basic care facility rates"

Page 1, line 6, remove "and"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1,", after "50-01.2-03.2" insert ", and section 50-09-06.1", and after "to" insert "compensation for members of the state hospital governing body,"

Page 1, line 8, after "reimbursements" insert ", and assignment of support rights; to provide an effective date; and to declare an emergency"

Page 1, line 19, replace "34,412,275" with "34,511,962"

Page 1, line 23, replace "49,670,844" with "49,770,531"

Page 2, line 1, replace "31,615,495" with "31,715,182"

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,393,606"

Page 2, line 10, replace "718,078,659" with "736,187,339"

Page 2, line 11, replace "880,578,318" with "891,577,781"

Page 2, line 12, replace "671,393,327" with "678,799,617"

Page 2, line 13, replace "209,184,991" with "212,778,164"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,677,059"

Page 3, line 11, replace "7,657,031" with "7,482,031"

Page 3, line 14, replace "centers/institutions" with "center operations" and replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Page 4, line 2, replace "Human service centers/institutions" with "Operations" and replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 8, replace "Human service centers/institutions" with "Operations"

Page 4, line 12, replace "201,053,372" with "200,465,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,644,092"

Page 4, line 15, replace "354,044,220" with "356,587,360"

Page 4, line 16, replace "932,687,865" with "938,661,985"

Page 4, line 17, replace "1,286,732,085" with "1,295,249,345"

Page 5, remove lines 28 through 31

Page 6, remove lines 1 and 2

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - SENIOR CITIZEN MILL LEVY MATCHING PROGRAM. The legislative council shall consider studying during the 2001-02 interim, the senior citizen mill levy matching grant program. If chosen, the study must address the appropriateness of whether the program match a percentage of the total mills levied by each county or match funds only on the first mill levied by each county. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - NORTHEAST HUMAN SERVICE CENTER FUNDING. It is the intent of the legislative assembly that any budget adjustments made by the northeast human service center relating to the unspecified $175,000 reduction in general fund support made by the fifty-seventh legislative assembly not be made in areas of the budget that provide funding for contracts with private providers for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 20. MEDICAID FUNDING - REPORTS TO BUDGET SECTION. The department of human services shall report to each meeting of the budget section during the 2001-02 interim on the status of actual medical assistance expenditures to projections based on legislative appropriations for the biennium beginning July 1, 2001, and ending June 30, 2003. Each report must include the department's medical services utilization review efforts and the effect of these efforts on utilization and expenditures. If the department of human services anticipates that actual expenditures will exceed the funding provided by the legislative assembly for medical assistance grants, the department shall report to the budget section on the department's efforts to manage the funds appropriated to the department to provide for the anticipated shortfall and, if necessary, seek budget section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the next legislative assembly.

SECTION 21. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION. Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the

fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 22. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 23. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 24. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 25. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, remove "eighty-five"

Page 7, line 16, overstrike "percent" and insert immediately thereafter "a percentage based on the level of legislative appropriations"

Page 7, after line 30, insert:

"**SECTION 27. AMENDMENT.** Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~

3. Terminates when eligibility ceases, except with respect to any support obligation unpaid at that time; and

4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria or maple syrup urine disease treatment services for which income is not to be considered when determining eligibility"

Page 8, after line 5, insert:

"**SECTION 29. EFFECTIVE DATE.** Section 27 of this Act becomes effective January 1, 2002.

SECTION 30. EMERGENCY. Section 24 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Management						
Total all funds	$60,522,444	$49,870,844	$99,687	$49,770,531	$49,870,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,349	$0	$18,055,349	$18,055,349	$0
Department of Human Services - Economic Assistance						
Total all funds	$928,758,489	$880,578,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
Department of Human Services - Program and Policy						
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366	123,325,366	
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
Department of Human Services - State Hospital						
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143		17,961,143	17,961,143	
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
Department of Human Services - Developmental Center						
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887	$40,687,887	$0
Less estimated income	30,233,607	30,020,107		30,020,107	30,020,107	
General fund	$10,789,280	$10,667,780	$0	$10,667,780	$10,667,780	$0
Department of Human Services - Northwest Human Service Center						
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433	$8,157,433	$0
Less estimated income	4,155,537	4,083,037		4,083,037	4,083,037	
General fund	$4,173,450	$4,074,396	$0	$4,074,396	$4,074,396	$0
Department of Human Services - North Central Human Service Center						
Total all funds	$14,407,527	$14,201,485	$0	$14,201,485	$14,201,485	$0
Less estimated income	5,892,990	5,797,056		5,797,056	5,797,056	
General fund	$8,514,537	$8,404,429	$0	$8,404,429	$8,404,429	$0

Department of Human Services - Lake Region Human Service Center						
Total all funds	$8,259,010	$8,207,410	($84,758)	$8,122,652	$8,122,652	$0
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587	3,598,587	
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065	$4,524,065	$0
Department of Human Services - Northeast Human Service Center						
Total all funds	$19,082,759	$18,852,059	($175,000)	$18,677,059	$18,602,059	$75,000
Less estimated income	11,282,528	11,195,028		11,195,028	11,195,028	
General fund	$7,800,231	$7,657,031	($175,000)	$7,482,031	$7,407,031	$75,000
Department of Human Services - Southeast Human Service Center						
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456	$20,213,456	$0
Less estimated income	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755	$9,093,755	$0
Department of Human Services - South Central Human Service Center						
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925	$11,128,925	$0
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459	$5,662,459	$0
Department of Human Services West Central Human Service Center						
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938	$18,616,938	$0
Less estimated income	10,490,557	10,452,773		10,452,773	10,452,773	
General fund	$8,427,678	$8,164,165	$0	$8,164,165	$8,164,165	$0
Department of Human Services - Badlands Human Service Center						
Total all funds	$9,669,122	$9,618,722	($83,098)	$9,535,626	$9,535,626	$0
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704	$4,407,704	$0
Bill Total						
Total all funds	$1,357,101,033	$1,286,732,085	$8,517,260	$1,295,249,345	$1,293,895,078	$1,354,267
Less estimated income	1,018,554,663	932,687,865	5,974,120	938,661,985	937,640,453	1,021,532
General fund	$340,546,370	$354,044,220	$2,543,140	$356,587,360	$356,254,625	$332,735

House Bill No. 1012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,810,001	$11,810,001		$11,810,001	$11,810,001	
Operating expenses	35,536,510	34,412,275	$99,687	34,511,962	34,412,275	$99,687
Equipment	2,208,429	1,185,704		1,185,704	1,185,704	
Capital improvements	1,308	1,308		1,308	1,308	
Loan fund - DD	2,040,055	2,261,556		2,261,556	2,261,556	
HIPAA	8,926,141					
Total all funds	$60,522,444	$49,670,844	$99,687	$49,770,531	49,670,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,349	$0	$18,055,349	$18,055,349	$0
FTE	122.80	122.80	0.00	122.80	122.80	0.00

[1] Management - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Executive Office Program No changes - The same as the Senate version.				
Managerial Support Program No changes - The same as the Senate version.				
Information Management Division Program Adds funding from federal TANF block grant funds for computer system changes relating to the amendment to NDCC Section 50-09-06.1 that precludes the department from assigning child support collections for a child that is subject to the TANF benefit cap. (Section 27)			$99,687	$99,687

A section is added requiring the Office of Management and Budget to submit for introduction the Department of Human Services appropriations bill for the 2003-05 biennium to the 58th Legislative Assembly at the same funding levels by line item and employee levels authorized by the 57th Legislative Assembly for the 2001-03 biennium. Any executive budget changes are to be submitted as a recommendation for change to the bill as introduced. (Section 21)

House Bill No. 1012 - Department of Human Services - Economic Assistance - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,128,095	$10,920,080	$759,123	$11,679,203	$11,679,203	
Operating expenses	17,889,079	17,169,938	127,202	17,297,140	17,297,140	
Equipment	17,950	17,950		17,950	17,950	
Capital improvements	2,543	2,543		2,543	2,543	
Grants - Assistance payments	134,790,705	134,389,148	(7,995,542)	126,393,606	126,574,490	($180,884)
Grants - Medical assistance	756,354,293	718,076,659	18,106,680	736,187,339	734,826,875	1,360,464
Health care trust fund	8,577,824					
Total all funds	$928,758,489	$880,578,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
FTE	130.80	127.80	9.00	136.80	136.80	0.00

[1] Economic assistance - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $15,116 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version restored $196,000 of the House reduction. The Conference Committee version changes the statutory formula provisions by removing the specific reference to a percentage and adding that the grant payments would be based on legislative appropriations. The Senate version increased the formula allocation by eight percent, from 85 percent as approved by the House to 93 percent. Total funding of $2,400,000 is provided, $331,993 of which is from the general fund.		$15,116		$15,116
Child Support Program No changes, the same as the Senate version.				
Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46, the same as the Senate version.		59,620	$139,114	198,734
Adds DD grants funding. The Senate had added the same amount of funding but specified that the funding be used to increase the fringe benefit percentage allowed for community providers by three percent, from 30 to 33 percent and to increase the average wage for community provider direct care workers by 20 cents per hour in addition to the 10 cent per hour increase added by the House.		1,837,358	3,838,774	5,676,132
Funding for basic care grants of $8,010,658 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual, the same as the Senate version.				
Consolidates the children's special health services program into the medical services program, the same as the Senate version.	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position, the same as the Senate version.	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding in children's special health services grants for costs associated with PKU-related services in accordance with provisions of Senate Bill No. 2239.		57,619		57,619
Adds funding for medical assistance grants, the same as the Senate version. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction.		500,000	1,166,667	1,666,667
Adds funding for medical assistance grants relating to additional costs associated with provisions of House Bill No. 1441, which eliminates the asset test for medical assistance for children and families coverage groups and pregnant women.		381,000	921,845	1,302,845
Total Conference Committee changes - Economic assistance	9.00	$3,593,173	$7,406,290	$10,999,463

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals, the same as the Senate version. (Section 16)

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs, the same as the Senate version.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income, the same as the Senate version.

A section is added providing for a Legislative Council study of state administration of child support, the same as the Senate version. (Section 17)

Sections are added allowing, as an emergency measure, basic care facilities to charge a higher rate for private rooms, the same as the Senate version. (Sections 24 and 30)

A section is added amending NDCC Section 50-09-06.1, to preclude the department from assigning child support collections for any child that is subject to the benefit cap under the state's TANF program, effective January 1, 2002. (Sections 27 and 29)

A section is added providing that the department report to the Budget Section on the status of medical assistance expenditures and its utilization review efforts and, if the department anticipates that actual expenditures will exceed legislative appropriations for medical assistance grants, that the department report to the Budget Section on its efforts to provide for the shortfall and, if necessary, seek Budget Section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the 58th Legislative Assembly. (Section 20)

House Bill No. 1012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689	$9,650,689	
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152	11,388,152	
Equipment	53,728	53,728		53,728	53,728	
Capital improvements	789	789		789	789	
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763	132,341,763	
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	129,295,037	124,743,392	(1,418,026)	123,325,366	123,325,366	
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
FTE	112.50	112.50	(10.00)	102.50	102.50	0.00

[1] Program and policy - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants, the same as the Senate version. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation.		$100,000		$100,000
Children's Special Health Services Program Consolidates the children's special health services program into the medical services program, the same as the Senate version.	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes, the same as the Senate version.				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources		50,000		50,000

for compulsive gambling services during the 2001-03 biennium, the same as the Senate version. (Section 22)

Developmental Disabilities Program
No changes, the same as the Senate version.

Vocational Rehabilitation Program
Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers, the same as the Senate version. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196.

		[illegible].000		[illegible]5 000
Total Conference Committee changes - Program and policy	(10.00)	($576,404)	($1,418,026)	($1,994,430)

A section is added providing for a Legislative Council study of the senior citizen mill levy matching program. (Section 18)

House Bill No. 1012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Capital improvements	$1,883,431	$970,176		$970,176	$970,176	
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275	50,154,275	
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143		17,961,143	17,961,143	
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
FTE	511.00	511.00	(2.00)	509.00	509.00	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **State Hospital - Conference Committee changes**				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	($55,512)		($55,512)
Total Conference Committee changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day, the same as the Senate version. (Section 25)

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation, the same as the Senate version. (Section 23)

House Bill No. 1012 - Department of Human Services - Developmental Center - Conference Committee Action

The Conference Committee did not change the Senate or House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396	$4,074,396	
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429	8,404,429	
Department of Human Services - Lake Region Human Service Center	4,600,599	4,568,599	($44,534)	4,524,065	4,524,065	
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	([illegible]5,000)	7,482,031	7,407,031	$75,000
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755	9,093,755	
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459	5,662,459	

Department of Human Services - West Central Human Service Center	8,427,675	8,164,165		8,164,165	8,164,165	
Department of Human Services - Badlands Human Service Center	4,503,248	4,457,148	(49,444)	4,407,704	4,407,704	
Total general fund	$53,043,584	$52,175,609	($362,605)	$51,813,004	$51,738,004	$75,000

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,155,537	$4,083,037		$4,083,037	$4,083,037	
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056	5,797,056	
Department of Human Services - Lake Region Human Service Center	3,658,411	3,638,811	($40,224)	3,598,587	3,598,587	
Department of Human Services - Northeast Human Service Center	11,262,528	11,195,028		11,195,028	11,195,028	
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773	10,452,773	
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570	$56,840,570	

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433	$8,157,433	
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485	14,201,485	
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652	8,122,652	
Department of Human Services - Northeast Human Service Center	19,082,759	18,852,059	(175,000)	18,677,059	18,602,059	$75,000
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456	20,213,456	
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925	11,128,925	
Department of Human Services - West Central Human Service Center	18,918,235	18,616,938		18,616,938	18,616,938	
Department of Human Services - Badlands Human Service Center	9,669,122	9,616,722	(83,096)	9,535,626	9,535,626	
Total all funds	$110,367,403	$109,130,010	($476,436)	$108,653,574	$108,578,574	$75,000
FTE	904.33	899.33	(3.00)	896.33	895.33	1.00

[1] Human service centers changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL

Northwest Human Service Center - Conference Committee changes
No changes, the same as the Senate version.

North Central Human Service Center - Conference Committee changes
No changes, the same as the Senate version.

Lake Region Human Service Center - Conference Committee changes Removes a vacant position - The center may determine the specific position to remove, the same as the Senate version.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Conference Committee changes Reduces general fund support. The Senate had reduced the general fund by $250,000. A section of legislative intent is added providing that any budget adjustments made as a result of this reduction be made to areas of the budget other than funding for contracts with private providers. (Section 19)		($175,000)		($175,000)
Southeast Human Service Center - Conference Committee changes Removes a vacant office assistant III, the same as the Senate version.	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Conference Committee changes Removes a vacant addiction counselor, the same as the Senate version.	(1.00)	($42,656)	($35,629)	($78,285)
West Central Human Service Center - Conference Committee changes No changes.				
Badlands Human Service Center - Conference Committee changes Removes funding relating to a vacant human relations counselor II. The Senate had removed the funding and one FTE.		($49,444)	($33,652)	($83,096)

REPORT OF CONFERENCE COMMITTEE

HB 1012, as engrossed: Your conference committee (Sens. Bowman, Thane, Tomac and Reps. Svedjan, Delzer, Kerzman) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1513-1519, adopt amendments as follows, and place HB 1012 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1513-1519 of the House Journal and pages 1377-1384 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 3, after the first semicolon insert "to provide for legislative council studies; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium;"

Page 1, line 5, after "transfers" insert "; to provide for basic care facility rates"

Page 1, line 6, remove "and"

Page 1, line 7, after "reenact" insert "subsection 2 of section 25-02-01.1,", after "50-01.2-03.2" insert ", and section 50-09-06.1", and after "to" insert "compensation for members of the state hospital governing body,"

Page 1, line 8, after "reimbursements" insert ", and assignment of support rights; to provide an effective date; and to declare an emergency"

Page 1, line 19, replace "34,412,275" with "34,511,962"

Page 1, line 23, replace "49,670,844" with "49,770,531"

Page 2, line 1, replace "31,615,495" with "31,715,182"

Page 2, line 5, replace "10,920,080" with "11,679,203"

Page 2, line 6, replace "17,169,938" with "17,297,140"

Page 2, line 9, replace "134,389,148" with "126,393,606"

Page 2, line 10, replace "718,078,659" with "736,187,339"

Page 2, line 11, replace "880,578,318" with "891,577,781"

Page 2, line 12, replace "671,393,327" with "678,799,617"

Page 2, line 13, replace "209,184,991" with "212,778,164"

Page 2, line 16, replace "10,546,892" with "9,650,689"

Page 2, line 17, replace "11,465,354" with "11,388,152"

Page 2, line 20, replace "133,362,788" with "132,341,763"

Page 2, line 21, replace "155,429,551" with "153,435,121"

Page 2, line 22, replace "124,743,392" with "123,325,366"

Page 2, line 23, replace "30,686,159" with "30,109,755"

Page 3, line 5, replace "8,207,410" with "8,122,652"

Page 3, line 6, replace "3,638,811" with "3,598,587"

Page 3, line 7, replace "4,568,599" with "4,524,065"

Page 3, line 9, replace "18,852,059" with "18,677,059"

Page 3, line 11, replace "7,657,031" with "7,482,031"

Page 3, line 14, replace "centers/institutions" with "center operations" and replace "19,695,629" with "19,640,332"

Page 3, line 15, replace "20,268,753" with "20,213,456"

Page 3, line 16, replace "11,124,027" with "11,119,701"

Page 3, line 17, replace "9,144,726" with "9,093,755"

Page 3, line 19, replace "11,207,210" with "11,128,925"

Page 3, line 20, replace "5,502,095" with "5,466,466"

Page 3, line 21, replace "5,705,115" with "5,662,459"

Page 3, line 27, replace "9,618,722" with "9,535,626"

Page 3, line 28, replace "5,161,574" with "5,127,922"

Page 3, line 29, replace "4,457,148" with "4,407,704"

Page 4, line 2, replace "Human service centers/institutions" with "Operations" and replace "50,265,299" with "50,154,275"

Page 4, line 3, replace "51,235,475" with "51,124,451"

Page 4, line 5, replace "33,274,332" with "33,163,308"

Page 4, line 8, replace "Human service centers/institutions" with "Operations"

Page 4, line 12, replace "201,053,372" with "200,465,912"

Page 4, line 13, replace "104,935,651" with "104,821,820"

Page 4, line 14, replace "96,117,721" with "95,644,092"

Page 4, line 15, replace "354,044,220" with "356,587,360"

Page 4, line 16, replace "932,687,865" with "938,661,985"

Page 4, line 17, replace "1,286,732,085" with "1,295,249,345"

Page 5, remove lines 28 through 31

Page 6, remove lines 1 and 2

Page 7, after line 4, insert:

"**SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS.** It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - SENIOR CITIZEN MILL LEVY MATCHING PROGRAM. The legislative council shall consider studying during the 2001-02 interim, the senior citizen mill levy matching grant program. If chosen, the study must address the appropriateness of whether the program match a percentage of the total mills levied by each county or match funds only on the first mill levied by each county. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - NORTHEAST HUMAN SERVICE CENTER FUNDING. It is the intent of the legislative assembly that any budget adjustments made by the northeast human service center relating to the unspecified $175,000 reduction in general fund support made by the fifty-seventh legislative assembly not be made in areas of the budget that provide funding for contracts with private providers for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 20. MEDICAID FUNDING - REPORTS TO BUDGET SECTION. The department of human services shall report to each meeting of the budget section during the 2001-02 interim on the status of actual medical assistance expenditures to projections based on legislative appropriations for the biennium beginning July 1, 2001, and ending June 30, 2003. Each report must include the department's medical services utilization review efforts and the effect of these efforts on utilization and expenditures. If the department of human services anticipates that actual expenditures will exceed the funding provided by the legislative assembly for medical assistance grants, the department shall report to the budget section on the department's efforts to manage the funds appropriated to the department to provide for the anticipated shortfall and, if necessary, seek budget section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the next legislative assembly.

SECTION 21. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION. Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 22. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act

includes $150,000 from the general fund for compulsive gambling services. The department of human services may spend $50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 23. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 24. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 25. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

Page 7, line 15, remove "eighty-five"

Page 7, line 16, overstrike "percent" and insert immediately thereafter "a percentage based on the level of legislative appropriations"

Page 7, after line 30, insert:

"**SECTION 27. AMENDMENT.** Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~

3. Terminates when eligibility ceases, except with respect to any support obligation unpaid at that time; and

4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."

Page 8, line 4, after the first "line" insert ", except for criteria relating to phenylketonuria or maple syrup urine disease treatment services for which income is not to be considered when determining eligibility"

Page 8, after line 5, insert:

"**SECTION 29. EFFECTIVE DATE.** Section 27 of this Act becomes effective January 1, 2002.

SECTION 30. EMERGENCY. Section 24 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Management						
Total all funds	$60,522,444	$49,670,844	$99,687	$49,770,531	$49,670,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,349	$0	$18,055,349	$18,055,349	$0
Department of Human Services - Economic Assistance						
Total all funds	$928,758,489	$880,576,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
Department of Human Services - Program and Policy						
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	129,295,937	124,743,392	(1,418,026)	123,325,366	123,325,366	.....
General fund	$34,059,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
Department of Human Services - State Hospital						
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143	.....	17,961,143	17,961,143	.....
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
Department of Human Services - Developmental Center						
Total all funds	$41,022,887	$40,687,887	$0	$40,687,887	$40,687,887	$0
Less estimated income	30,233,607	30,020,107	.....	30,020,107	30,020,107	.....
General fund	$10,789,280	$10,667,780	$0	$10,667,780	$10,667,780	$0
Department of Human Services - Northwest Human Service Center						
Total all funds	$8,328,987	$8,157,433	$0	$8,157,433	$8,157,433	$0
Less estimated income	4,155,537	4,083,037	.....	4,083,037	4,083,037	.....
General fund	$4,173,450	$4,074,396	$0	$4,074,396	$4,074,396	$0
Department of Human Services - North Central Human Service Center						
Total all funds	$14,407,527	$14,201,485	$0	$14,201,485	$14,201,485	$0
Less estimated income	5,892,990	5,797,056	.....	5,797,056	5,797,056	.....
General fund	$8,514,537	$8,404,429	$0	$8,404,429	$8,404,429	$0
Department of Human Services -						

Lake Region Human Service Center						
Total all funds	$8,259,010	$8,207,410	($84,758)	$8,122,652	$8,122,652	$0
Less estimated income	3,658,411	3,638,811	(40,224)	3,598,587	3,598,587	
General fund	$4,600,599	$4,568,599	($44,534)	$4,524,065	$4,524,065	$0
Department of Human Services - Northeast Human Service Center						
Total all funds	$19,082,759	$18,852,059	($175,000)	$18,677,059	$18,602,059	$75,000
Less estimated income	11,282,528	11,195,028		11,195,028	11,195,028	
General fund	$7,800,231	$7,657,031	($175,000)	$7,482,031	$7,407,031	$75,000
Department of Human Services - Southeast Human Service Center						
Total all funds	$20,387,053	$20,268,753	($55,297)	$20,213,456	$20,213,456	$0
Less estimated income	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
General fund	$9,240,626	$9,144,726	($50,971)	$9,093,755	$9,093,755	$0
Department of Human Services - South Central Human Service Center						
Total all funds	$11,314,710	$11,207,210	($78,285)	$11,128,925	$11,128,925	$0
Less estimated income	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
General fund	$5,783,215	$5,705,115	($42,656)	$5,662,459	$5,662,459	$0
Department of Human Services - West Central Human Service Center						
Total all funds	$18,918,235	$18,616,938	$0	$18,616,938	$18,616,938	$0
Less estimated income	10,490,557	10,452,773		10,452,773	10,452,773	
General fund	$8,427,678	$8,164,165	$0	$8,164,165	$8,164,165	$0
Department of Human Services - Badlands Human Service Center						
Total all funds	$9,669,122	$9,618,722	($83,096)	$9,535,626	$9,535,626	$0
Less estimated income	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
General fund	$4,503,248	$4,457,148	($49,444)	$4,407,704	$4,407,704	$0
Bill Total						
Total all funds	$1,357,101,033	$1,286,732,085	$8,517,260	$1,295,249,345	$1,293,895,078	$1,354,267
Less estimated income	1,016,554,663	932,687,865	5,974,120	938,661,985	937,640,453	1,021,532
General fund	$340,546,370	$354,044,220	$2,543,140	$356,587,360	$356,254,625	$332,735

House Bill No. 1012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,810,001	$11,810,001		$11,810,001	$11,810,001	
Operating expenses	35,536,510	34,412,275	$99,687	34,511,962	34,412,275	$99,687
Equipment	2,208,429	1,185,704		1,185,704	1,185,704	
Capital improvements	1,308	1,308		1,308	1,308	
Loan fund - DD	2,040,055	2,261,556		2,261,556	2,261,556	
HIPAA	8,926,141					
Total all funds	$60,522,444	$49,670,844	$99,687	$49,770,531	49,670,844	$99,687
Less estimated income	40,824,823	31,615,495	99,687	31,715,182	31,615,495	99,687
General fund	$19,697,621	$18,055,340	$0	$18,055,349	$18,055,349	$0
FTE	122.80	122.80	0.00	122.80	122.80	0.00

[1] Management - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Executive Office Program No changes - The same as the Senate version.				
Managerial Support Program No changes - The same as the Senate version.				
Information Management Division Program Adds funding from federal TANF block grant funds for computer system changes relating to the amendment to NDCC Section 50-09-08.1 that precludes the department from assigning child support collections for a child that is subject to the TANF benefit cap. (Section 27)			$99,687	$99,687

A section is added requiring the Office of Management and Budget to submit for introduction the Department of Human Services appropriations bill for the 2003-05 biennium to the 58th Legislative Assembly at the same funding levels by line item and employee levels authorized by the 57th Legislative Assembly for the 2001-03 biennium. Any executive budget changes are to be submitted as a recommendation for change to the bill as introduced. (Section 21)

House Bill No. 1012 - Department of Human Services - Economic Assistance - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$11,126,095	$10,920,080	$759,123	$11,679,203	$11,679,203	
Operating expenses	17,889,079	17,169,938	127,202	17,297,140	17,297,140	
Equipment	17,950	17,950		17,950	17,950	
Capital improvements	2,543	2,543		2,543	2,543	
Grants - Assistance payments	134,790,705	134,389,148	(7,995,542)	126,393,606	126,574,490	($180,884)
Grants - Medical assistance	756,354,293	718,078,659	18,108,680	736,187,339	734,826,875	1,360,464
Health care trust fund	8,577,824					
Total all funds	$928,758,489	$880,578,318	$10,999,463	$891,577,781	$890,398,201	$1,179,580
Less estimated income	740,502,079	671,393,327	7,406,290	678,799,617	677,877,772	921,845
General fund	$188,256,410	$209,184,991	$3,593,173	$212,778,164	$212,520,429	$257,735
FTE	130.80	127.80	9.00	136.80	136.80	0.00

[1] Economic assistance - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Economic Assistance Policy Program Restores $15,116 of the $387,095 reduced by the House for grants relating to the Indian county allocation. The Senate version restored $198,000 of the House reduction. The Conference Committee version changes the statutory formula provisions by removing the specific reference to a percentage and adding that the grant payments would be based on legislative appropriations. The Senate version increased the formula allocation by eight percent, from 85 percent as approved by the House to 93 percent. Total funding of $2,400,000 is provided, $331,993 of which is from the general fund.		$15,116		$15,116
Child Support Program No changes, the same as the Senate version.				
Medical Services Program Adds funding for medical assistance grants to increase the optometric fee payment by $15, from $31 to $46, the same as the Senate version.		59,620	$139,114	198,734
Adds DD grants funding. The Senate had added the same amount of funding but specified that the funding be used to increase the fringe benefit percentage allowed for community providers by three percent, from 30 to 33 percent and to increase the average wage for community provider direct care workers by 20 cents per hour in addition to the 10 cent per hour increase added by the House.		1,837,358	3,838,774	5,676,132
Funding for basic care grants of $9,010,658 of federal and special funds is moved from the assistance payments grants line item to the medical assistance grants line item to provide additional flexibility for the department to use funding for basic care costs or nursing facility costs, depending on the needs of the individual, the same as the Senate version.				
Consolidates the children's special health services program into the medical services program, the same as the Senate version.	10.00	801,404	1,418,026	2,219,430
Removes the children's special health services program director position, the same as the Senate version.	(1.00)	(58,944)	(78,136)	(137,080)
Adds funding in children's special health services grants for costs associated with PKU-related services in accordance with provisions of Senate Bill No. 2239.		57,619		57,619

Adds funding for medical assistance grants, the same as the Senate version. The House removed the $25 million of funding included in the executive budget from the health care trust fund for state matching for medical assistance grants and provided $21 million from the general fund, resulting in a $4 million reduction in state matching grants funding. This amendment restores $500,000 of the $4,000,000 reduction.		500,000	1,166,667	1,666,667
Adds funding for medical assistance grants relating to additional costs associated with provisions of House Bill No. 1441, which eliminates the asset test for medical assistance for children and families coverage groups and pregnant women.		381,000	921,845	1,302,845
Total Conference Committee changes - Economic assistance	9.00	$3,593,173	$7,406,290	$10,999,463

A section of legislative intent is added providing that the department implement a charge-based payment schedule for critical access hospitals, the same as the Senate version. (Section 16)

This amendment removes a section of legislative intent added by the House providing that the Department of Human Services and the State Department of Health seek a federal waiver to allow the state to spend less than 30 percent of its federal maternal and child health block grant for children with special health care needs, the same as the Senate version.

A provision is added to allow individuals with phenylketonuria (PKU) to receive treatment services regardless of income, the same as the Senate version.

A section is added providing for a Legislative Council study of state administration of child support, the same as the Senate version. (Section 17)

Sections are added allowing, as an emergency measure, basic care facilities to charge a higher rate for private rooms, the same as the Senate version. (Sections 24 and 30)

A section is added amending NDCC Section 50-09-06.1, to preclude the department from assigning child support collections for any child that is subject to the benefit cap under the state's TANF program, effective January 1, 2002. (Sections 27 and 29)

A section is added providing that the department report to the Budget Section on the status of medical assistance expenditures and its utilization review efforts and, if the department anticipates that actual expenditures will exceed legislative appropriations for medical assistance grants, that the department report to the Budget Section on its efforts to provide for the shortfall and, if necessary, seek Budget Section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the 58th Legislative Assembly. (Section 20)

House Bill No. 1012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	$10,546,892	$10,546,892	($896,203)	$9,650,689	$9,650,689	
Operating expenses	11,658,081	11,465,354	(77,202)	11,388,152	11,388,152	
Equipment	53,728	53,728		53,728	53,728	
Capital improvements	789	789		789	789	
Grants	141,995,590	133,362,788	(1,021,025)	132,341,763	132,341,763	
Total all funds	$164,255,080	$155,429,551	($1,994,430)	$153,435,121	$153,435,121	$0
Less estimated income	120,295,937	124,743,392	(1,410,020)	123,325,366	123,325,366	
General fund	$34,959,143	$30,686,159	($576,404)	$30,109,755	$30,109,755	$0
FTE	112.50	112.50	(10.00)	102.50	102.50	0.00

[1] Program and policy - Conference Committee changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Aging Services Program Restores $100,000 of the $350,000 removed by the House for senior citizen mill levy matching grants, the same as the Senate version. Funding of $1,412,945 from the general fund remains in this bill. Additional funding of $250,000 from the health care trust fund is included in House Bill No. 1196. Combined, these bills provide a total of $1,662,945 for these grants, the same amount recommended in the executive budget, and an increase of $400,000 compared to the 1999-2001 appropriation.		$100,000		$100,000
Children's Special Health Services Program Consolidates the children's special health services program into the medical services program, the same as the Senate version.	(10.00)	(801,404)	($1,418,026)	(2,219,430)
Children and Family Services Program No changes, the same as the Senate version.				
Mental Health and Substance Abuse Program Restores operating expense funding reduced by the House for compulsive gambling services to provide a total of $150,000 from the general fund. A section is added providing that the additional $50,000 may be spent only if the Mental Health Association receives at least $220,000 of funding from Indian gaming sources for compulsive gambling services during the 2001-03 biennium, the same as the Senate version. (Section 22)		50,000		50,000
Developmental Disabilities Program No changes, the same as the Senate version.				
Vocational Rehabilitation Program Increases grants funding to restore $75,000 of the $300,000 of funding from the general fund reduced by the House for independent living centers, the same as the Senate version. Additional funding of $100,000 from the health care trust fund for independent living center grants is included in House Bill No. 1196.		75,000		75,000
Total Conference Committee changes - Program and policy	(10.00)	($576,404)	($1,418,026)	($1,994,430)

A section is added providing for a Legislative Council study of the senior citizen mill levy matching program. (Section 18)

House Bill No. 1012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Capital improvements	$1,683,431	$970,176		$970,176	$970,176	
Human service centers/institutions	50,491,299	50,265,299	($111,024)	50,154,275	50,154,275	
Total all funds	$52,174,730	$51,235,475	($111,024)	$51,124,451	$51,124,451	$0
Less estimated income	18,374,398	17,961,143		17,961,143	17,961,143	
General fund	$33,800,332	$33,274,332	($111,024)	$33,163,308	$33,163,308	$0
FTE	511.00	511.00	(2.00)	509.00	509.00	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **State Hospital - Conference Committee changes**				
Removes a vacant nurse position	(1.00)	($55,512)		($55,512)
Removes a vacant social worker position	(1.00)	(55,512)		(55,512)
Total Conference Committee changes - State Hospital	(2.00)	($111,024)	$0	($111,024)

A section is added increasing per diem for members of the State Hospital Governing Board by $37.50 per day, from $62.50 to $100 per day, the same as the Senate version. (Section 25)

A section is added authorizing the State Hospital to close its landfill if funding becomes available within its 2001-03 biennium appropriation, the same as the Senate version. (Section 23)

House Bill No. 1012 - Department of Human Services - Developmental Center - Conference Committee Action

The Conference Committee did not change the Senate or House version.

House Bill No. 1012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,173,450	$4,074,396		$4,074,396	$4,074,396	
Department of Human Services - North Central Human Service Center	8,514,537	8,404,429		8,404,429	8,404,429	
Department of Human Services - Lake Region Human Service Center	4,600,599	4,569,599	($44,534)	4,524,065	4,524,065	
Department of Human Services - Northeast Human Service Center	7,800,231	7,657,031	(175,000)	7,482,031	7,407,031	$75,000
Department of Human Services - Southeast Human Service Center	9,240,626	9,144,726	(50,971)	9,093,755	9,093,755	
Department of Human Services - South Central Human Service Center	5,783,215	5,705,115	(42,656)	5,662,459	5,662,459	
Department of Human Services - West Central Human Service Center	8,427,678	8,164,165		8,164,165	8,164,165	
Department of Human Services - Badlands Human Service Center	4,503,248	4,457,148	(49,444)	4,407,704	4,407,704	
Total general fund	$53,043,584	$52,175,609	($362,605)	$51,813,004	$51,738,004	$75,000

House Bill No. 1012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$4,155,537	$4,083,037		$4,083,037	$4,083,037	
Department of Human Services - North Central Human Service Center	5,892,990	5,797,056		5,797,056	5,797,056	
Department of Human Services - Lake Region Human Service Center	3,658,411	3,638,811	($40,224)	3,598,587	3,598,587	
Department of Human Services - Northeast Human Service Center	11,282,528	11,195,028		11,195,028	11,195,028	
Department of Human Services - Southeast Human Service Center	11,146,427	11,124,027	(4,326)	11,119,701	11,119,701	
Department of Human Services - South Central Human Service Center	5,531,495	5,502,095	(35,629)	5,466,466	5,466,466	
Department of Human Services - West Central Human Service Center	10,490,557	10,452,773		10,452,773	10,452,773	
Department of Human Services - Badlands Human Service Center	5,165,874	5,161,574	(33,652)	5,127,922	5,127,922	
Total other funds	$57,323,819	$56,954,401	($113,831)	$56,840,570	$56,840,570	

House Bill No. 1012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Department of Human Services - Northwest Human Service Center	$8,328,987	$8,157,433		$8,157,433	$8,157,433	
Department of Human Services - North Central Human Service Center	14,407,527	14,201,485		14,201,485	14,201,485	
Department of Human Services - Lake Region Human Service Center	8,259,010	8,207,410	($84,758)	8,122,652	8,122,652	
Department of Human Services - Northeast Human Service Center	19,082,759	18,852,059	(175,000)	18,677,059	18,602,059	$75,000
Department of Human Services - Southeast Human Service Center	20,387,053	20,268,753	(55,297)	20,213,456	20,213,456	
Department of Human Services - South Central Human Service Center	11,314,710	11,207,210	(78,285)	11,128,925	11,128,925	
Department of Human Services - West Central Human Service Center	18,916,235	18,616,938		18,616,938	18,616,938	
Department of Human Services - Badlands Human Service Center	9,669,122	9,618,722	(83,096)	9,535,626	9,535,626	
Total all funds	$110,367,403	$109,130,010	($476,436)	$108,653,574	$108,578,574	$75,000
FTE	904.33	899.33	(3.00)	896.33	895.33	1.00

[1] Human service centers changes include:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest Human Service Center - Conference Committee changes No changes, the same as the Senate version.				
North Central Human Service Center - Conference Committee changes No changes, the same as the Senate version.				
Lake Region Human Service Center - Conference Committee changes Removes a vacant position - The center may determine the specific position to remove, the same as the Senate version.	(1.00)	($44,534)	($40,224)	($84,758)
Northeast Human Service Center - Conference Committee changes Reduces general fund support. The Senate had reduced the general fund by $250,000. A section of legislative intent is added providing that any budget adjustments made as a result of this reduction be made to areas of the budget other than funding for contracts with private providers. (Section 19)		($175,000)		($175,000)
Southeast Human Service Center - Conference Committee changes Removes a vacant office assistant III, the same as the Senate version.	(1.00)	($50,971)	($4,326)	($55,297)
South Central Human Service Center - Conference Committee changes Removes a vacant addiction counselor, the same as the Senate version.	(1.00)	($42,656)	($35,629)	($78,285)
West Central Human Service Center - Conference Committee changes No changes.				
Badlands Human Service Center - Conference Committee changes Removes funding relating to a vacant human relations counselor II. The Senate had removed the funding and one FTE.		$[illegible]	($33,652)	($83,096)

Engrossed HB 1012 was placed on the Seventh order of business on the calendar.

2001 TESTIMONY

HB 1012

Human Service Center Funding Schedule
For the 2001 - 2003 Biennium

Grant		NW	NC	LR	NE	SE	SC	WC	BL	Total
S003	Mental Health Block Grant	137,335	0	137,335	137,335	0	137,335	0	137,335	686,675
S019	Substance Abuse Block Grant									
	Treatment	135,884	380,820	425,254	450,682	591,440	205,518	531,697	145,459	2,866,754
	Women's Program	145,950	419,096	0	0	0	0	0	0	565,046
S029	MH Homeless Grant	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	590,000
S090	Aging Administration									
	Federal funds	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	250,000
	General Funds	74,500	65,500	73,500	66,100	71,500	67,000	59,100	54,500	531,700
	Vulnerable Adults/Ombuds									
S096	Elder Abuse Prevention	0	21,740	21,740	0	27,500	0	0	0	70,980
S098	Ombudsman Activity	0	39,260	29,160	0	0	0	0	0	68,420
	Federal funds	0	61,000	50,900	0	27,500	0	0	0	139,400
	General Funds	0	0	0	40,700	53,300	37,500	58,100	20,400	210,000
Total HSC Funding		598,669	1,031,416	791,989	799,817	848,740	552,353	753,897	462,694	5,839,575
	Federal funds	524,169	965,916	718,489	693,017	723,940	447,853	636,697	387,794	5,097,875
	General funds	74,500	65,500	73,500	106,800	124,800	104,500	117,200	74,900	741,700

Transfer of Vulnerable Adult Funds
To Human Service Centers

	99 - 01	Change	01 - 03
Central Office			
Elder Abuse - Federal	43,000	(43,000)	0
Ombudsman - Federal	14,150	(14,150)	0
* Aging General fund target	15,869,586	(4,472,054)	11,397,532
Subtotal	15,926,736	(4,529,204)	11,397,532
Human Service Centers			
Elder Abuse - Federal	47,830	23,150	70,980
Ombudsman - Federal	56,884	11,536	68,420
Vulnerable Adults - General	0	210,000	210,000
Subtotal	104,714	244,686	349,400
Total	16,031,450	(4,284,518)	11,746,932

* General fund change:

SPED Contingency	4,262,410
VAS Transfer	209,644
	4,472,054

HUMAN SERVICE CENTER CASELOADS

CLIENT POPULATION	SFY1996	SFY1997	SFY1998	SFY1999	SFY2000	DIFFERENCE	% INCREASE
ADULT ALCOHOL & DRUG	5,107	5,136	5,313	5,469	5,806	699	13.69%
SERIOUS MENTAL ILLNESS	4,695	5,169	5,655	6,160	6,551	1,856	39.53%
TOTAL	**9,802**	**10,305**	**10,968**	**11,629**	**12,357**	**2,555**	**26.06%**

STATE HOSPITAL AVERAGE DAILY POPULATION

	SFY1996	SFY1997	SFY1998	SFY1999	SFY2000	DIFFERENCE	% DECREASE
AVERAGE DAILY POPULATION	229	223	221	192	165	-64	-27.95%

DISTRIBUTION OF GENERAL FUNDS TO HUMAN SERVICE CENTERS

CENTER	1997-99 EXPENDITURE	%AGE	2001-2003 REQUEST	%AGE	INCR/DECR EQUIVALENT
NORTHWEST	$ 3,836,125.00	8.7%	$ 4,173,450.00	7.9%	$ (424,349.00)
NORTH CENTRAL	$ 6,720,422.00	15.2%	$ 8,514,537.00	16.1%	$ 477,392.00
LAKE REGION	$ 3,784,528.00	8.6%	$ 4,600,599.00	8.7%	$ 53,044.00
NORTHEAST	$ 7,117,433.00	16.1%	$ 7,800,231.00	14.7%	$ (742,610.00)
SOUTHEAST	$ 6,766,944.00	15.3%	$ 9,240,626.00	17.4%	$ 1,113,915.00
SOUTH CENTRAL	$ 4,417,813.00	10.0%	$ 5,783,215.00	10.9%	$ 477,392.00
WEST CENTRAL	$ 7,201,395.00	16.3%	$ 8,427,678.00	15.9%	$ (212,174.00)
BADLANDS	$ 4,346,266.00	9.8%	$ 4,503,248.00	8.5%	$ (689,567.00)
TOTAL	$ 44,190,926.00	100.0%	$ 53,043,584.00	100.0%	

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

John Hoeven, Governor
Carol K. Olson, Executive Director

Executive Office

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February 6, 2001

Representative Ken D. Svedjan
Chairman, Appropriations-Human Resources Division
600 E Boulevard Avenue
Bismarck, ND 58505

Dear Representative Svedjan:

Attached is the information you requested regarding the contracts that the Human Service Centers have for inpatient hospitalization. You will note that Lake Region and South Central do not have contracts. Mercy Hospital in Devils Lake does not have a psychiatric or chemical dependency unit. South Central uses the State Hospital when inpatient care is necessary.

Northwest HSC's contract is just for medical detoxification. The other five contracts include both med detox/chemical dependency and psychiatric inpatient. Each of the contracts was negotiated by the regional center based upon the local needs and the willingness of the local facilities to provide service. They are different from each other in terms of payment methodology and the specific services included. If you want to discuss, please let me know.

Sincerely,

Yvonne M. Smith
Deputy Director

600 East Boulevard Avenue Department 325 -- Bismarck, ND 58505-0250
www.state.nd.us/humanservices

Department of Human Services
Inpatient Hospitalization - Total Contracted
1999 - 2001 Biennium

Human Service Center	Hospital under Contract	Service	Compensation	Total
Northwest Human Service Center	Mercy Hospital	Detoxification	$25/analysis for blood alcohol tests $45/complete urine tests $43.50/quarter of day or $174/day of outpatient hosp $95/quarter of day or $382/day for detoxification services	$9,000
North Central Human Service Center	QHG of Minot dba Unimed Medical Center	Hospitalization Services Mental Health Services Chemical Dependency Services	 $541 Inpatient Hospitalization/day $63 Medical Consultation/visit $210 Psychiatric Evaluation/one time $84 Psychiatric Follow-up/day if provided $95 Discharge Management/one time $210 Emergency Room Services/admission $664 Medical Detox/day $63 Follow-up Visit/day if provided $63 Medical Consultation/visit $95 Discharge Management/one time $210 Emergency Room Services/admission	$625,000
Northeast Human Service Center	Altru Health System	Psychiatric Hospitalization for up to 5 days/occurrence Detoxification Services for up to 211 bed days	$8,333/month	$200,000
Southeast Human Service Center	Meritcare Medical Group Meritcare Hospital	Inpatient Hospitalization Detoxification	70% of the total costs incurred for preauthorized indigents $140 court preparation and appearance/hour 70% of the total costs incurred for preauthorized indigents $140 court preparation for appearance/hour	$53,000 247,000
West Central Human Service Center	St. Alexius Medical Center MedCenter One	Inpatient Hospitalization - Chemical Dependency and/or Mental Health Inpatient Hospitalization - Chemical Dependency and/or Mental Health	$900/patient/stay for hospital care $250/patient/stay for psychiatric services $140/hr for court time $900/patient/stay for hospital care $250/patient/stay for psychiatric services $140 for court time	$100,000 $100,000
Badlands Human Service Center	St. Joseph's Hospital & Health Center	Inpatient Hospitalization for either medical detox or psychiatric inpatient care	$2,000/admission	$143,788

Department of Human Services
1999 - 2001 Biennium
Field Services Anticipated General Fund Turnback

Northwest HSC	424,086	
North Central HSC	61,605	
Lake Region HSC	123,171	
Northeast HSC	43,919	
Southeast HSC	128,924	
South Central HSC	587,000	
West Central HSC	426,223	
Badlands HSC	350,117	
State Hospital	342,168	
Developmental Center	-	
Total Field Services		2,487,213

Keith W. Welsh
02/07/2001 07:50 AM

To: Ken D. Svedjan/NDLC/NoDak@NoDak
cc: Carol K. Olson/DHS/NoDak@NoDak, Yvonne M. Smith/DHS/NoDak@NoDak, David A. Snyder/DHS/NoDak@NoDak, Brenda M. Weisz/DHS/NoDak@NoDak
Subject: SMI Short Term Inpatient Hospitalization Grants

Chairman Svedjan,

In the 1999 - 2001 budget, the center budgeted the State Hospital Alternative Program (SHAP). It also had a budget for Regional Intervention Services (RIS) which predated SHAP. Both of these programs were initiated as a way to deflect admissions from the State Hospital. Instead of having separate contracts for these two programs the center combined its budgets and all of its programs for the deflection of clients from the State Hospital into the SHAP program.

When the budget was being prepared for 2001 - 2003, it was decided that the SHAP should be broken down into two components. These components would be addiction services and services to the Serious Mentally Ill (SMI). To do this, the center placed the addiction component into the grants portion of ACC 7128 and the SMI services into the grants portion of ACC 7282.

Services provided by one or both program areas:

Inpatient Psychiatric Hospitalization
Medical Detox
Physician or Psychiatric Services
Crisis Residential Center

These services are provided by UniMed Medical Center, Medical Arts Clinic, L. Mark Bell, DO and North Central Human Service Center staff.

The grants budget for services to both chemically addicted and SMI clients is a hold even budget. Any reductions to the SMI portion of this budget included in ACC 7282 would affect services to both populations. The center would either have to cut back on inpatient alternatives to the State Hospital or it might have to close the Crisis Residential Center portion of the program which is more cost effective than having clients being cared for in a hospital setting. In either case, depending on the funding level, it is possible potentially more clients could be referred to the State Hospital for services where, on average, clients stay longer than they do when locally treated.

Following is prepared to respond to Representative Delzer's question regarding comparability of rent between the existing and new facilities of our CD Short-term Residential, SMI Crisis Residential, Hospital Alternative, and CD Adolescent Treatment program.

Our existing contracted CD Short-term Residential and SMI Crisis Residential services are currently located in two apartment buildings on 24th Ave. South and Continental Drive on the south end of Grand Forks.

Sq. Ft =	5,928	(2 buildings)
# of beds =	20	
Rent =	$ 53,400 / biennium	
Utilities =	$ 19,992 / biennium	
Total =	$ 73,392	
Cost per sq. ft =	$ 6.19/sq. ft.	

The new facility was previously the County Administrative Offices building. It is a 3-story building located across the street to the south of the new County Office Building. Floors 2 and 3 of this facility will house our existing CD Short-term Residential, SMI Crisis Residential, enhancing capacity and staffing of each of these services to serve as our hospital alternative program, and our CD Adolescent Residential Program. The closeness of this facility to Northeast's offices will also increase efficiency and effectiveness of these programs. All of these services will be contracted through Centre, Inc.

Sq. Ft. =	11,730	(Floors 2 and 3)
# of beds =	34	
Rent =	$ 77,400 / biennium	
Utilities =	$ 30,300 / biennium	
Total =	$ 107,700	
Cost per sq. ft =	$ 4.59/sq. ft.	

Sandstrom is Rockview Employee of the Year
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MOUNTRAIL COUNTY Record

Volume 87- Number 27 Thursday, January 25, 2001 Single copy price - 75 cents Parshall, North Dakota

Detox center construction set for spring

BY JON E. FLATLAND

Saying it will meet a "tremendous need" on the Fort Berthold Reservation, Northeast Segment representative Mark Fox announced Monday that construction will begin this spring on a 3,328-square-foot detoxification center in Parshall.

The $400,000 facility, which has been more than two years in the planning and is being funded by the Three Affiliated Tribes, will be built on Main Street next to the existing Parshall Resource Center.

"Alcohol and drug abuse are the number one social problem on the Fort Berthold Reservation and the center is just one of the things we're trying to do to address that problem," Fox said. "It's a small step in the right direction, but there's much more to do."

The semi-secure facility will have medical staff on hand to handle evaluations and assessments and is expected to eventually employ 8 - 10 people.

According to Jerry Irwin, project coordinator, the detoxification center will include medical facilities, examination rooms and treatment facilities. He describes it as "a step between a social detox center and a medical detox facility."

"A patient may stay a few days or up to 60 days. Just as important, however, is continued treatment after that stay and we're working on a plan involving the new center and our existing treatment programs, such as Circle of Life and the Parshall Resource Center."

Irwin said that tracking 600 people arrested for public intoxication by the Bureau of Indian Affairs and tribal police showed fewer than 100 had gone through alcohol treatment or were currently being treated for alcohol or drug abuse.

"One of the biggest complaints from medical professionals in the area is the lack of continued services. Detoxification is simply the entry level. When a patient leaves detox there must be follow-up treatment and counseling. This center and the existing services will complement each other."

Fox added staff at the center will also work with tribal programs and agencies to improve alcohol and drug abuse outreach and prevention programs.

Rockview officials report deficiencies are corrected

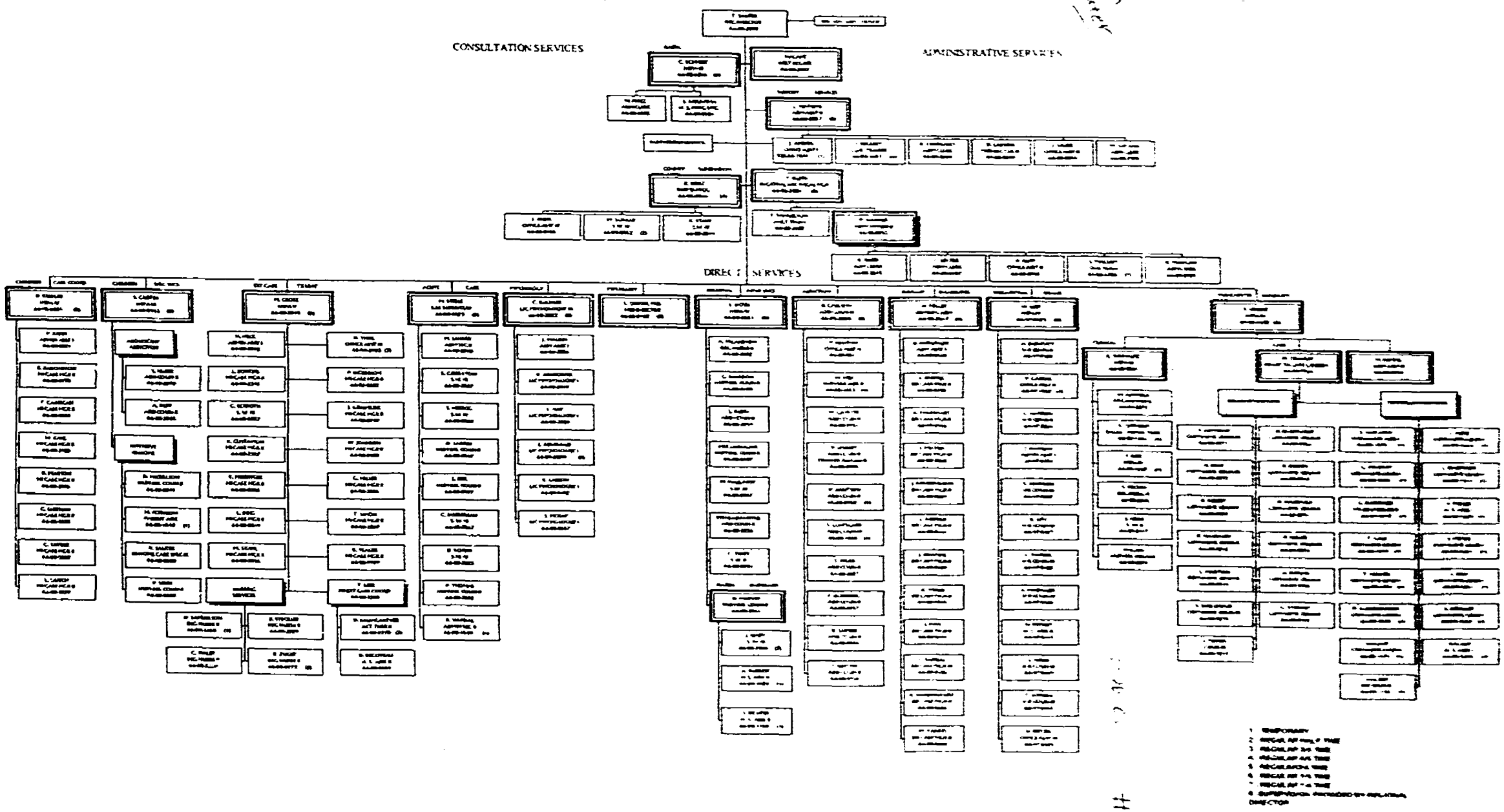
BY RHONDA PACKINEAU

"We've done it," said Gary Nelson.

Nelson is referring to the problem that has [illegible]od them through the pas[illegible]—staff shortages

Nelson [illegible]

WEST CENTRAL HUMAN SERVICE CENTER ORGANIZATION CHART
JANUARY 26, 2001



Tape 1 side A 1-10-01

TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE
HUMAN RESOURCES DIVISION
CHAIRMAN KEN SVEDJAN
JANUARY 10, 2001

WEST CENTRAL HUMAN SERVICE CENTER

Mr. Chairman, members of the committee, I am Tim Sauter, Regional Director of West Central Human Service Center. As with other Department of Human Services Divisions, it is the mission of West Central Human Service Center to provide quality, efficient and effective human services which improve the lives of people.

West Central Human Service Center is committed to this mission, and find the Department's Strategic Planning process to be a catalyst for this mission, as it calls on us to define specific outcomes in each program/service area. We attempt to measure these outcomes using a variety of tools, including client evaluation of programs, customer surveys and dialogue, and outcome studies.

Highlights/Accomplishments

- Served 4847 clients in FY 2000
- Screened 238 individuals who were possible admissions to the North Dakota State Hospital
- 37 admissions to North Dakota State Hospital in CY 2000
- 50 % decrease in psychiatric hospital days for children in the Region VII Partnership Program
- 88% of individuals receiving clinical services reported progress on one or more treatment goals within six months of receiving services

- 91.5% of Extended Care consumers responded positively to questions asked about access to services, quality/appropriateness of services, outcome of services, and satisfaction with services
- 79% of people receiving Extended Services are employed 20 hours or more per week
- FFY 2000 Vocational Rehabilitation served 1503 individuals of whom 77% were severely disabled
- New partnerships/pilot projects
  - Partnering with consumers in their individual service planning process
  - ND Mental Health Association – Bell Health Foods as an employment training site for West Central clients
  - Blue Cross/Blue Shield Project for a case management model for individuals who have a serious mental illness
  - Casey Family Program/Manchester House Project to provide wrap-around and transitional services for children seeking residential care or leaving residential care
  - Depression Collaborative – partnership with DHS divisions, private providers, and the ND Mental Health Association to develop a rural mental health service delivery model
  - Single Plan of Care for children who are in multiple systems to increase service planning efficiency
  - Memorandums of Understanding with all Region VII County Social Service Boards to delineate core services and enhance communication
  - South Central Judicial District Drug Court which creates an intensive treatment program to improve treatment outcomes and reduce recidivism and incarceration for non-violent offenders who have substance abuse problems

- Region VII and Region VIII sharing the Developmental Disabilities Program Administrator
- Workforce Development Programs to provide quality employment options for people with disabilities

Concerns

- Ability to continue to meet increasing demand for services
  - Across all services
  - Adoption Safe Families Act
  - Residential treatment needs
- Improve/enhance partnerships with consumers as well as other agencies/organizations both public and private
- Computer System
- Staff retention

Major Budget Increase/Decrease

- Recommended Salary Package
  - Salary and fringe benefits - $860,000
  - General Fund portion - $633,000
- Salary/Fringe/Operating for 2.5 additional fte's - $196,000
  - 1 fte for Child Welfare/County Supervision
  - 1fte for Mental Hlth & Subst. Abuse – SMI Case Management
  - .5fte for Disability Services – DD Case Management
  - General Fund portion - $100,000
- Building Rent Increase
  - $92,000
  - Building rent adjustment and expansion of Manchester House from 10 beds to 12 beds
  - General Fund portion - $31,000

- **Grants Decrease**
  - **($353,000)**
  - **End of the ND Partnership Grant**
  - **General Fund portion $0**

Tim Sauter

1-26-01

#7

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
4-07 WEST CENTRAL HSC	70	1001	SALARIES	5,597,997	17	7,903,055	8,253,190	8,937,718
4-07 WEST CENTRAL HSC	70	1002	TEMP, OT & SHIFT DIFF	313,099	17	442,022	413,352	413,352
4-07 WEST CENTRAL HSC	70	1008	BENEFITS	1,769,732	17	2,498,445	2,632,294	2,976,450
4-07 WEST CENTRAL HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-		18,750
4-07 WEST CENTRAL HSC	70	3003	IT-TELEPHONE	102,444	16	153,666	148,902	148,802
4-07 WEST CENTRAL HSC	70	3004	TRAVEL	46,927	16	70,391	102,984	101,536
4-07 WEST CENTRAL HSC	70	3007	POSTAGE	27,972	16	41,958	42,740	42,740
4-07 WEST CENTRAL HSC	70	3011	LEASE - RENT EQUIP MENT	2,206	16	3,309	5,856	5,856
4-07 WEST CENTRAL HSC	70	3012	LEASE - RENT BLDG - LAND	975,892	17	1,377,730	1,348,771	1,440,541
4-07 WEST CENTRAL HSC	70	3013	DUES & PROFESSIONAL DEV	21,427	16	32,141	30,250	30,600
4-07 WEST CENTRAL HSC	70	3014	OPERATING FEES & SRVC	70,081	16	105,121	135,854	97,495
4-07 WEST CENTRAL HSC	70	3016	REPAIRS	18,837	16	28,256	38,658	36,558
4-07 WEST CENTRAL HSC	70	3018	PROFESSIONAL SERVICES	2,311	16	3,467	9,498	10,000
4-07 WEST CENTRAL HSC	70	3021	OFFICE SUPPLIES	40,601	16	60,902	55,000	55,000
4-07 WEST CENTRAL HSC	70	3024	PRINTING	16,319	16	24,478	30,010	30,000
4-07 WEST CENTRAL HSC	70	3025	PROF. SUPPLIES & MATERIALS	18,619	16	27,928	32,540	35,699
4-07 WEST CENTRAL HSC	70	3027	FOOD & CLOTHING	34,181	16	51,272	59,300	70,500
4-07 WEST CENTRAL HSC	70	3029	MEDICAL, DENTAL & OPTICAL	12,653	16	18,980	40,000	40,000
4-07 WEST CENTRAL HSC	70	3030	BLDG GRNDS & VEH MTCE SUPP	729	16	1,093	4,990	4,990
4-07 WEST CENTRAL HSC	70	3033	MISC SUPPLIES	35,436	16	53,155	31,000	33,857
4-07 WEST CENTRAL HSC	70	3900	OPERATING BUDGET ADJUSTMENT	785	16	1,178		9,000
4-07 WEST CENTRAL HSC	70	4002	OFFICE EQUIP & FURN	-	16	-	35,000	35,000
4-07 WEST CENTRAL HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	2,595,314	15	4,152,503	4,697,050	4,343,791
	70 Total			11,703,562		17,051,050	18,147,239	18,918,235
4-07 WEST CENTRAL HSC Total				11,703,562		17,051,050	18,147,239	18,918,235

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Subdivision	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation

Footnotes:

Salaries & Benefits: The Executive recommendation, for 01-03, includes the proposed salary & benefits increases plus 2.5 additional fte's. There are 1.5 fte's, associated with VR Vision Specialist services, that are not included in the 99-01 projection. This service is currently part of the VR Central Office budget but is being moved to Human Service Centers for 01-03 and is included in the Executive Recommendation. The 99-01 projection includes roll-up authority from vacant positions. The 01-03 recommendation included a General fund shift to Special funds to address vacancies (Spending authority was not reduced.)

Travel: Travel costs associated with staff training are historically higher the second year of the biennium. Employees are allocated a limited training budget and are very selective in training they ask to attend. The number of months used to calculate the projection was left at 16 but some staff routinely wait two months or more to submit for travel reimbursement.

Lease-Rent Building: Used 17 months to calculate the projection. Rent payments are prepaid for the upcoming month (Checks are held and sent to the landlord by the due date). The recommendation also includes projected rent adjustment increases and the expansion of bed capacity and square footage at our Adolescent Treatment Center.

Professional Services: Increase due to projected staff turnover and additional expenses associated with the staff physical examinations as required by licensure at our Adolescent Treatment Center.

Food & Clothing: The recommendation includes and increase based on expansion of bed capacity at our Adolescent Treatment Center.

Medical, Dental & Optical: Cost associated with client medications are historically much higher the second year of the biennium. Purchases of medication with a longer shelf life are generally made at the end of the biennium based on the availability of funds. Prior biennium expenditures are a more accurate reflection of our need.

Office Equipment: Equipment expenditures historically occur during the last six months of the biennium based on the most pressing need.

Grants: Used 15 months in the projection. A large portion of the vendors are a least two months behind in billings. Second year expenditures are also higher since a large portion of our contracts are based on cost reimbursement. A large portion of vendor cost are associated with salaries which increase annually. A large part of our contracts, based on a per unit cost reimbursement, also include increases for the second year of the biennium. There is also an increase in the 01-03 recommendation associated with Older Adult Services/Adult Protective Services.

ND Department of Human Services * Human Service Centers * Funding for [illegible]nt Budget Object Codes * 2001 - 2003 Biennium as submitted to the [illegible]use

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-77-20	CHILD WELFARE	5558	Respite Care	6006	GRANTS, BENEFITS, & CLAIMS	50,000	44,500	5,500	-
410-77-20	CHILD WELFARE	5559	Access & Visitation Program	6006	GRANTS, BENEFITS, & CLAIMS	10,283	1,028	9,255	-
	CHILD WELFARE Total					**60,283**	**45,528**	**14,755**	-
410-77-30	DISABILITY SERVICES	5530	Rehabilitation Employment Services	6006	GRANTS, BENEFITS, & CLAIMS	4,000	852	3,148	-
	DISABILITY SERVICES Total					**4,000**	**852**	**3,148**	-
410-77-40	OLDER ADULT SERVICES	5619	Adult Protective Services	6006	GRANTS, BENEFITS, & CLAIMS	58,100	58,100	-	-
	OLDER ADULT SERVICES Total					**58,100**	**58,100**	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5540	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	429,920	224,840	137,445	67,635
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5547	MH Partnership - Intensive In-Home - SED	6006	GRANTS, BENEFITS, & CLAIMS	50,000	-	-	50,000
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5549	MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	6006	GRANTS, BENEFITS, & CLAIMS	1,227,082	633,628	529,891	63,563
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5550	Clinical Population Services	6006	GRANTS, BENEFITS, & CLAIMS	26,500	6,306	17,286	2,908
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5624	CD Social DeTox	6006	GRANTS, BENEFITS, & CLAIMS	49,397	49,397	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5626	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	18,250	18,250	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5628	CD Alcohol & Drug Services	6006	GRANTS, BENEFITS, & CLAIMS	157,974	62,777	75,436	19,761
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5711	SMI Case Management	6006	GRANTS, BENEFITS, & CLAIMS	3,000	452	2,421	127
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5717	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	180,976	180,976	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5762	SMI Crisis Residential - Room & Board	6006	GRANTS, BENEFITS, & CLAIMS	27,547	27,547	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5763	SMI Residential Room & Board/Group	6006	GRANTS, BENEFITS, & CLAIMS	55,974	8,675	-	47,299
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5764	SMI Crisis Residential - Therapeutic	6006	GRANTS, BENEFITS, & CLAIMS	423,000	335,312	87,688	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5769	SMI Residential Therapeutic Srv/Semi Ind	6006	GRANTS, BENEFITS, & CLAIMS	1,069,420	222,932	592,886	253,602
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5779	SMI Services for the Homeless (MHSH)	6006	GRANTS, BENEFITS, & CLAIMS	35,896	13,931	21,965	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5782	SMI Short Term Inpatient Hospital	6006	GRANTS, BENEFITS, & CLAIMS	51,000	51,000	-	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5785	SMI Long Term Residential - Therapeutic	6006	GRANTS, BENEFITS, & CLAIMS	390,972	162,339	228,633	-
410-77-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	5786	SMI Long Term Residential - Room & Board	6006	GRANTS, BENEFITS, & CLAIMS	24,500	4,055	-	20,445
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**4,221,408**	**2,002,417**	**1,693,651**	**525,340**
	4-07 WEST CENTRAL HSC Total					**4,343,791**	**2,106,897**	**1,711,554**	**525,340**

Tim Sauter

1-26-01

#3

TO: TIM SAUTER

FROM: C.J. KUCHLER, PHD

SUBJECT: ADMISSION STATS

DATE: 01/26/01

THE SAMPLE USED WAS 1 FULL MONTH (NOVEMBER, 2000).

TOTAL NUMBER REFERRALS FOR INITIAL APPTS: 162

SUMMARY STATS:

73% SHOW, 27% NO-SHOW OR CANCEL

51% FEMALE, 49% MALE

AGE RANGE 3 YRS – 57 YRS; AVERAGE AGE 29.3

ADMISSION NUMBER:

48% FIRST ADMISSION

29% SECOND ADMISSION

23% 3RD OR MORE ADMISSION

REFERRAL SOURCE:

42% SELF/FAMILY FRIEND

19% COURTS OR PAROLE/PROB

15% CSSB/COMMUN AGENCIES (E.G., RMHH, AARC, PYB, DJS, YOUTHWORKS, JOBS INC.)

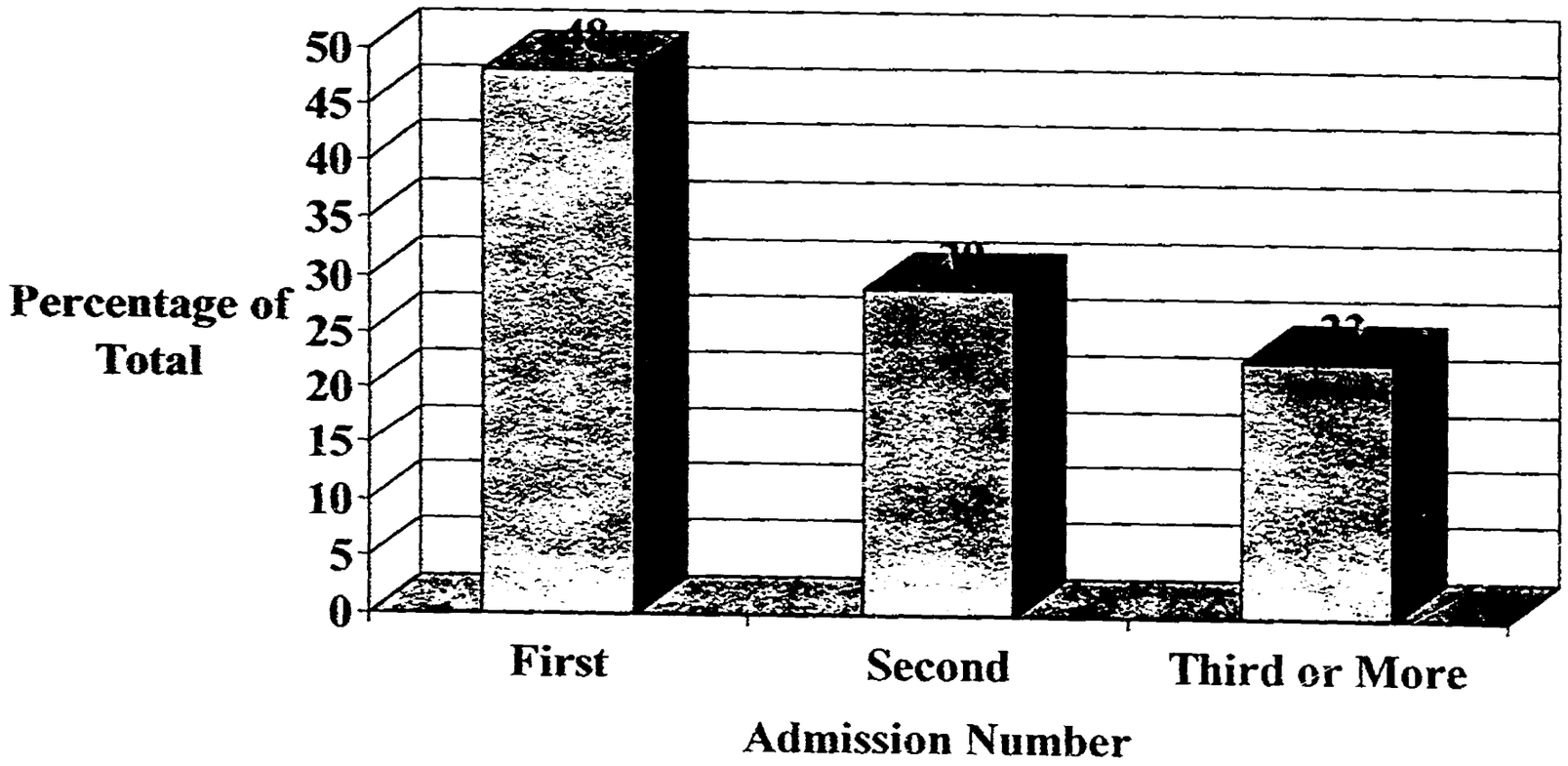
14% PRIVATE HEALTH CARE PROVIDERS (E.G., ST. ALEXIUS/ARCHWAY, PRIVATE MD'S)

10% OTHER (E.G., SCHOOLS, NDSP, EMPLOYER, ADVOCATE)

POPULATION CODES:		PRIMARY (UNDUP)	ALL (DUPLIC); 49% COMORBID
21/28	CHILD ABUSE	3%	6%
23	CHILD: DOM VIOL	1%	1%
24	CHILD: EMOT DIST	12%	18%
27	CHILD: SUBST ABUSE	8%	8%
31/38	ADULT: ABUSE	3%	17%
32	ADULT: SUBST ABUSE	32%	43%
33	ADULT: DOM VIOL	5%	10%
34	ADULT: EMOT DIST	35%	51%
37	ADULT: SMI	2%	3%

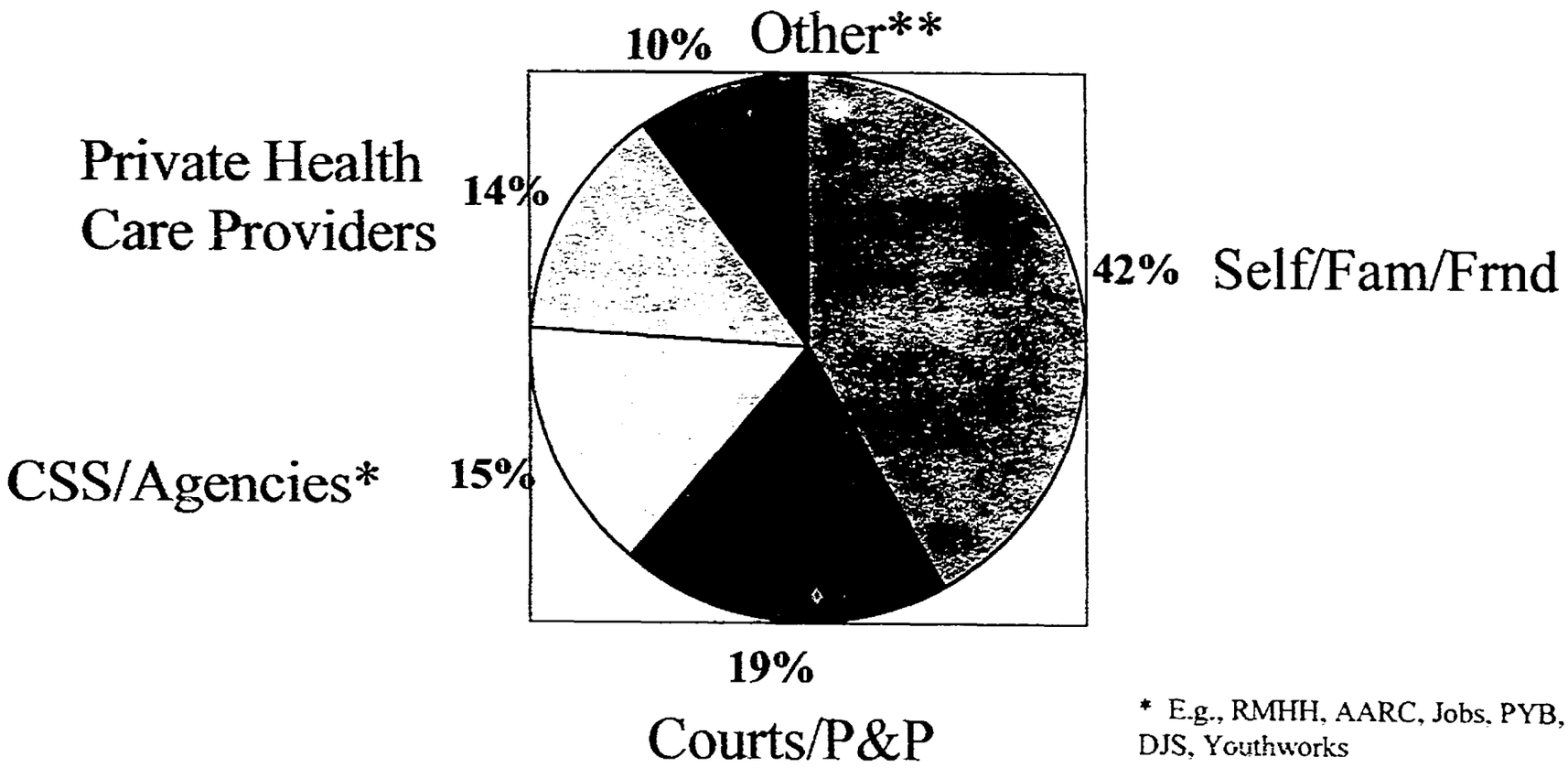
Admission Number

November, 2000



Referral Sources

November, 2000

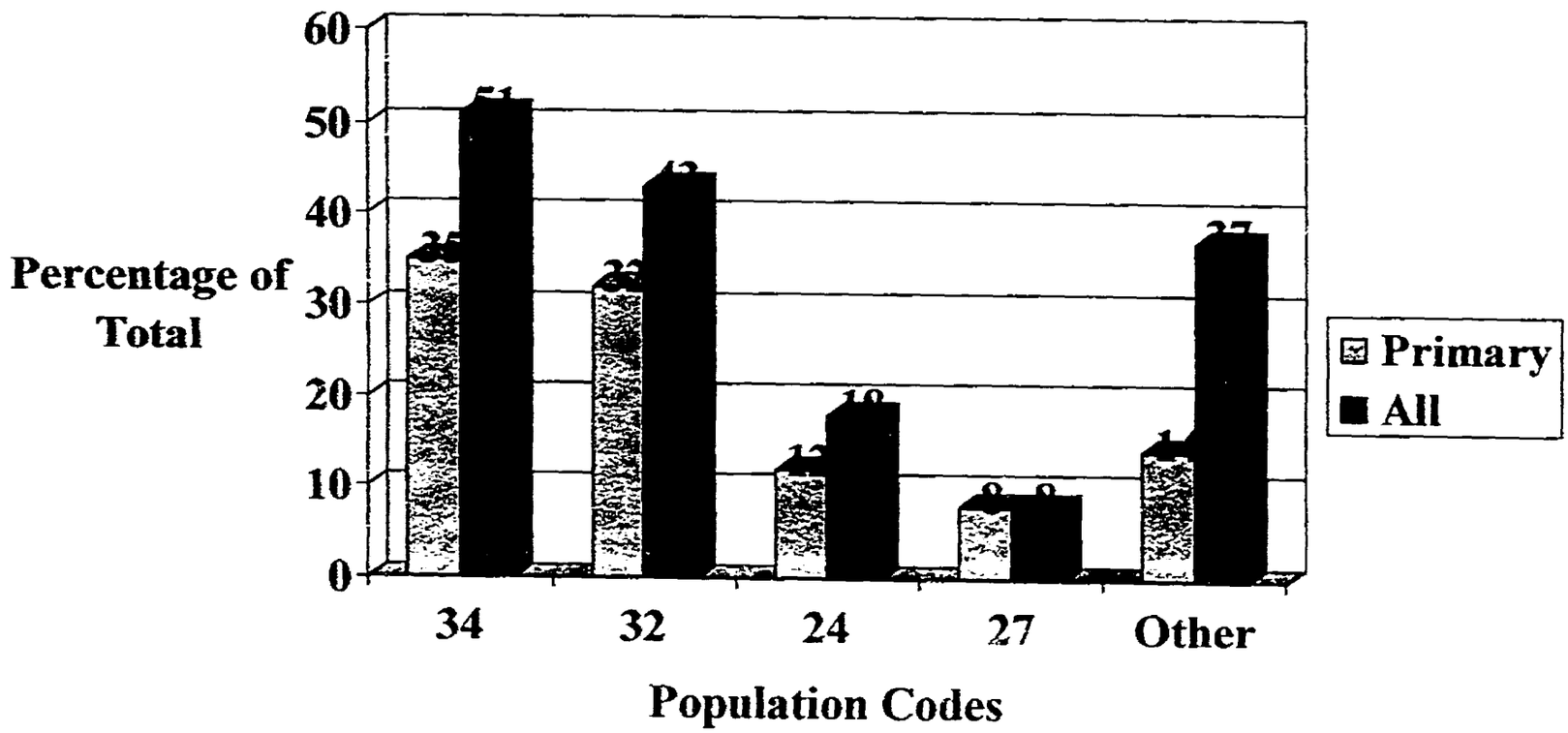


* E.g., RMHH, AARC, Jobs, PYB, DJS, Youthworks

** E.g., Schools, NDSP, Employer, Advocate

Client Population Codes

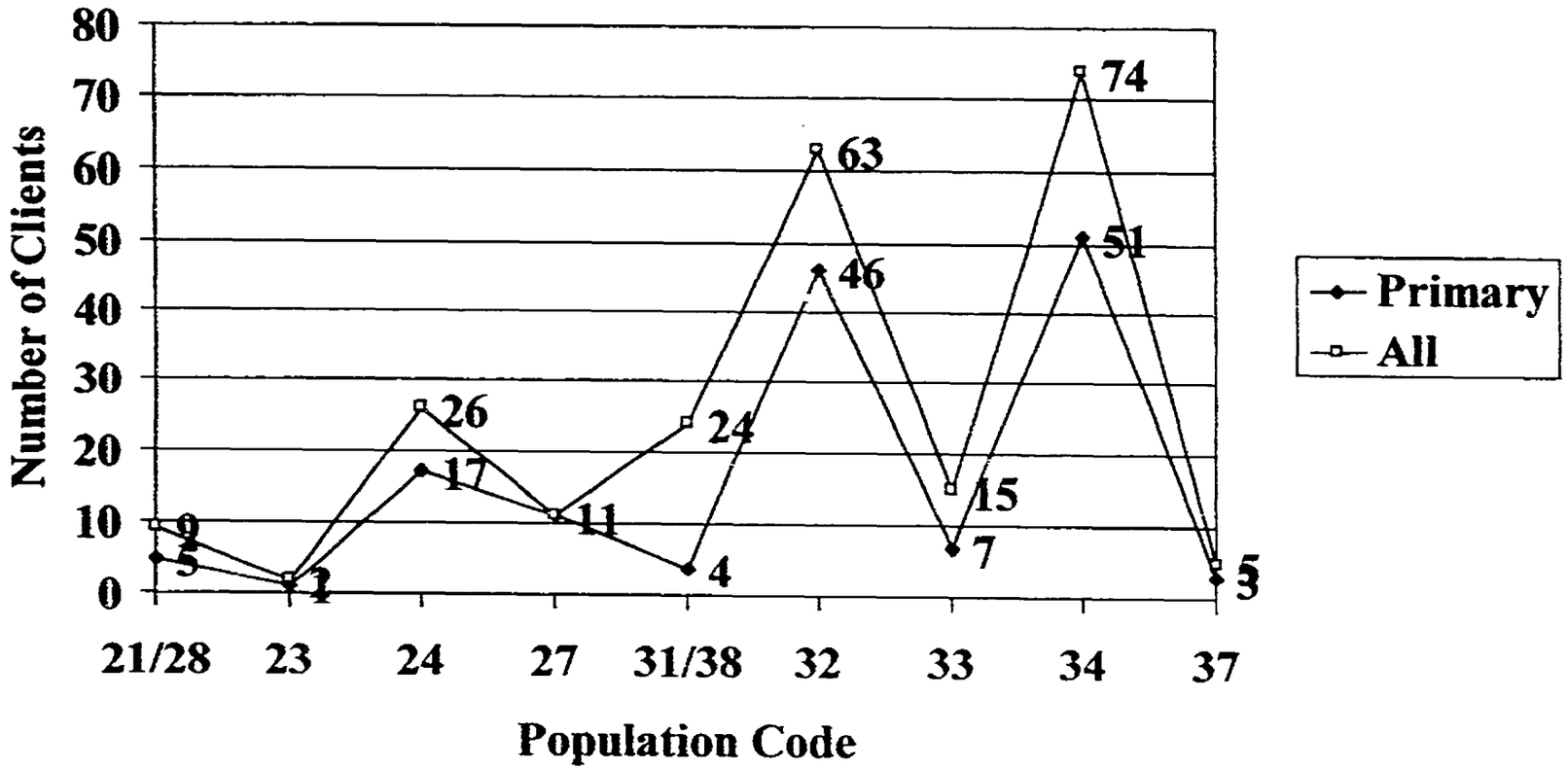
Percentage of New Admissions, Nov 2000



"Other" = 21/28, 23, 31/38, 33, and 37

Client Population Codes

New Admissions, November 2000



Department of Human Servicse * HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 - Current Budget
4-07 WEST CENTRAL HSC	410-77-20 CHILD WELFARE	5558 Respite Care	29,657 19	15	47,452	50,000	50,000
4-07 WEST CENTRAL HSC	410-77-20 CHILD WELFARE	5559 Access & Visitation Program		15	-	10,283	9,255
	CHILD WELFARE Total		**29,657.19**		**47,452**	**60,283**	**59,255**
4-07 WEST CENTRAL HSC	410-77-30 DISABILITY SERVICES	5530 Rehabilitation Employment Services	1,725 00	15	2,760	4,000	3,000
	DISABILITY SERVICES Total		**1,725.00**		**2,760**	**4,000**	**3,000**
4-07 WEST CENTRAL HSC	410-77-40 OLDER ADULT SERVICES	5619 Adult Protective Services	9,676 50	15	15,482	58,100	21,800
	OLDER ADULT SERVICES Total		**9,676.50**		**15,482**	**58,100**	**21,800**
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5540 Medical Director & Psychiatrists	227,830 97	15	364,530	429,920	429,920
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5549 MH Prtnrshp Grant - 33 33% Fed 66 67 Gen	827,341 69	15	1,323,747	1,277,082	1,550,232
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5550 Clinical Population Services	55,275 51	15	88,441	26,500	124,363
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5624 CD Social DeTox	16,443 17	15	26,309	49,397	48,344
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5626 CD Short Term Residential Services	11,790 00	15	18,864	18,250	20,117
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5628 CD Alcohol & Drug Services	59,439 59	15	95,103	157,974	177,140
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5711 SMI Case Management	2,999 00	15	4,798	3,000	3,594
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5717 SMI Psych - Social Clubs	106,881 68	15	171,011	180,976	180,976
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5762 SMI Crisis Residential - Room & Board	17,291 83	15	27,667	27,547	27,547
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5763 SMI Residential Room & Board/Group	28,170 19	15	45,072	55,974	55,974
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5764 SMI Crisis Residential - Therapeutic	261,584 57	15	418,535	423,000	423,000
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5769 SMI Residential Therapeutic Srv/Semi Ind	639,725 84	15	1,023,561	1,069,420	1,069,420
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5779 SMI Services for the Homeless (MHSH)	20,656 52	15	33,050	35,896	35,896
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5782 SMI Short Term Inpatient Hospital	18,807 95	15	30,093	51,000	51,000
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5785 SMI Long Term Residential - Therapeutic	245,225 76	15	392,361	390,972	390,972
4-07 WEST CENTRAL HSC	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	5786 SMI Long Term Residential - Room & Board	14,791 12	15	23,666	24,500	24,500
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**2,554,255.39**		**4,086,808**	**4,221,408**	**4,612,995**
4-07 WEST CENTRAL HSC Total			**2,595,314.08**		**4,152,502**	**4,343,791**	**4,697,050**

HB 1012

TESTIMONY ON HB 1012
SENATE APPROPRIATIONS COMMITTEE
MARCH 6, 2001

Chairman Nething and members of the committee, my name is Kathy Schmit and I am from Bismarck. My testimony today pertains to the services I have received and do receive from West Central Human Service Center.

I am an individual with mental illness. I have manic-depression, a bi-polar disease which has affected me for over 20 years. At times I get very down and contemplate suicide, at other times I feel I have the world wrapped around my little finger and I can do anything. If it had not been for the availability of my case manager, I would not be here offering testimony today.

How important is that to me? Recently I went through a major depression, I made all the necessary arrangements to end my life. Why? I felt the world had come crashing down on my shoulders when a friend almost died. I felt worthless, rejected, abandoned, life wasn't worth the going on, I retreated to my room with all the lights out and the door closed, I quit eating, answering the phone, quit taking care of my basic needs, quit taking my medication and didn't call my case manager. I did come out of it but not until I admitted I needed help. When I called my case manager to arrange for an appointment she was able to meet with me within 30 minutes, she came to me I didn't have to go to her. I tried to convince her I would be ok I just needed to talk things out, she didn't believe me. She gave me two choices: voluntarily go to a crisis shelter or admit myself to the hospital. I choose to go into the crisis shelter. My story is only one of many examples of what an individual with mental illness goes through everyday to maintain their recovery.

Please do not under-fund the community services so desperately needed by those that utilize them.

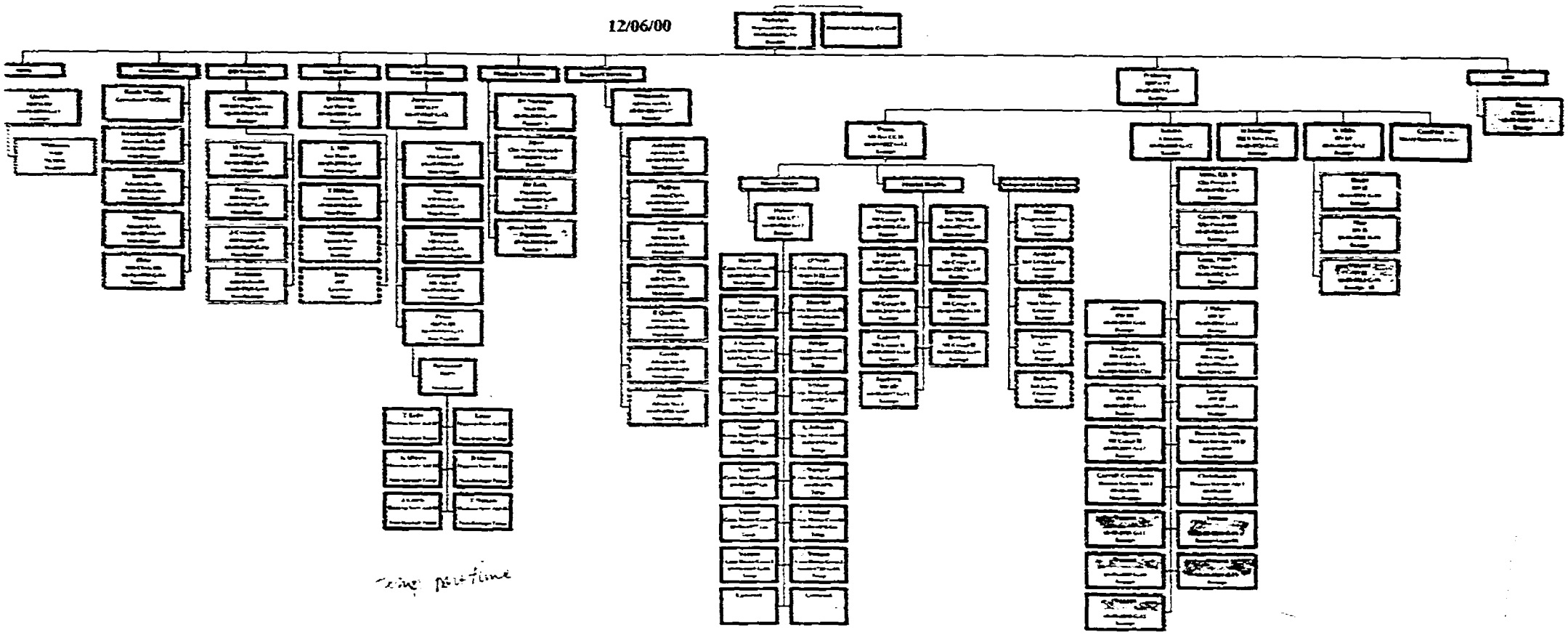
Thank you for your time. I will be happy to answer any questions at this time.

-27-01

#8

Northwest Human Service Center
Organizational Chart

12/06/00



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NORTHWEST HUMAN SERVICE CENTER

Serving Divide, McKenzie and Williams Counties

House Appropriations Committee

Human Resources Division

Chairman Ken Svedjan

January 10, 2001

Chairman Svedjan and members of the committee, I am Marilyn Rudolph, Regional Director of the Northwest Human Service Center in Williston. I am here today to provide you with information about the center's major accomplishments during the current biennium and budget increases and decreases in our 2001 – 2003 budget request.

Northwest Human Service Center Major Accomplishments for 1999 - 2001

- The partnership with North Central Human Service Center to share the business management function.

- The partnership with North Central Human Service Center to provide Vulnerable Adult Services and Ombudsman Services to both Region I and II.

- The public-private partnership with Mercy Medical Center/Mercy Recovery Center, a regional health provider to provide all addiction services through a contract with Northwest Human Service Center.

- The implementation of a Single Point of Entry Screening Team in Region I for children diagnosed with serious emotional disorders. The team provides a supportive atmosphere for parents to learn the services available in Region I. Parents can access Family Focused Services through County Social Services, Intensive In Home Counseling through the Village, Care Coordination through Partnerships at Northwest Human Service Center.

- The implementation of an After School Program for children diagnosed with serious emotional disorders to teach social skills, encourage

academic responsibility and develop parental involvement.

- Northwest Human Service Center continues to provide support and evaluation to the Northwest Youth Assessment Center, a safe environment for youth aged 10 to 17 who need to be out of the home while a treatment plan is developed in the home community with parental involvement.

Northwest Human Service Center Concerns

- The recruitment and retention of qualified staff is the center's main concern. The center currently has difficulty hiring staff such as MSW's whose services can be billed to third parties. One way the center is trying to acquire needed psychiatric services is by partnering with Mercy Medical Center in the recruiting and sharing of a psychiatrist.

Northwest Human Service Center Budget Increases/Decreases:

<u>Major Programs</u>

- Administration
  - Northwest started sharing its Business Manager function with North Central Human Service Center in this biennium its budget for 2001 – 2003 reflects this change. The center has eliminated one FTE due to this change.

- Child Welfare
  - Changes in the allocation of staff in the County Supervision and Child Care Licensing programs have moved 1.9 FTE's from this budget level and reduced salaries by $23,414.

- Disabilities Services
  - When the current contractor for the Region I Supported Employment Program terminated its agreement with the state Vocational Rehabilitation Division during the current biennium Northwest Human Service Center took the program over. This program has added $174,568 to our 2001 – 2003 budget. The federal share is $114,02 and the general fund share $60,548.
  - The state Developmental Disabilities Division has added $30,000 to the center's DD Infant and Toddlers program. These are federal funds.

- Mental Health and Substance Abuse Services
  - Late in 2000 Northwest Human Service Center started contracting for all addiction related services. This change in service delivery has allowed the center to vacate five FTE's. The center's addiction services budget as incorporated in the department budget request still reflects the center providing these programs. The center's addiction services budget consists of $770,715 an $83,792 reduction from its 1999 – 2001 budget. These funds will now go for contracting instead of the center provision of these services.
  - The center unfunded .32 FTE of a vacant psychiatric position. This position's salary budget was $179,000.
  - The Mental Health Partnership program budget originally given to the center for the 1999 – 2001 biennium was $400,000. The center has reduced this budget by $100,000 based on estimated program need. Seventy five thousand of this decrease is general fund with a $100,000 reduction in federal funds and an increase of $75,000 in other funds.

- Recommended salary package for state employees
  - The package cost is $297,377.

#1

MEMORANDUM

DATE: January 31, 2001

TO: Brenda Weisz, Fiscal Administration

From: Keith Welsh, Business Manager, Northwest Human Service Center

RE: BOC 3014 Operating Fees and Services

The House Appropriation Subcommittee on Human Services asked for more information about Northwest Human Service Center's current expenditures, current budget and how it compares to the budget request for 2001 -- 2003 for BOC Operating Fees and Services.

The BOC for 1999 - 2001 included $382,825. Much of this was placed in the center's budget by other divisions of the department. Such as, the $257,280 that was part of the Mental Health Partnership programs budget. The center never anticipated spending all of this BOC during the current biennium as indicated by the proposed reduction of $135,854 for the 2001 – 2003 biennium.

The DD Division budgeted $35,832 for this BOC in the DD Infant and Toddler program.

The difference between the current budget ($382,825) and the recommended budget for 2001 – 2003 ($288,844) is a reduction of $93,981. The Partnership budget was reduced by $135,854 by the center. The DD Infant and Toddlers program was increased by $34,686 by the central office DD Division. The difference between these two changes gives a net reduction of $100,986.

The estimated BOC expenditures for the current biennium are $133,386 and the budget for 2001 – 2003 is $288,844.

Neither of the two programs mentioned has been expending the budgeted amounts and this is the main reason for the underexpending of this BOC.

I estimate that the DD Infant and Toddlers program will not spend more than $1,000 of its $35,832 budget for this BOC. It needs to be noted that the central office approves spending in this program before any money can be expended. The center is underexpending in this program by $34,832.

The Mental Health Partnership is still being developed at Northwest. Of its current

budget of $257,280 for this BOC, I am estimating that $35,000 to $36,000 will be spent. Based on the current budget it would be underexpending this BOC by approximately $221,280 and its requested budget by approximately $85,426. As the program continues to develop during the last five months of this biennium and becomes more established in the next, the center feels that its requested budget is appropriate and will be needed to meet program service objectives.

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-01 NORTHWEST HSC	70	1001	SALARIES	2,803,226	17	3,957,496	4,469,374
4-01 NORTHWEST HSC	70	1002	TEMP, OT & SHIFT DIFF	212,209	17	299,589	498,528
4-01 NORTHWEST HSC	70	1008	BENEFITS	865,877	17	1,222,414	1,478,779
4-01 NORTHWEST HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-	18,750
4-01 NORTHWEST HSC	70	3003	IT-TELEPHONE	58,545	16	87,818	91,561
4-01 NORTHWEST HSC	70	3004	TRAVEL	40,015	16	60,023	63,375
4-01 NORTHWEST HSC	70	3006	UTILITIES	9,608	16	14,412	16,650
4-01 NORTHWEST HSC	70	3007	POSTAGE	6,627	16	9,941	15,100
4-01 NORTHWEST HSC	70	3011	LEASE - RENT EQUIP MENT	8,225	16	12,338	21,171
4-01 NORTHWEST HSC	70	3012	LEASE - RENT BLDG - LAND	419,134	16	628,701	566,950
4-01 NORTHWEST HSC	70	3013	DUES & PROFESSIONAL DEV	5,610	16	8,414	39,925
4-01 NORTHWEST HSC	70	3014	OPERATING FEES & SRVC	88,924	16	133,386	288,844
4-01 NORTHWEST HSC	70	3016	REPAIRS	42,731	16	64,097	48,065
4-01 NORTHWEST HSC	70	3018	PROFESSIONAL SERVICES	-	16	-	3,000
4-01 NORTHWEST HSC	70	3021	OFFICE SUPPLIES	6,110	16	9,165	10,700
4-01 NORTHWEST HSC	70	3024	PRINTING	9,311	16	13,967	11,000
4-01 NORTHWEST HSC	70	3025	PROF. SUPPLIES & MATERIALS	26,654	16	39,981	24,700
4-01 NORTHWEST HSC	70	3027	FOOD & CLOTHING	26,542	16	39,813	37,050
4-01 NORTHWEST HSC	70	3029	MEDICAL, DENTAL & OPTICAL	8,109	16	12,164	20,850
4-01 NORTHWEST HSC	70	3033	MISC SUPPLIES	75,097	16	112,646	59,825
4-01 NORTHWEST HSC	70	4002	OFFICE EQUIP & FURN	5,754	16	8,631	-
4-01 NORTHWEST HSC	70	4020	OTHER EQUIP	799	16	1,199	-
4-01 NORTHWEST HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	410,278	16	615,417	544,790
70 Total				5,129,386		7,351,612	8,328,987
4-01 NORTHWEST HSC Total				5,129,386		7,351,612	8,328,987

10-29-01

#4

ND Department of Human Services * Human Service Centers * Funding for Budget Object Codes * 2001 - 2003 Biennium as submitted to the House

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-71-30	DISABILITY SERVICES	6702	DD Infants & Toddlers - Part C General	6006	GRANTS, BENEFITS, & CLAIMS	35,000	-	35,000	-
410-71-30	DISABILITY SERVICES	6739	DD Infant Development	6006	GRANTS, BENEFITS, & CLAIMS	47,096	35,204	11,892	-
	DISABILITY SERVICES Total					**82,096**	**35,204**	**46,892**	-
410-71-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6632	CD Alcohol Services for Women	6006	GRANTS, BENEFITS, & CLAIMS	40,170	-	38,446	1,724
410-71-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6711	SMI Case Management	6006	GRANTS, BENEFITS, & CLAIMS	282,524	15,437	255,950	11,137
410-71-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6717	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	140,000	140,000	-	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**462,694**	**155,437**	**294,396**	**12,861**
	4-01 NORTHWEST HSC Total					**544,790**	**190,641**	**341,288**	**12,861**

Brenda - DAC Center

1-29-01

#5

Department of Human Servicse - HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-01 NORTHWEST HSC	410-71-10 ADMINISTRATION	6502 Support Services	192.00	16	288	-	192
	ADMINISTRATION Total		**192.00**		**288**	-	**192**
4-01 NORTHWEST HSC	410-71-30 DISABILITY SERVICES	6702 DD Infants & Toddlers - Part C General	10,752.95	16	16,129	35,000	35,000
4-01 NORTHWEST HSC	410-71-30 DISABILITY SERVICES	6739 DD infant Development	14,876.50	16	22,315	47,096	50,000
	DISABILITY SERVICES Total		**25,629.45**		**38,444**	**82,096**	**85,000**
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6626 CD Short Term Residential Services	69,126.09	16	103,689	-	193,135
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6632 CD Alcohol Services for Women	27,443.67	16	41,166	40,170	40,170
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6649 MH Prtnrshp Grant - 33.33% Fed 66.67 Gen		16	-	-	48,000
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6711 SMI Case Management	188,383.02	16	282,575	282,524	282,524
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6715 SMI Community Support - Rhinelander	563.88	16	846		
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6717 SMI Psych - Social Clubs	98,940.00	16	148,410	140,000	119,598
4-01 NORTHWEST HSC	410-71-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6761 SMI Partial Care		16	-	-	11,700
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**384,456.66**		**576,686**	**462,694**	**695,127**
4-01 NORTHWEST HSC Total			**410,278.11**		**615,418**	**544,790**	**780,319**

2-1-01

11

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NORTH CENTRAL HUMAN SERVICE CENTER

Serving Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward Counties

NC HSC

House Appropriations Committee

Human Resources Division

Chairman Ken Svedjan

January 10, 2001

Chairman Svedjan, members of the House Appropriations Committee, Human Resources Division, my name is David Snyder, Director of North Central Human Service Center, Minot, North Dakota.

I want to thank you for this opportunity to review our major program accomplishments and concerns for the current biennium. I will also discuss major budget increases or decreases for the 2001-2003 biennium.

North Central Human Service Center has served 3687 children, families and adults during the 1999-2000 fiscal year. Some of our major accomplishments over this past biennium include:

- Through the efforts of a group of local agencies, a Visitation Center was established, using the facilities of the Oppen Home. The Visitation Center provides a safe place for visitation exchanges and supervised visits for foster children. There have been 616 visits since July 1, 1999.

- A federal HUD grant made it possible to open the Oakwood Court Housing Project. This project, a result of collaboration with Minot Housing Authority, replaces substandard housing for seriously mentally ill with a semi-supervised six-unit apartment complex. MI Case Managers and Human Service Aides provide the support services that allow the residents to maintain independent living. This residential facility runs at 100% occupancy with a waiting list.

- North Central Human Service Center has sponsored a Fetal Alcohol Syndrome Task Force for Region II for several years. This year the FAS Task Force became a coalition by obtaining funding from Bremer Foundation and the Kid's Council (Region II CSCC). The FAS Coalition was able to fulfill their goals by hiring a coordinator with a non-profit private agency to provide proactive education about FAS to the public and health

professionals. The Coalition is also planning a workshop with nationally recognized experts on FAS for families and professionals this upcoming spring.

- The State Hospital Alternative Program was established in April 1998 to divert individuals from the State Hospital. The program has significantly decreased costly admissions to the State Hospital by decreasing inpatient days with use of crisis residential services and other community-based programs. The average length of inpatient stay for a psychiatric admission is 3 days and the average length of stay for medical detoxification is 2 days. The State Hospital Alternative Program treated 399 clients from July 1, 1999, to December 31, 2000. Eighty (80) percent of the adult mentally ill/chemically dependent population that would usually go to the State Hospital were deferred. Fifty-four (54) individuals were screened for long term or specialized services offered at the State Hospital. Fifty (50) percent of those admissions were adolescents. North Central Human Service Center's diversion program has served 713 individuals in the community since implementation.

- Northwest Human Service Center and North Central Human Service Center combined resources twofold. Last biennium North Central Human Service Center and Northwest Human Service Center entered into an interagency agreement with Aging Services to employ a social worker to provide ombudsman and protective services for vulnerable adults in Region I and II. This biennium a request was made by Northwest Human Service Center to share a business manager. Keith Welsh, North Central Human Service Center business manager took on the extra duties and Ms. Rudolph and I have been very pleased with the results.

We have made progress with community based programming, however, changes always bring on challenges. My current concerns and those anticipated in the future are listed below:

- We have been fortunate in the Minot community to have economic growth with new businesses coming to our community. However, this created a shortage of qualified applicants for our positions in the human service sector. It has always been difficult recruiting qualified professionals, such as psychologists, master level social workers, nurses, and addiction counselors because of the demand and supply along with the fact our entry-level salaries are lower compared to private agencies. We are also having difficulty filling entry-level positions, such as community home counselors, human service aides and support staff. The supervisors have had to reopen job announcements several times in hopes to get qualified candidates to work in residential treatment facilities.

- The community has been pleased with results from the State Hospital Alternative Program, especially families and law enforcement. However, we are now seeing a bottleneck effect in the crisis residential center because we don't have enough residential addiction beds to transfer clients needing day treatment services. The crisis residential center operates at 95% to 110% occupancy. When we admit over our designate 12 beds, the provider charges an extra $100 per day per bed. It would cost less to place that client that has been stabilized in an addiction residential placement versus the crisis center. The addiction counselors express concern about the chronic alcoholic leaving the residential facility after completing treatment and relapsing because they don't have adequate supports that promote sobriety. They

recommend more residential beds for those in treatment and transitional or long term housing for those with chronic addiction problems.

North Central Human Service Center Major Budget Increases/Decreases

- Disabilities Services
  - The Developmental Disabilities Division reduced federal funds to the DD Infant and Toddler program by $34,000. This along with budget reductions for telephone service of $7,400 makes up 98% the operating reduction of $42,379 in this budget level.

- Older Adult Services
  - Funds were transferred from the Aging Services Division to start Adult Protective Services/Ombudsman Services to Regions I and II. The program's budget is $85,042 for the 2001 – 2003 biennium. This budget is $61,000 federal funds and $24,042 general fund.

- Mental Health and Substance Abuse Services
  - The center unfunded .15 FTE of a vacant psychiatric position. This position's salary budget was $53,999.
  - Because of the center's difficulty in recruiting and retaining psychologists, the center has budgeted $25,000 to contract for psychological services in the 2001 – 2003 budget.
  - The Mental Health Partnership Program has been reduced by $910,865 due to reduced federal funding.

- Recommended salary package for state employees
  - The package cost is $502,416.

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

David Snyder

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-02 NORTH CENTRAL HSC	70	1001	SALARIES	4,522,863	17	6,385,219	7,143,081
4-02 NORTH CENTRAL HSC	70	1002	TEMP, OT & SHIFT DIFF	103,611	17	146,274	139,632
4-02 NORTH CENTRAL HSC	70	1008	BENEFITS	1,442,054	17	2,035,841	2,446,505
4-02 NORTH CENTRAL HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-	18,750
4-02 NORTH CENTRAL HSC	70	3003	IT-TELEPHONE	99,968	16	149,953	136,802
4-02 NORTH CENTRAL HSC	70	3004	TRAVEL	90,646	16	135,969	123,950
4-02 NORTH CENTRAL HSC	70	3006	UTILITIES	7	16	10	-
4-02 NORTH CENTRAL HSC	70	3007	POSTAGE	22,538	16	33,807	27,250
4-02 NORTH CENTRAL HSC	70	3011	LEASE - RENT EQUIP MENT	-	16	-	14,880
4-02 NORTH CENTRAL HSC	70	3012	LEASE - RENT BLDG - LAND	625,153	16	937,729	922,656
4-02 NORTH CENTRAL HSC	70	3013	DUES & PROFESSIONAL DEV	18,810	16	28,215	58,250
4-02 NORTH CENTRAL HSC	70	3014	OPERATING FEES & SRVC	65,877	16	98,816	75,050
4-02 NORTH CENTRAL HSC	70	3016	REPAIRS	17,814	16	26,721	14,500
4-02 NORTH CENTRAL HSC	70	3021	OFFICE SUPPLIES	9,562	16	14,343	15,000
4-02 NORTH CENTRAL HSC	70	3024	PRINTING	13,078	16	19,616	17,000
4-02 NORTH CENTRAL HSC	70	3025	PROF. SUPPLIES & MATERIALS	8,745	16	13,118	17,000
4-02 NORTH CENTRAL HSC	70	3027	FOOD & CLOTHING	22,654	16	33,981	36,000
4-02 NORTH CENTRAL HSC	70	3029	MEDICAL, DENTAL & OPTICAL	17,037	16	25,555	26,500
4-02 NORTH CENTRAL HSC	70	3030	BLDG GRNDS & VEH MTCE SUPP	329	16	493	2,250
4-02 NORTH CENTRAL HSC	70	3033	MISC SUPPLIES	50,035	16	75,052	38,260
4-02 NORTH CENTRAL HSC	70	4003	IT - EQUIPMENT	(49)	16	(74)	-
4-02 NORTH CENTRAL HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	2,065,691	16	3,098,536	3,134,211
70 Total				9,196,422		13,259,174	14,407,527
4-02 NORTH CENTRAL HSC Total				9,196,422		13,259,174	14,407,527

1-29-01

#6

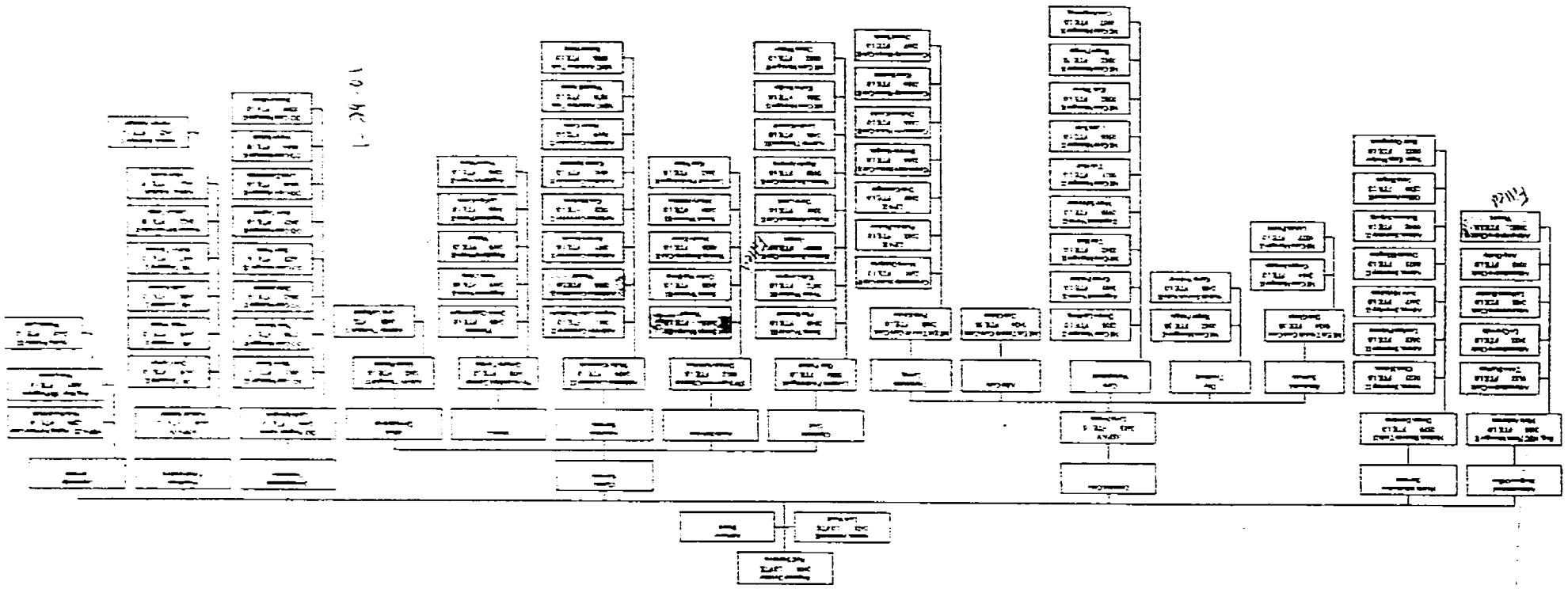
Department of Human Servicse * HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-02 NORTH CENTRAL HSC	410-72-30 DISABILITY SERVICES	7030 Rehabilitation Employment Services	2,080.00	16	3,120	8,400	19,920
	DISABILITY SERVICES Total		**2,080.00**		**3,120**	**8,400**	**19,920**
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7040 Medical Director & Psychiatrists	280,227.50	16	420,341	453,219	530,880
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7050 Clinical Population Services	10,700.00	16	16,050	25,000	-
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7126 CD Short Term Residential Services	275,352.28	16	413,028	476,944	476,244
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7128 CD Alcohol & Drug Services	766,134.31	16	1,149,201	924,463	-
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7129 CD Women's / Children's Program	290,192.90	16	435,289	457,698	457,698
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7149 MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	218,144.43	16	327,217	67,500	854,743
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7150 MH Partnership - Intensive In-Home - SED	32,540.65	16	48,811		
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7215 SMI Community Support - Rhinelander	42,655.30	16	63,983	-	5,279
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7217 SMI Psych - Social Clubs	97,348.19	16	146,022	150,000	150,000
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7260 SMI Extended Care Coordinator	1,875.00	16	2,813	-	150,000
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7267 SMI Residential Room & Board/Semi Indep	43,640.38	16	65,461	66,000	66,000
4-02 NORTH CENTRAL HSC	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7279 SMI Services for the Homeless (MHSH)	4,800.00	16	7,200	7,200	7,200
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total	7282 SMI Short Term Inpatient Hospital	**2,063,610.94**	16	- **3,095,416**	497,787 **3,125,811**	1,272,250 **3,970,294**
4-02 NORTH CENTRAL HSC Total			**2,065,690.94**		**3,098,536**	**3,134,211**	**3,990,214**

ND Department of Human Services * Human Service Centers * Funding for [illegible]t Budget Object Codes * 2001 - 2003 Biennium as submitted to the [illegible]se

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-72-30	DISABILITY SERVICES	7030	Rehabilitation Employment Services	6006	GRANTS, BENEFITS, & CLAIMS	8,400	2,125	6,275	-
	DISABILITY SERVICES Total					**8,400**	**2,125**	**6,275**	**-**
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7040	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	453,219	306,390	88,074	58,755
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7050	Clinical Population Services	6006	GRANTS, BENEFITS, & CLAIMS	25,000	10,592	10,322	4,086
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7126	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	476,944	476,944	-	-
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7128	CD Alcohol & Drug Services	6006	GRANTS, BENEFITS, & CLAIMS	924,463	681,736	223,360	19,367
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7129	CD Women's / Children's Program	6006	GRANTS, BENEFITS, & CLAIMS	457,698	38,602	419,096	-
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7149	MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	6006	GRANTS, BENEFITS, & CLAIMS	67,500	37,494	22,752	7,254
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7217	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	150,000	150,000	-	-
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7267	SMI Residential Room & Board/Semi Indep.	6006	GRANTS, BENEFITS, & CLAIMS	66,000	39,339	26,516	145
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7279	SMI Services for the Homeless (MHSH)	6006	GRANTS, BENEFITS, & CLAIMS	7,200	870	6,330	-
410-72-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7282	SMI Short Term Inpatient Hospital	6006	GRANTS, BENEFITS, & CLAIMS	497,787	259,193	234,368	4,226
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**3,125,811**	**2,001,160**	**1,030,818**	**93,833**
	4-02 NORTH CENTRAL HSC Total					**3,134,211**	**2,003,285**	**1,037,093**	**93,833**



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HOUSE APPROPRIATIONS COMMITTEE
Human Resources Division
Representative Ken Svedjan, Chairman

Mr. Chairman, members of the committee, my name is Rolf Storsteen and I am the director of the South Central Human Service Center in Jamestown.

Three programs have a major impact on our budget.

TRANSITIONAL LIVING HOME

- Located on the campus of the State Hospital
- Designed for men and women who have a history of unsuccessful placement in the community.
- Eight residents with a history of years of hospitalization
- In the past six months, all have successfully lived in the home
- Facility funded for the last year of this biennium by a transfer of funds from the State Hospital. This transfer is authorized in Section 5 of SB 2012.

CRISIS RESIDENTIAL UNIT

- Used to house clients who historically would have been admitted to the State Hospital
- Clients admitted typically have a serious mental illness or a chronic chemical dependency problem that requires skilled supervision by staff.
- The center contracts with Progress Enterprises, Inc., a private, non-profit corporation, for the service.
- At the request of the center, Progress upgraded the service by hiring more highly trained staff to provide supervision of the clients.

CHEMICAL DEPENDENCY CASE MANAGEMENT

- Designed to serve the severe, chronically addicted who have multiple State Hospital admissions
- Case managers maintain almost daily contact with assigned clients
- Admissions for detox continue, but at a reduced rate
- Clients returned to the community after each detox event
- Part of budget increase is the funding for the case manager position

CONCERNS:

STAFF RECRUITMENT/STAFF VACANCY RATE

- Difficult to recruit qualified social workers, human relations counselors, and addiction counselors
- Recruitment has been active; results have been disappointing
- Have experienced a higher dropout rate of clients receiving services; not able to have appointments as frequent as desired by clients

BUDGET INCREASES:

- 421,418 Governor's salary and benefit package
- 234,210 Second year of Transitional Living salary and benefits
- 189,865 Other salary/benefit changes
- 42,000 Increase to providers of residential programs
- 37,500 Adult Protective Services

BUDGET DECREASES:

- 150,000 Reduction in Partnership allocation

Rolf Storstein

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation	1999 - 2001 Budget
4-06 SOUTH CENTRAL HSC	70	1001	SALARIES	3,659,515	17	5,166,374	6,079,865	5,553,368
4-06 SOUTH CENTRAL HSC	70	1002	TEMP, OT & SHIFT DIFF	104,519	17	147,556	227,040	180,312
4-06 SOUTH CENTRAL HSC	70	1008	BENEFITS	1,103,345	17	1,557,664	1,936,572	1,683,054
4-06 SOUTH CENTRAL HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-	18,750	-
4-06 SOUTH CENTRAL HSC	70	3003	IT-TELEPHONE	85,231	16	127,846	133,251	127,739
4-06 SOUTH CENTRAL HSC	70	3004	TRAVEL	71,118	16	106,676	153,340	143,013
4-06 SOUTH CENTRAL HSC	70	3006	UTILITIES	4,800	16	7,200	-	-
4-06 SOUTH CENTRAL HSC	70	3007	POSTAGE	19,079	16	28,619	35,494	28,500
4-06 SOUTH CENTRAL HSC	70	3011	LEASE - RENT EQUIP MENT	11,306	16	16,958	17,400	17,400
4-06 SOUTH CENTRAL HSC	70	3012	LEASE - RENT BLDG - LAND	442,749	16	664,123	647,161	621,303
4-06 SOUTH CENTRAL HSC	70	3013	DUES & PROFESSIONAL DEV	14,044	16	21,066	28,975	26,725
4-06 SOUTH CENTRAL HSC	70	3014	OPERATING FEES & SRVC	27,175	16	40,763	86,802	236,051
4-06 SOUTH CENTRAL HSC	70	3016	REPAIRS	5,433	16	8,149	11,475	11,675
4-06 SOUTH CENTRAL HSC	70	3018	PROFESSIONAL SERVICES	3,926	16	5,888	4,800	2,000
4-06 SOUTH CENTRAL HSC	70	3019	INSURANCE	75	16	113	125	125
4-06 SOUTH CENTRAL HSC	70	3021	OFFICE SUPPLIES	19,095	16	28,643	34,050	31,561
4-06 SOUTH CENTRAL HSC	70	3024	PRINTING	6,682	16	10,023	12,275	12,275
4-06 SOUTH CENTRAL HSC	70	3025	PROF. SUPPLIES & MATERIALS	17,772	16	26,658	57,657	57,082
4-06 SOUTH CENTRAL HSC	70	3027	FOOD & CLOTHING	1,628	16	2,442	30,827	15,431
4-06 SOUTH CENTRAL HSC	70	3029	MEDICAL, DENTAL & OPTICAL	12,128	16	18,192	16,078	14,180
4-06 SOUTH CENTRAL HSC	70	3030	BLDG GRNDS & VEH MTCE SUPP	4,993	16	7,490	11,175	11,175
4-06 SOUTH CENTRAL HSC	70	3033	MISC SUPPLIES	23,068	16	34,602	37,065	34,540
4-06 SOUTH CENTRAL HSC	70	4002	OFFICE EQUIP & FURN	23,634	16	35,451	14,775	14,775
4-06 SOUTH CENTRAL HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	945,089	15	1,512,142	1,719,758	1,590,098
4-06 SOUTH CENTRAL HSC Total				**6,606,403**		**9,574,638**	**11,314,710**	**10,412,382**

1-24-01

#11

South Central Human Service Center
Explanation of major differences between 1999-2001 Projected Expenditures and 2001-2003 Executive Budget Recommendation
January 23, 2001

1001 SALARIES
The recommendation column contains the 2nd year of salaries for the TL home and the Governor's recommended salary package
The projected expenditures column under projects the TL home salaries and the previously vacant positions.
The projected expenditures column doesn't include the positions with anticipated fill dates after December 1, 2000.

1002 TEMP, OT & SHIFT DIFF
The recommendation column contains an increase to continue the temporary Psychiatric Nurse and an increase for emergency weekend on-call costs.
The projected expenditures column is low due to spending lower amounts than budgeted for the Partnership case aides and the SMI case manager.

1008 BENEFITS
The recommendation column contains the 2nd year of benefits for the TL home and the Governor's recommended benefit package
The projected expenditures column under projects the TL home benefits and the benefits for previously vacant positions.
The projected expenditures column doesn't include the positions with anticipated fill dates after December 1, 2000.

3004 TRAVEL
The projected expenditures column is low due to decreased travel due to vacancies and decreased travel for SMI Case Management.

3007 POSTAGE
The actual expenditures column doesn't include a large payment made the first part of December. Currently projecting $32,000 for postage costs.

3013 DUES & PROFESSIONAL DEV
The projected expenditures column is down due to Part C monies that we will not spend.

3014 OPERATING FEES & SRVC
The projected expenditures column is down due to Part C monies that we will not spend.

3021 OFFICE SUPPLIES
The projected expenditures column is low due to vacant positions and spending lower amounts than budgeted for office products.

3025 PROF. SUPPLIES & MATERIALS
The projected expenditures column is low due to timing of purchases for Psychological testing materials. Currently projecting $40,000 in this area.
The projected expenditures column is low due to Part C monies of approximately $18,000 that we will not spend.

3027 FOOD & CLOTHING
The recommendation column includes the amount necessary for meal costs for the TL home.
The projected expenditures column is low due to the timing of the payment for contracted meals.

6006 GRANTS, BENEFITS, & CLAIMS
The recommendation column includes amounts for a small residential provider increase, Adult Protective Services, Part C, and Foster Care recruitment
The projected expenditures column is low due to timing of vendor payments, which are typically 1 month behind. Should use 15 months.
The projected expenditures column is low due to Part C monies that we will not spend.

Department of Human Servicse - HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-06 SOUTH CENTRAL HSC	410-76-20 CHILD WELFARE	9028 Foster Care Recruitment & Retention	4,423 06	15	7,077	11,333	
4-06 SOUTH CENTRAL HSC	410-76-20 CHILD WELFARE	9058 Respite Care	682 49	15	1,092	20,011	20,011
	CHILD WELFARE Total		**5,105.54**		**8,169**	**31,344**	**20,011**
4-06 SOUTH CENTRAL HSC	410-76-30 DISABILITY SERVICES	9202 DD Infants & Toddlers - Part C General	1,697 77	15	2,716	75,975	40,975
4-06 SOUTH CENTRAL HSC	410-76-30 DISABILITY SERVICES	9239 DD Infant Development	587 75	15	940	3,600	
	DISABILITY SERVICES Total		**2,285.52**		**3,656**	**79,575**	**40,975**
4-06 SOUTH CENTRAL HSC	410-76-40 OLDER ADULT SERVICES	9119 Adult Protective Services		15	-	37,500	
	OLDER ADULT SERVICES Total		-		-	**37,500**	-
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9124 CD Social DeTox	44,601 50	15	71,362	110,520	110,520
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9126 CD Short Term Residential Services	178,248 00	15	285,197	117,251	117,251
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9128 CD Alcohol & Drug Services	7,600 00	15	12,160	4,750	4,750
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9211 SMI Case Management	153,137 50	15	245,020	390,853	361,063
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9217 SMI Psych - Social Clubs	102,192 00	15	163,507	173,288	173,288
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9268 SMI Semi Structured Living	313,206 30	15	501,130	513,155	590,718
4-06 SOUTH CENTRAL HSC	410-76-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	9271 SMI Work Activity	138,712 25	15	221,940	261,522	261,522
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**937,697.55**		**1,500,316**	**1,571,339**	**1,529,112**
4-06 SOUTH CENTRAL HSC Total			**945,068.61**		**1,512,141**	**1,719,758**	**1,550,098**

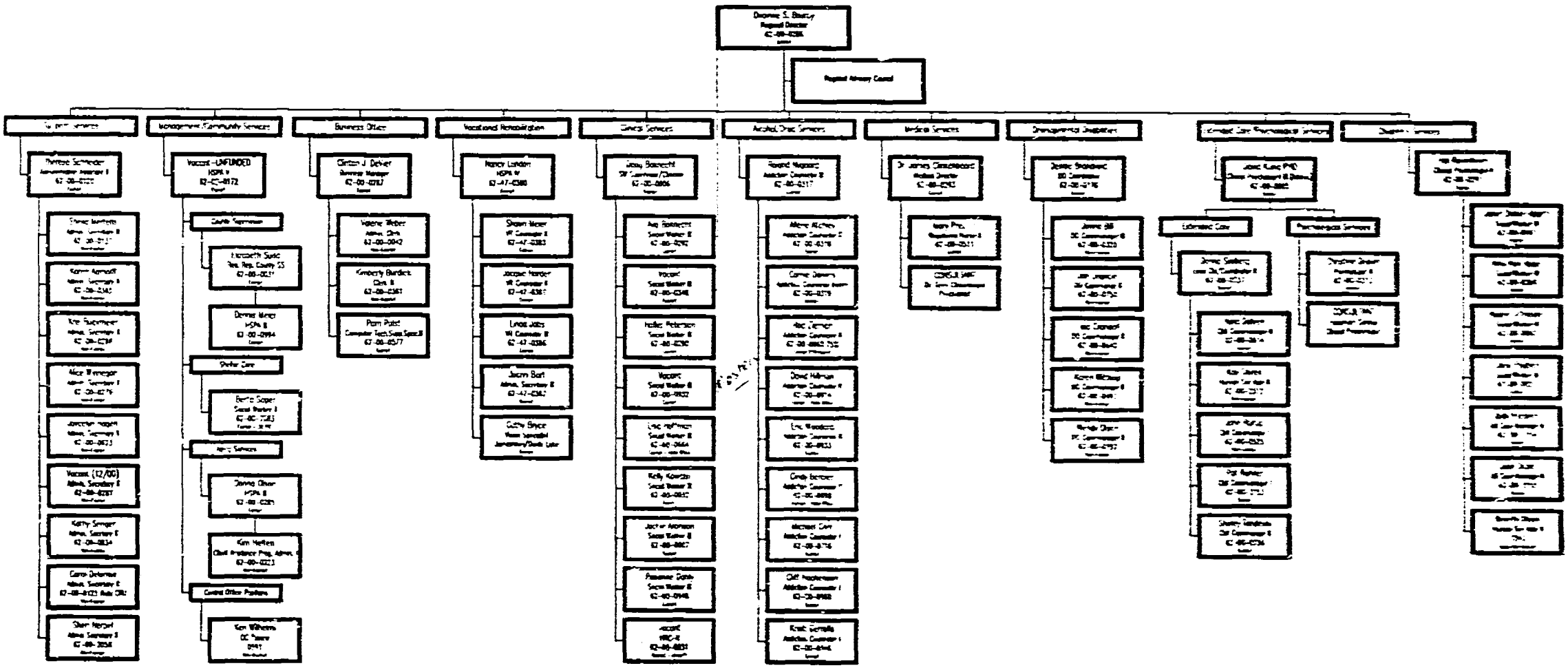
ND Department of Human Services * Human Service Centers * Funding for [illegible]it Budget Object Codes * 2001 - 2003 Biennium as submitted to the [illegible]use

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-76-20	CHILD WELFARE	9028	Foster Care Recruitment & Retention	6006	GRANTS, BENEFITS, & CLAIMS	11,333	2,833	8,500	-
410-76-20	CHILD WELFARE	9058	Respite Care	6006	GRANTS, BENEFITS, & CLAIMS	20,011	20,011	-	-
	CHILD WELFARE Total					**31,344**	**22,844**	**8,500**	-
410-76-30	DISABILITY SERVICES	9202	DD Infants & Toddlers - Part C General	6006	GRANTS, BENEFITS, & CLAIMS	75,975	-	75,975	-
410-76-30	DISABILITY SERVICES	9239	DD Infant Development	6006	GRANTS, BENEFITS, & CLAIMS	3,600	2,980	620	-
	DISABILITY SERVICES Total					**79,575**	**2,980**	**76,595**	-
410-76-40	OLDER ADULT SERVICES	9119	Adult Protective Services	6006	GRANTS, BENEFITS, & CLAIMS	37,500	37,500	-	-
	OLDER ADULT SERVICES Total					**37,500**	**37,500**	-	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9124	CD Social DeTox	6006	GRANTS, BENEFITS, & CLAIMS	110,520	110,520	-	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9126	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	117,251	117,251	-	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9128	CD Alcohol & Drug Services	6006	GRANTS, BENEFITS, & CLAIMS	4,750	2,479	1,619	652
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9211	SMI Case Management	6006	GRANTS, BENEFITS, & CLAIMS	390,853	186,230	204,623	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9217	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	173,288	173,288	-	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9268	SMI Semi Structured Living	6006	GRANTS, BENEFITS, & CLAIMS	513,155	213,724	299,431	-
410-76-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	9271	SMI Work Activity	6006	GRANTS, BENEFITS, & CLAIMS	261,522	150,616	110,906	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**1,571,339**	**954,108**	**616,579**	**652**
	4-06 SOUTH CENTRAL HSC Total					**1,719,758**	**1,017,432**	**701,674**	**652**

Lake Region Human Service Center
Organizational Chart

01/03/2001

Center FTE's: 69
Central Office FTE's: 2



House Appropriations Committee
Human Resources Division
Chairman Ken Svedjan
January 10, 2001

Chairman Svedjan and members of the Committee, my name is Duainne Bourcy, Regional Director, Lake Region Human Service Center. Devils Lake With me today is Clint DeVier, Business Manager at the Center, who will assist with some of the budgetary questions. I will provide you with information on some of our accomplishments in the eight major program areas at our Center, discuss some of our concerns, and conclude with some budget discussion.

Accomplishments/Concerns Eight Major Center Service Areas

- Seriously Mentally Ill (SMI) Accomplishments
  - Expanded psychiatric/case management services to include outreach to regional nursing homes.
  - Increased capacity at the two Crisis Residential Units from 16 to 24 beds to further accommodate community based efforts.
  - Decreased admissions to the North Dakota State Hospital from 242 in 1997 to 95 in the year 2000.
  - Increased Crisis Residential admissions/State Hospital diversions from 77 in 1997 to 287 in the year 2000.
- Seriously Mentally Ill (SMI) Concerns
  - Transportation remains a great concern for clients in Region III.
  - The continuous flooding creates long detours and marginally safe roads to and from Devils Lake for clients attempting to reach services and for case managers who provide in-home case services.
  - Long-term affordable housing for persons with SMI who are unable to live independently in the community are not available in the Region.

- Alcohol and Drug Services (A&D Services) Accomplishments
  - Exploring and negotiating a partnership with Mercy Hospital to enable our Addiction Program to accept a higher level of addicted client, thus further decreasing State Hospital admissions.
  - Increased addiction treatment capacity to include two Day Treatment Programs and one Evening Program.
  - Expanded adolescent services to include Adolescent Alcohol and Drug Day Treatment Program.
  - Collaboration with Spirit Lake Nation to assist their Alcohol and Drug Treatment Program in providing services.
- Alcohol and Drug Services (A&D Services) Concerns
  - A significant number of clients presenting for A&D Services are more violent and difficult to manage.
  - The need for crisis residential services for adolescents within the community. The lack of such community based services often results in the Youth Correctional Center having to serve adolescents who could be served in a less restrictive setting.
- Clinical Services Accomplishments
  - Center continues to be an active participant in Lake Region Domestic Violence Task Force and referrals to our Alternatives to Violence Group are significantly on the increase.
  - The average turn around time from referral to Center to the first meeting with assigned therapist (wait time) is 4.[illegible] working days.
  - Center's Sexual Abuse Treatment Team continues to be recognized for the high level of expertise in working with both victims and perpetuators.
  - On December 9, 2000 our Center completed a FEMA and Center for Mental Health funded Crisis Counselor/Disaster Outreach Program for the Region's ninth Presidential Disaster Declaration.
- Clinical Services Concerns

- The ongoing concern of the people in the Region regarding continuing flooding.
- The roads in the Region continue to be in jeopardy making it difficult for clients to come into the Center and for therapists to go out to the client.
- Recruitment of staff continues to be a problem due to the above two concerns.

- Seriously Emotionally Disturbed (SED) Accomplishments
  - Created specialized Children and Family Services, a multi-disciplinary services unit.
  - Implemented Partnership Program for youth with a serious emotional disturbance.
- Aging Services Accomplishments
  - Participated with Mercy Hospital and Spirit Lake Nation in establishing a Kidney Dialysis Unit "Project Care".
  - Aging Services and Vocational Rehabilitation piloted and implemented Access Awareness Committee for individuals with disabilities.
  - After piloting a Protective Services Program, Region III has a comprehensive program in operation.
- Children and Family Services Accomplishments
  - With the 271 children in foster care in Region III our Center conducts approximately 135 Permanency Planning Meetings per month.
  - Nearly 200 cases per year are reported for Child Protection issues in Region III.
  - Participation in ongoing meetings with Child Protection Services/Foster Care Workers, Juvenile Court staff and Judges concerning Adoption and Safe Families Act (ASFA) related issues.
- Children and Family Services Concerns
  - There continues to be a critical shortage of Foster Homes for children in Region III.

- Vocational Rehabilitation (VR) Accomplishments
  - Vocational Rehabilitation achieved its strategic planning regional goals of numbers of persons served and number of persons employed in FY2000.
  - Vision Rehab Specialist serves over 140 individuals through the Older Blind Program allowing them to remain independent in their own homes.
  - Region III VR Unit assisted Sprit Lake 121 Vocational Rehabilitation Project by providing technical assistance in its startup and continues to provide as needed assistance.
  - Continue to provide scheduled outreach on both Reservations in our Region.
- Development Disabilities Accomplishments
  - Our Center expanded vocational and residential services to individuals living on or near the Turtle Mountain Reservation.
  - Vocational and residential services to the individuals in the Langdon area have been expanded so they might participate in community job programming.

We will now discuss the significant budget increases and decreases to the Center's budget.

Major Budget Increases

- Salaries & Benefits - $403,999.00: Salary and benefit increases are based on current OMB salary projections. This increase is the result of funding the 7/1/00 increase for two years, fringe benefit increases, and the Governors proposed 01-03 general salary increase.
  - Salaries: Position #62-00-0172, HSPA V, has been unfunded in this budget.

- Temporary Salaries: The increase of $39,552.00 is to fund a Human Service aide to work with SED children and their families in the Partnership program.

- Rent - $15,471.00: The rent increase is due to increased escalator costs associated with general inflation. The Center has two large concerns in this area for the upcoming biennium. The first concern is a possible Highway 2 renovation project. Once this project is completed, the Center stands to lose between 15 and 20 parking spaces. The loss of these parking spaces would require the Center to have a parking lot developed in a nearby vacant lot and result in a substantial increase in this budget area. The second concern is the effects of the high ground water table. This has resulted in deterioration of the concrete parking lots and the building's foundation.
- Grants Budget - $35,024.00: The Grants increase consists of the following items:
- Respite Care Services - $10,000.00: The current budget for this program is $30,000.00. However, due to the large demand for this service, the current biennium's costs will be approximately $40,000.00. This maintains this program at it's current cost level.
- Contracted Medical Costs (VR Program) – ($2,400.00): The VR program removed this item from their budget as this service is no longer required.
- Psycho-social - $10,000.00: This budget has been increased to allow the psycho-social club to be more active in providing services to the SMI population. Additionally, this increase will assist the Center in minimizing ND State Hospital admissions.
- Crisis Residential Services - $17,424.00: This increase is for general inflationary costs associated with the operation of the Centers two crisis residential units.

Major Budget Decreases:

- **Operating Fees & Services – ($185,659.00): The decrease in this area is largely the result of two items:**
- **Partnership Program – ($174,598.00): This program was new to the Center and had a budget for client services that exceeded available funding and local need.**
- **DD Part H – ($15,000.00): This decrease is due to the Department's allocation of Federal DD Part H funds and more truly reflects the Center's needs in this area.**

Duane Dewey

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-03 LAKE REGION HSC	70	1001	SALARIES	2,747,987	17	3,879,512	4,554,629
4-03 LAKE REGION HSC	70	1002	TEMP, OT & SHIFT DIFF	21,267	17	30,024	74,352
4-03 LAKE REGION HSC	70	1008	BENEFITS	821,313	17	1,159,501	1,466,218
4-03 LAKE REGION HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-	18,750
4-03 LAKE REGION HSC	70	3003	IT-TELEPHONE	61,204	16	91,807	111,415
4-03 LAKE REGION HSC	70	3004	TRAVEL	43,399	16	65,098	112,944
4-03 LAKE REGION HSC	70	3007	POSTAGE	14,366	16	21,549	24,852
4-03 LAKE REGION HSC	70	3011	LEASE - RENT EQUIP MENT	318	16	477	750
4-03 LAKE REGION HSC	70	3012	LEASE - RENT BLDG - LAND	205,455	16	308,182	388,640
4-03 LAKE REGION HSC	70	3013	DUES & PROFESSIONAL DEV	7,113	16	10,669	9,539
4-03 LAKE REGION HSC	70	3014	OPERATING FEES & SRVC	16,384	16	24,576	79,618
4-03 LAKE REGION HSC	70	3016	REPAIRS	12,715	16	19,072	16,100
4-03 LAKE REGION HSC	70	3018	PROFESSIONAL SERVICES	485	16	728	1,845
4-03 LAKE REGION HSC	70	3019	INSURANCE	1,440	16	2,160	3,790
4-03 LAKE REGION HSC	70	3021	OFFICE SUPPLIES	20,062	16	30,094	33,150
4-03 LAKE REGION HSC	70	3024	PRINTING	8,936	16	13,404	15,804
4-03 LAKE REGION HSC	70	3025	PROF. SUPPLIES & MATERIALS	24,588	16	36,883	19,057
4-03 LAKE REGION HSC	70	3029	MEDICAL, DENTAL & OPTICAL	252	16	378	6,700
4-03 LAKE REGION HSC	70	3030	BLDG GRNDS & VEH MTCE SUPP	2,040	16	3,060	3,600
4-03 LAKE REGION HSC	70	3033	MISC SUPPLIES	5,083	16	7,625	16,607
4-03 LAKE REGION HSC	70	3900	OPERATING BUDGET ADJUSTMENT	-	16	-	7,478
4-03 LAKE REGION HSC	70	4002	OFFICE EQUIP & FURN	18,390	16	27,585	20,000
4-03 LAKE REGION HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	758,568	16	1,137,852	1,273,262
	70 Total			4,791,366		6,870,236	8,259,010

Footnotes:

1. Rent calculation fails to take into account escalator costs due in July for operating costs from 7/1/00 to 6/30/01. Actual rent projections are $343,182.00.
2. Grants calculation does not take into account quarterly billing by contracted psychiatrist & crisis residential unit costs. Actual projections are $1,213,345.50.

1-30

#8

Department of Human Servic HSCs and Institutions

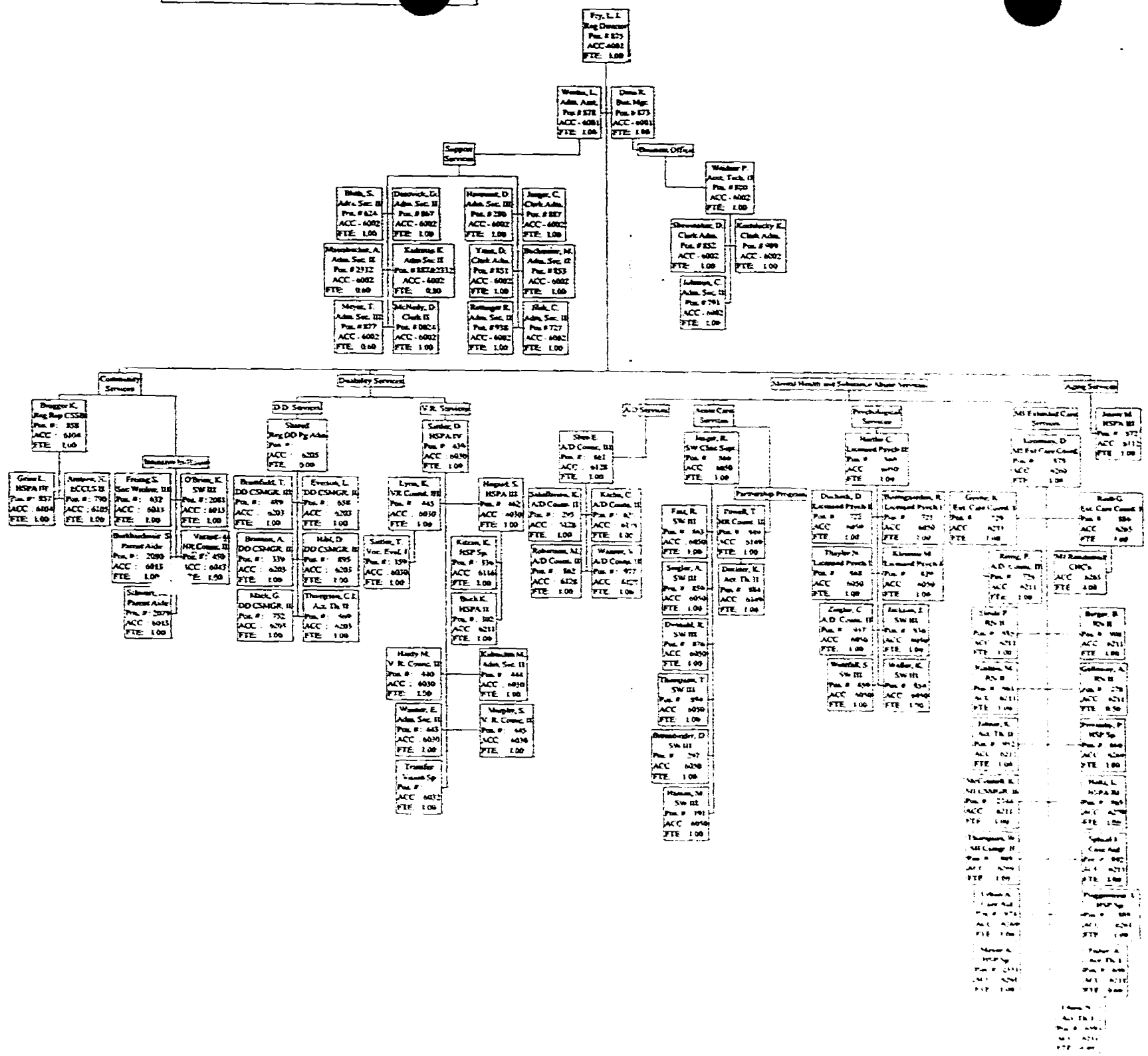
Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-03 LAKE REGION HSC	410-73-20 CHILD WELFARE	7558 Respite Care	25,191.52	16	37,787	40,000	30,000
	CHILD WELFARE Total		**25,191.52**		**37,787**	**40,000**	**30,000**
4-03 LAKE REGION HSC	410-73-30 DISABILITY SERVICES	7530 Rehabilitation Employment Services		16	-	-	2,400
	DISABILITY SERVICES Total		-		-	-	**2,400**
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7540 Medical Director & Psychiatrists	59,441.25	16	89,162	156,000	156,000
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7550 Clinical Population Services	54,442.50	16	81,664	74,000	74,000
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7626 CD Short Term Residential Services	218,572.50	16	327,859	374,507	374,507
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7629 CD Alcohol & Drug Services - Rolette	232,320.00	16	348,480	365,904	348,480
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7649 MH Prtnrship Grant - 33.33% Fed 66.67 Gen	40.00	16	60		
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7717 SMI Psych - Social Clubs	93,328.00	16	139,992	150,000	140,000
4-03 LAKE REGION HSC	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	7781 SMI Community Residential	75,232.00	16	112,848	112,851	112,851
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**733,376.25**		**1,100,065**	**1,233,262**	**1,205,838**
4-03 LAKE REGION HSC Total			**758,567.77**		**1,137,852**	**1,273,262**	**1,238,238**

ND Department of Human Services * Human Service Centers * Funding for Grant Budget Object Codes * 2001 - 2003 Biennium as submitted to the House

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-73-20	CHILD WELFARE	7558	Respite Care	6006	GRANTS, BENEFITS, & CLAIMS	40,000	40,000	-	-
	CHILD WELFARE Total					**40,000**	**40,000**	-	-
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7540	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	156,000	85,251	26,802	43,947
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7550	Clinical Population Services	6006	GRANTS, BENEFITS, & CLAIMS	74,000	40,773	22,101	11,126
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7626	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	374,507	278,468	96,039	-
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7629	CD Alcohol & Drug Services - Rolette	6006	GRANTS, BENEFITS, & CLAIMS	365,904	229,992	133,559	2,353
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7717	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	150,000	150,000	-	-
410-73-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	7781	SMI Community Residential	6006	GRANTS, BENEFITS, & CLAIMS	112,851	49,635	63,216	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**1,233,262**	**834,119**	**341,717**	**57,426**
	4-03 LAKE REGION HSC Total					**1,273,262**	**874,119**	**341,717**	**57,426**

Badlands Human Service Center
2001 - 2003 Biennium
Totals FTEs: 88.5



Badlands HSC

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House Appropriations Committee
Human Resource Division
Chairman Ken Svedjan
January 10, 2001

Chairperson Svedjan and members of the Committee, I am L. Joe Fry and I am the Regional Director of the Badlands Human Service Center which serves the eight southwest counties of North Dakota and is located in Dickinson.

I would like to highlight some of our major accomplishments during the first 18 months of the biennium on a Center wide basis as well as by specific program areas:

- Center Wide
  - Active participants in the development of the Department's strategic plan and subsequently a strategic plan for our Center.
  - Maintained an excellent working relationship with the county social service boards, St. Joseph's Hospital and Health Center, and the various advocacy groups including the National Alliance for Mentally Ill, Southwest Affiliate of the Mental Health Association in North Dakota, ARC, and Protection and Advocacy, as evidenced by a continued 90%+ satisfaction rate from our consumers and our referral sources.
  - Continued our Treatment Plan Outcome Study that indicates mutually arrived at treatment goals are accomplished at a 90% rate.
  - Have maintained licensure, with distinction, from the Council on Accreditation of Rehabilitation Facilities, the Council, and maintained appropriate licensure with the North Dakota Department of Human Services.
  - Continued outreach services to Mott, Bowman, Beach, Hettinger, and Killdeer on a regularly scheduled basis and other communities on an as needed basis.

- **Aging Services**
  - Entered into an agreement with the Stark County Social Service Board to provide expanded services to vulnerable adults throughout the region.
- **Children and Family**
  - Shared a position with West Central Human Service Center for an early child care licensing specialist.
- **Mental Health and Substance Abuse**
  - Began implementing the partnership program in all eight southwest counties.
  - Opened, in cooperation with the local Community Action organization, a long term six bed residential facility for individuals with a serious mental illness. This was accomplished with very little cost to the state general fund.
  - Served as a successful pilot project for MHSIP (Mental Health Statistical Improvement Program). MHSIP is a consumer oriented outcome study developed to assess mental health services. This assessment addresses the domains of access, quality/appropriateness, satisfaction and outcome.
  - Continued to reduce admissions to the State Hospital through our regional intervention services. We decreased the number of admissions from 65 in 1996 to a low of 20 in 1999. In March of 2000 we lost our ability to provide a safe, secured setting at St. Joseph's Hospital due to construction of a cancer care unit. Our admissions for 2000 rose into the 30's as a result. That construction is now completed and our goal for 2001 is to reduce admissions to the teens or low 20's.
- **Disability Services**
  - Discontinued our developmental disabilities residential programs and are purchasing these services from private providers. This increases our consumer choices and allows individuals to choose the appropriate services from a variety of providers. This has resulted in a net decrease in our budget request of $297,901.

- Entered into an agreement with West Central Human Service Center to share a developmental disabilities program administrator. This results in a $90,975 budget reduction in salaries.

The Badlands Human Service Center's budget for the 1999-2001 biennium was $9,477,146 and the budget request for the 2001-2003 biennium is $9,669,122 for an increase of $191,976 of which $84,557 is general funds. Our fulltime equivalents are decreasing from 92.5 to 88.5.

Our major budget highlights include an increase in salaries of $192,581. This is the net increase which includes the Governor salary and fringe benefit package and the changes in the developmental disabilities residential, developmental disabilities program administrator, the early child care licensing specialist, and other minor salary adjustments.

There is also an increase of $21,995 in operating due to an increase in rent, telephone, and psychiatric services.

There is no increase in equipment and a decrease of $22,600 in grants/contracts.

My major concerns for next biennium include:

1. The continued difficulty in recruiting appropriately trained staff to enable us to continue the development of community based care for all population groups in the least restrictive setting.
2. That as our small town populations decrease, we are seeing an influx of families and individuals that require extensive involvement from our agency, the county social service boards, and related organizations.

I would be pleased to answer any questions you might have.

Thank you.

Joe Fry

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expend.	1999 - 2001 Approved Budget	2001 - 2003 Exec. Bgt. Recomm.
4-08 BADLANDS HSC	70	1001	SALARIES	3,480,938	17	4,914,266	5,379,858	5,445,798
4-08 BADLANDS HSC	70	1002	TEMP, OT & SHIFT DIFF	128,338	17	181,183	192,900	160,200
4-08 BADLANDS HSC	70	1008	BENEFITS	1,108,386	17	1,564,781	1,724,661	1,865,252
4-08 BADLANDS HSC	70	1900	SALARY BUDGET ADJUSTMENT	-	16	-		18,750
4-08 BADLANDS HSC	70	3003	IT-TELEPHONE	62,414	16	93,622	91,383	99,808
4-08 BADLANDS HSC	70	3004	TRAVEL	60,469	16	90,703	104,574	96,321
4-08 BADLANDS HSC	70	3005	IT - SOFTWARE - SUPPLIES	3,196	16	4,794		-
4-08 BADLANDS HSC	70	3006	UTILITIES	6,742	16	10,112	11,195	11,320
4-08 BADLANDS HSC	70	3007	POSTAGE	15,122	16	22,682	25,950	26,100
4-08 BADLANDS HSC	70	3011	LEASE - RENT EQUIP MENT	11,670	12	23,340	23,449	23,449
4-08 BADLANDS HSC	70	3012	LEASE - RENT BLDG - LAND	341,105	17	481,560	376,147	384,901
4-08 BADLANDS HSC	70	3013	DUES & PROFESSIONAL DEV	20,143	16	30,215	24,575	24,575
4-08 BADLANDS HSC	70	3014	OPERATING FEES & SRVC	37,499	16	56,248	93,474	108,233
4-08 BADLANDS HSC	70	3016	REPAIRS	4,707	16	7,061	9,733	9,634
4-08 BADLANDS HSC	70	3018	PROFESSIONAL SERVICES	74	16	111	8,000	8,000
4-08 BADLANDS HSC	70	3021	OFFICE SUPPLIES	12,770	16	19,155	34,106	34,160
4-08 BADLANDS HSC	70	3024	PRINTING	9,816	16	14,724	11,802	11,793
4-08 BADLANDS HSC	70	3025	PROF. SUPPLIES & MATERIALS	19,554	16	29,331	26,909	24,998
4-08 BADLANDS HSC	70	3027	FOOD & CLOTHING	10,040	16	15,060	15,669	15,669
4-08 BADLANDS HSC	70	3029	MEDICAL, DENTAL & OPTICAL	196	16	295	7,311	7,311
4-08 BADLANDS HSC	70	3033	MISC SUPPLIES	21,213	16	31,819	31,012	31,012
4-08 BADLANDS HSC	70	4002	OFFICE EQUIP & FURN	5,159	16	7,739	19,750	19,750
4-08 BADLANDS HSC	70	4003	IT - EQUIPMENT	2,933	16	4,399		-
4-08 BADLANDS HSC	70	6006	GRANTS, BENEFITS, & CLAIMS	737,146	16	1,105,720	1,264,688	1,242,088
70 Total				6,099,631		8,708,920	9,477,146	9,669,122

1-30-01

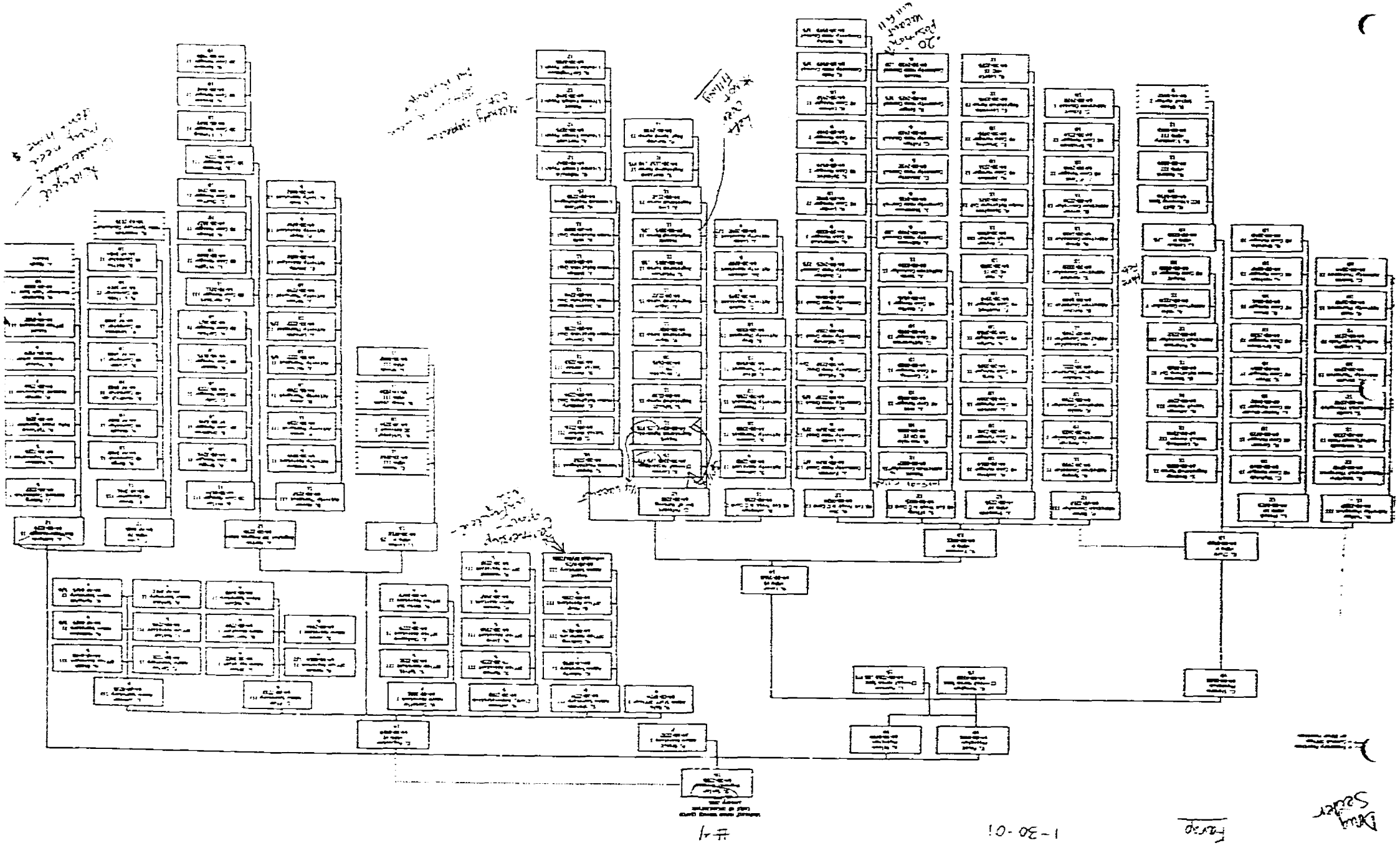
Department of Human Servicse HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-08 BADLANDS HSC	410-78-10 ADMINISTRATION	6002 Support Services	4,211.80	16	6,318		
	ADMINISTRATION Total		**4,211.80**		**6,318**	-	-
4-08 BADLANDS HSC	410-78-20 CHILD WELFARE	6058 Respite Care	8,791.08	16	13,187	25,000	25,000
	CHILD WELFARE Total		**8,791.08**		**13,187**	**25,000**	**25,000**
4-08 BADLANDS HSC	410-78-30 DISABILITY SERVICES	6030 Rehabilitation Employment Services	3,978.66	16	5,968		
4-08 BADLANDS HSC	410-78-30 DISABILITY SERVICES	6116 Supported Employment Program	55,766.80	16	83,650	90,000	133,000
	DISABILITY SERVICES Total		**59,745.46**		**89,618**	**90,000**	**133,000**
4-08 BADLANDS HSC	410-78-40 OLDER ADULT SERVICES	6112 Aging Services Administration	1,868.93	16	2,803	35,400	15,000
	OLDER ADULT SERVICES Total		**1,868.93**		**2,803**	**35,400**	**15,000**
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6040 Medical Director & Psychiatrists	236,700.00	16	355,050	400,000	400,000
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6050 Clinical Population Services	1,980.00	16	2,970		
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6128 CD Alcohol & Drug Services	199,018.52	16	298,528	270,000	270,000
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6149 MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	7,665.00	16	11,498	47,800	47,800
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6211 SMI Case Management	85.00	16	128		
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6217 SMI Psych - Social Clubs	125,208.64	16	187,813	195,000	195,000
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6279 SMI Services for the Homeless (MHSH)	23,790.00	16	35,685	35,100	35,100
4-08 BADLANDS HSC	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	6282 SMI Short Term Inpatient Hospital	68,082.34	16	102,123	143,788	143,788
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**662,529.20**		**993,795**	**1,091,688**	**1,091,688**
4-08 BADLANDS HSC Total			**737,146.47**		**1,105,721**	**1,242,088**	**1,264,688**

ND Department of Human Services * Human Service Centers * Funding for Grant Budget Object Codes * 2001 - 2003 Biennium as submitted to the House

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-78-20	CHILD WELFARE	6058	Respite Care	6006	GRANTS, BENEFITS, & CLAIMS	25,000	25,000	-	-
	CHILD WELFARE Total					**25,000**	**25,000**	-	-
410-78-30	DISABILITY SERVICES	6116	Supported Employment Program	6006	GRANTS, BENEFITS, & CLAIMS	90,000	38,432	51,568	-
	DISABILITY SERVICES Total					**90,000**	**38,432**	**51,568**	-
410-78-40	OLDER ADULT SERVICES	6112	Aging Services Administration	6006	GRANTS, BENEFITS, & CLAIMS	35,400	27,528	7,872	-
	OLDER ADULT SERVICES Total					**35,400**	**27,528**	**7,872**	-
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6040	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	400,000	186,760	82,612	130,628
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6128	CD Alcohol & Drug Services	6006	GRANTS, BENEFITS, & CLAIMS	270,000	112,746	99,733	57,521
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6149	MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	6006	GRANTS, BENEFITS, & CLAIMS	47,800	8,735	30,102	8,963
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6217	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	195,000	195,000	-	-
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6279	SMI Services for the Homeless (MHSH)	6006	GRANTS, BENEFITS, & CLAIMS	35,100	14,850	20,250	-
410-78-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	6282	SMI Short Term Inpatient Hospital	6006	GRANTS, BENEFITS, & CLAIMS	143,788	143,788	-	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**1,091,688**	**661,879**	**232,697**	**197,112**
4-08 BADLANDS HSC Total						**1,242,088**	**752,839**	**292,137**	**197,112**
Grand Total						**18,146,901**	**9,913,002**	**6,791,603**	**1,442,295**



NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
SOUTHEAST HUMAN SERVICE CENTER
2624 9TH AVE SW FARGO, ND 58103-2350
(701) 298-4500 TDD 298-4450 FAX 298-4400

Carol K. Olson, Executive Director
N.D. Department of Human Services
State Capitol, Bismarck, ND 58505

Douglas V. Seiler
Regional Director

House Appropriations Committee
Human Resources Division
Chairman Ken Svedjan
January 10, 2001

Mr. Chairman and Members of the Committee, for the record, my name is Douglas Seiler and I am the Regional Director of the Southeast Human Service Center in Fargo.

Southeast Human Service Center, Region V, is one of eight Human Service Centers within the North Dakota Department of Human Services. The Center provides adult, adolescents, children and family behavioral health care, disability services, older American services, sexual abuse treatment, and County programmatic supervisory services to the citizens of Steele, Traill, Cass, Richland, Ransom, and Sargent counties.

COLLABORATIVE ACCOMPLISHMENTS AND CHALLENGES

- Mayor's Task Force On Adult Substance Abuse - Goal is to develop permanent supportive housing & stability for homeless adults with chronic alcohol addiction
- Pilot Region V Adolescent Drug Court - a special program aimed at intervening in the lives of substance abusing juveniles and at stopping criminal behavior that frequently co-occurs through intense judicial supervision and participation in treatment programs

- Sexual Abuse Treatment Coalition - Private and public agencies collaborating to provide community based treatment for offenders and victims of child sexual abuse
- Adoption & Safe Families Act (ASFA) - legislation to create permanency for children
  - Increased number of children in DHS guardianship where parental rights have been terminated
  - Increased involvement with counties and courts
  - Increased number of parental assessment evaluations requested by counties
- Memorandum of Understanding with Region V County Social Service Boards clarifying HSC and county areas of responsibility
- Agreement with Family Health Care Center on health care provision for clients
- Collaboration with Dakota Medical Foundation to identify service gaps and needs
- Collaboration with Mental Health Association, Fargo Housing Authority and local foundations to assist in site relocation for psychosocial club
- Maintained leadership in Region V Children's Services Coordinating Committee and was awarded a $45,000 grant for additional respite service for all counties in Region V
- Human Service Center Regional Council established a sub-committee on children and family issues
- Opened Dakotah Pioneer, a 31 bed residential facility with 24 hour supervision in May 2000, done in collaboration with City of Fargo, Southeastern North Dakota Community Action Agency and local developers
- Pilot Project with Cass County Social Services and ND Jobs Program of Job Service ND. Position of a mental health work 20 hours per week located on site at Cass County Social Services. Project goal to assist TANF recipients with disability related issues transition off cash assistance within the 60-month period or be waived of this requirement, if appropriate due to disability, in accordance with TANF guidelines.

Summary: In this budget there is a total of $1,412,560 in additional funding request over the current budget.

- Two additional staff positions in the amount of $205,334
- Transfer from State Industrial Commission to Southeast of $444,125 for principal payments on our building
- Increase in Federal Dollars, in the amount of $108,149 for contracted services for children in Region V who are eligible for Infant Development Services.
- $299,565 reduction in core services in children's mental health services
- Increase in salary and fringe benefits in accordance with the Governor's pay plan of $823,706
- $80,800 Adult Protection Services interdepartmental transfer

Explanation of Changes:

Position #1

Child Welfare Services: To promote safe, secure, nurturing living environments and protect children from abuse or neglect within their families, as well as, in alternative settings.

In this portion of the budget you will see an increase of one FTE. This position is in the area of County Supervision. The Adoption & Safe Families Act on the federal level promotes a more rapid movement for permanency for children and the desire that children will not linger nor be lost in the foster care system. Although we have not seen children lost in the foster care system in North Dakota the number of children in care in our Region has grown. ' The Adoption and Safe Families act promotes the movement of a child to permanency in a more rapid fashion. This process has seen the number of children in the care, custody, and control of the Department of Human Services increase. This number, when I arrived in Region V, six years ago was at 3 and has risen to a high of 92 children in custody in our region.

The person in County Supervision service will enhance capabilities of assuring successful implementation of the Adoption & Safe Families Act in our Region. Based on the Kids Count Statistics of 1999-2000, Region V has 23% of all the children in North Dakota. As of this date, we have 266 individuals in care and 232 licensed foster homes. The current number of children in care and custody of the Department of Human Services for Region V is 88. Having 88 children in custody requires constant availability of staff on a 24 hour a day basis to assure the signatures and verbal approval can be given at any time to assure the child has access to both physical and behavioral health care in the event of an emergency. A team of three individuals manages all of this and the demand for their time far exceeds supply. One additional social worker in this team will make this more efficient and effective in managing placements and placement costs.

Position #2

Adult & Children's Mental Health and Substance Abuse: To assist people with serious and persistent mental illness, substance abuse and addiction disorders, and serious emotional disorders or acute mental health needs to receive services in the least restrictive and appropriate setting.

The second position is for a Ph.D. psychologist. The funding for this position would be shared on a 50-50 basis between the Family Health Care Center and Southeast HSC. This partnering relationship will allow for an increase in service to the homeless and refugee population of our community in the mental health arena and should also support the efforts we currently have in place with assisting individuals in reaching self-sufficiency and moving off cash assistance. This will allow for our psychologist team to meet the needs of the adult clientele of Southeast HSC, as well as, the demand for parental capacity assessments from the six counties in Region V. It is noteworthy to say that from October 1, 1999 to September 30, 2000, 622 refugees were relocated to North Dakota. According to data supplied by LSS of ND in a December 18th meeting on refugee issues in Fargo, of these individuals, 565

settled in Cass County, 40 in Burleigh/Morton Counties, 8 in Richland County and 9 in Grand Forks County.

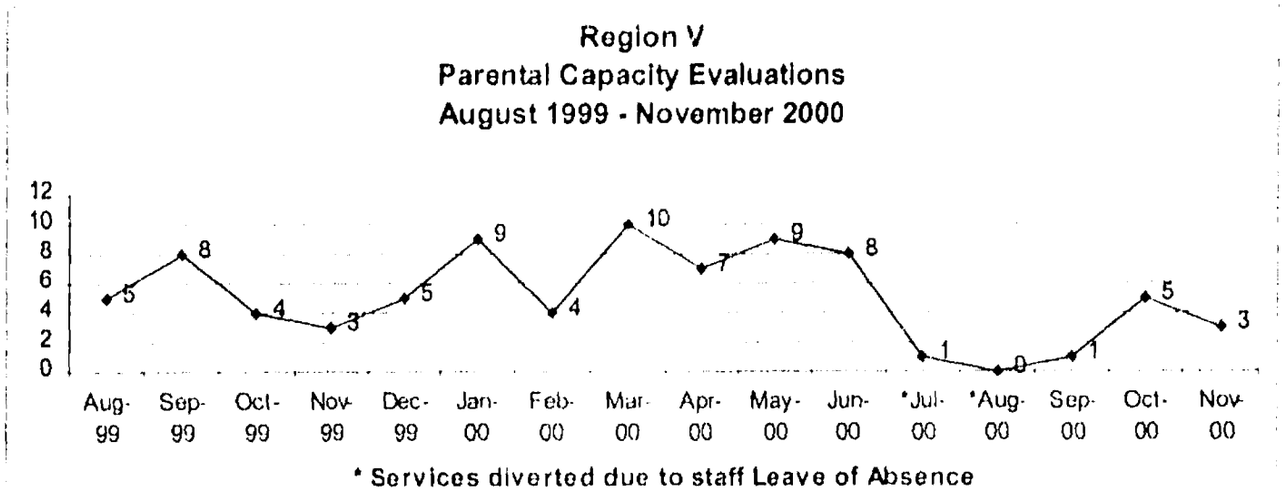
There is a direct correlation between the Adoption & Safe Families Act and the need for this position. The demand for psychological services to meet this act has taken an immense amount of time away from our adult service provision. Prior to making a decision about the termination of parental rights, every effort is made to see if reunification with the family is a possibility. Often this is accomplished through the usage of a Parental Capacity Assessment performed by a Ph.D. psychologist. With the move to permanency, the number of requests for these assessments has skyrocketed. Each Parental Capacity Assessment takes approximately 13 hours. With an average of 7 assessments per month, this means we are spending 91 hours per month or, if you will, a .5 Full Time Equivalent.

North Dakota Department of Human Services

Region V Parental Capacity Evaluations

HB 1012

2001-2003 BIENNIUM



Grant Reduction:

$299,565. We made the decision to reduce the grants line item by this amount. This

was funded primarily with Partnership grant dollars and was used exclusively for intensive in-home services which we contracted for in our region. As we made decisions about what was most important as core services for the Partnership continuation, this area was not seen as a core service.

Administration: To provide direction, training and funding so programs can achieve their program results measure.

- One significant change in our budget is an increase in General Funds of $444,125. This is the result of a budget transfer from the State Industrial Commission of ND to the budget of the Department of Human Services and to Southeast. This is for principal payments for the bond on our building. Previous biennium these dollars were found in the budget of the State Industrial Commission. They have been a part of the budget for four biennium. The balance due on this note will be retired in 2008.

Disability Services (Vocational Rehabilitation, Infant Development and Developmental Disabilities Case Management): To support people with disabilities in their efforts to live safely and productively in the least restrictive environment, appropriate setting, and to attain employment and independence.

Change of $108,149 is in the grants line and is the result of additional funding from the Federal Part H funding source. These dollars will be utilized to contract for services for children eligible for Infant Development Services in Region V. Again, it should be noted this increase is 100% federal funds.

Increase of $823,706 in accordance with the Governor's recommended pay plan.

Older American Services: To support older adults and persons with physical disabilities in their effort to live safely and productively in the least restrictive

appropriate setting.

- $80,800 is a transfer from the Central Office budget to the field to provide additional Older American Services to vulnerable elderly in the region. These dollars were expended in the previous biennium, but were in the Central Office budget. This is a budget transfer to the appropriate spending unit.

This completes my testimony today. Should you have any questions I would be more than pleased to try and answer them today.

Thank you!

Doing Sector

CLIENTS SERVED

The individuals we serve at Southeast HSC come from all walks of life and all age groups throughout Region V. The first chart will allow you to see where the clients come from in our Region. In Figure 1, you will see the percent of clients served by residence from July 1, 1999 to June 30, 2000. This chart reflects that 84% of the individuals we serve come from Cass County, with the remaining 16% from the other five counties. These numbers hold fast despite increased outreach efforts and increased numbers served in the other five counties.

Figure 1

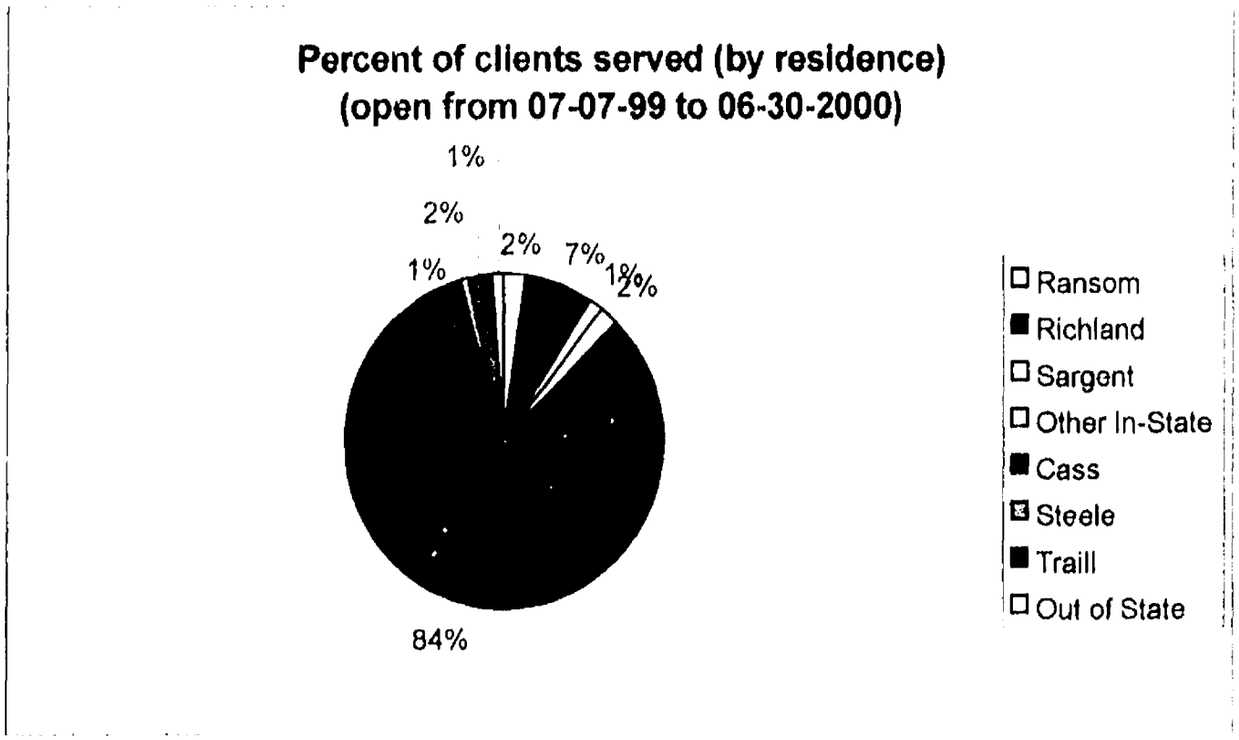
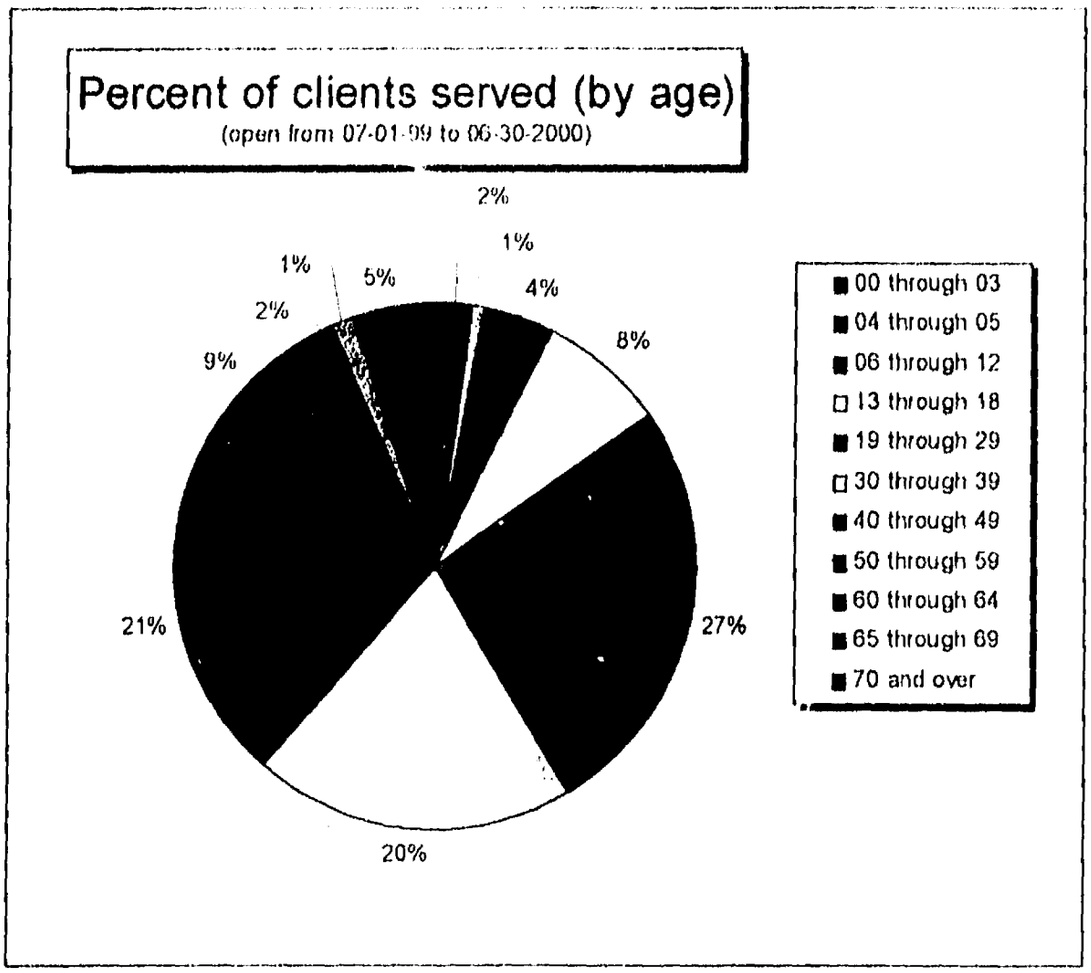


Figure 2 is a snapshot that will provide you information regarding the population we served from the standpoint of age. There has been little to no change in these numbers from the previous biennium.

Figure 2



This particular chart shows you that the three largest age groups currently receiving services through our Center are: 1) age 19-29; 2) age 30-39; and 3) age 40-49. When we combine these numbers, we find that ages 19-49 represent 68% of our total number served.

When we look at the sex of the individuals served, we find the following: The chart below, figure 3, shows females comprise 46% and males 54%. These percentages are the same as last biennium.

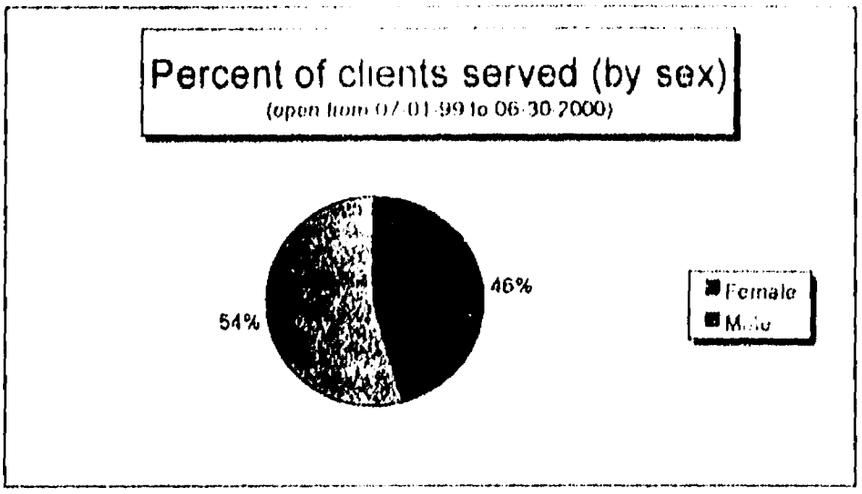


Figure 3

Figures 4 and 5 show the number of clients served by race. There has been an increase of over 2% in the category of "Other" during the past biennium. This increase is attributed to an increase in service to Native Americans, as well as, the result of the refugee resettlement that has occurred in our region.

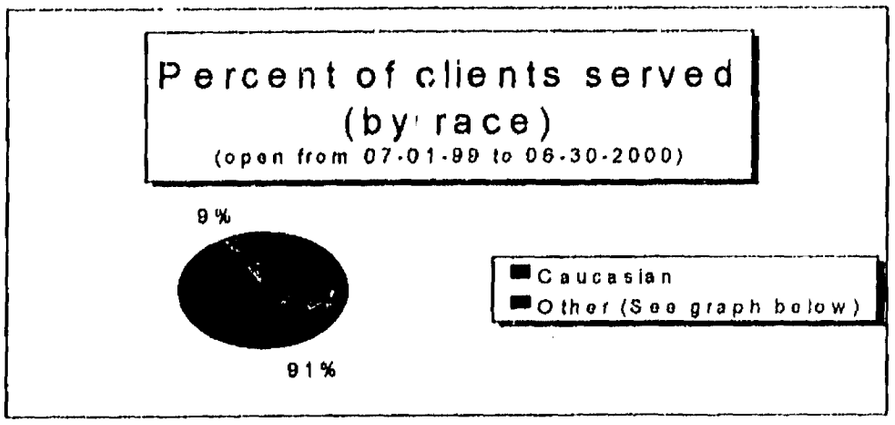


Figure 4

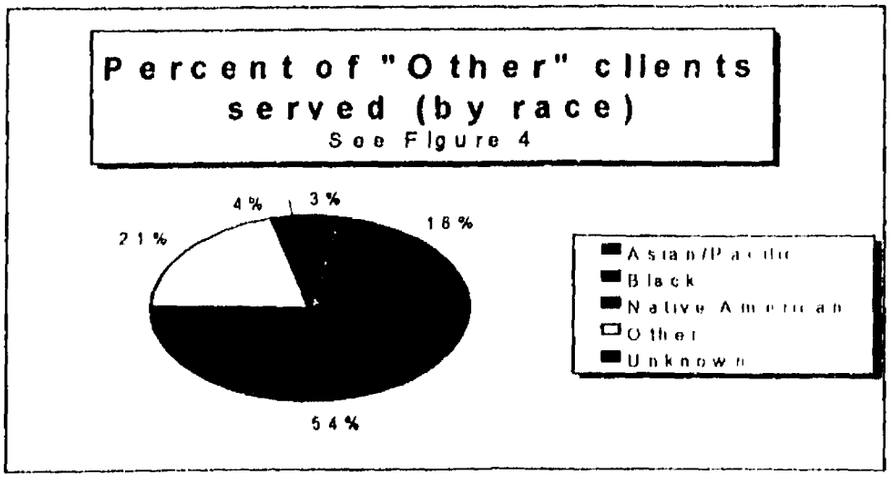
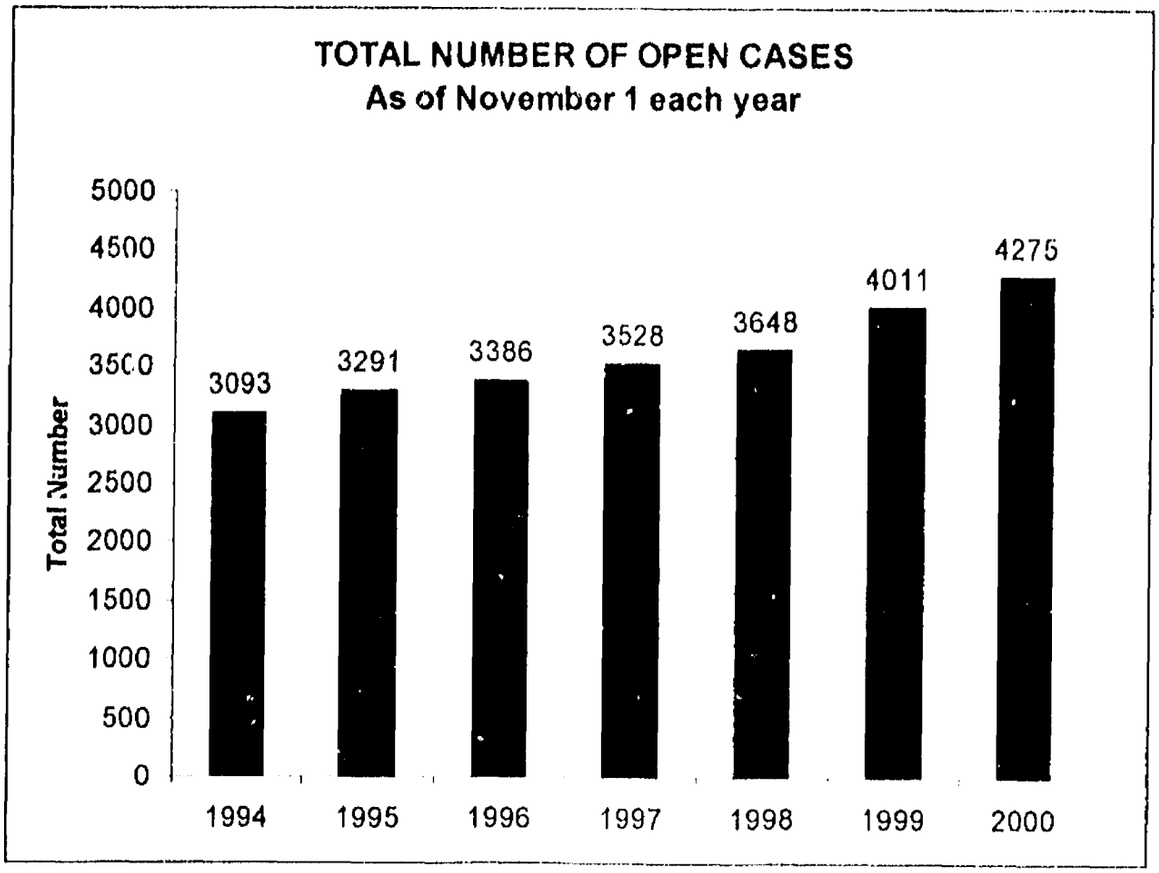


Figure 5

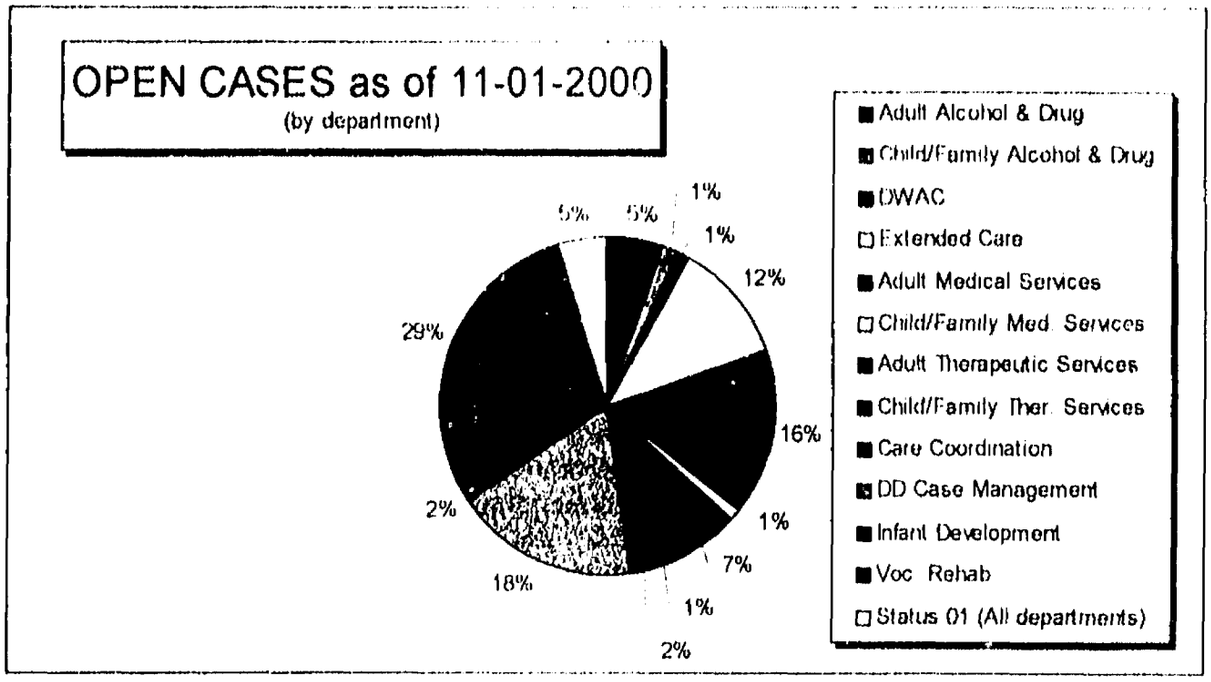
The number of clients served at Southeast Human Service Center continues to increase. This is the sixth consecutive year with increases in the number of clients served. As demonstrated by the point in time table below, this increase has ranged from 3% to 10% and growth in the last two years has been 10% and 6.6% respectively. The table below, figure 6, lays out these numbers beginning in November 1996. As of July 1999, the beginning of the current biennium, we are opening an average of 284 new cases each month, which is an increase of 24 additional cases a month over the last biennium.

Figure 6



This graphic, figure 7, demonstrates a departmental snapshot of open cases as of November 2000. The largest increases in service have occurred in Adult Medical Services, Adult Therapeutic Services and Vocational Rehabilitation Services.

Figure 7



Clinicians continue to look at treatment strategies which will allow them to serve consumers in a shorter period of time while maintaining the integrity of the treatment process. This is difficult. Capacities in several arenas are being maxed out.

HOW WE SERVE CLIENTS IN REGION V

The clients served at Southeast Human Service Center are served by many different approaches. The goal we have set for ourselves is that the client is the customer and the customer is number one. This is not without trials and tribulations for the clients or staff. The first of these misunderstandings is the fact that when someone is in need of service, certain information is required in order for treatment to occur. We, as staff, work each day to make this system

more consumer friendly, but the work is far from done. Customers, clients, may walk in or call us in a state of crisis. Our intervention team will step in and with minimal information, begin intervention services. These services may be as simple as stabilization so we can ascertain what type of resources the customer may have and how they might maximize their resources to access both the public and the private treatment systems available within Region V.

Customers may walk into our Center who are not in crisis, but may have specific needs and specific individuals they wish to see. In these cases, there may be a waiting time for the next available appointment. We see every client, without mitigating circumstances immediately, if they are in crisis, and in no more than 14 calendar days when they are not in crisis.

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Subdivision	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	Actual 1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
4-05 SOUTHEAST HSC	50	5020 OTHER CAPITAL PYMNTS	87,883	16	131,824	152,162	573,124
50 Total			**87,883**		**131,824**	**152,162**	**573,124**
4-05 SOUTHEAST HSC	70	1001 SALARIES	7,541,252	17	10,646,473	11,122,688	12,223,286
4-05 SOUTHEAST HSC	70	1002 TEMP, OT & SHIFT DIFF	93,787	17	132,406	91,200	91,200
4-05 SOUTHEAST HSC	70	1008 BENEFITS	2,345,946	17	3,311,923	3,390,301	3,925,564
4-05 SOUTHEAST HSC	70	1900 SALARY BUDGET ADJUSTMENT	-	16	-		18,750
4-05 SOUTHEAST HSC	70	3002 IT-DATA PROCESSING	90	16	135	120	120
4-05 SOUTHEAST HSC	70	3003 IT-TELEPHONE	151,920	16	227,879	220,335	215,561
4-05 SOUTHEAST HSC	70	3004 TRAVEL	76,548	16	114,822	109,332	106,914
4-05 SOUTHEAST HSC	70	3005 IT - SOFTWARE - SUPPLIES	784	16	1,176	1,509	1,509
4-05 SOUTHEAST HSC	70	3006 UTILITIES	81,989	16	122,983	120,366	110,279
4-05 SOUTHEAST HSC	70	3007 POSTAGE	30,869	16	46,304	44,555	44,563
4-05 SOUTHEAST HSC	70	3011 LEASE - RENT EQUIP MENT	2,515	16	3,772	4,268	4,268
4-05 SOUTHEAST HSC	70	3012 LEASE - RENT BLDG - LAND	79,300	16	118,951	97,884	85,663
4-05 SOUTHEAST HSC	70	3013 DUES & PROFESSIONAL DEV	37,065	16	55,598	77,493	77,413
4-05 SOUTHEAST HSC	70	3014 OPERATING FEES & SRVC	54,125	16	81,188	83,264	80,311
4-05 SOUTHEAST HSC	70	3016 REPAIRS	162,897	16	244,345	205,245	200,156
4-05 SOUTHEAST HSC	70	3018 PROFESSIONAL SERVICES	1,623	16	2,435	4,021	4,021
4-05 SOUTHEAST HSC	70	3019 INSURANCE	195	16	293	520	-
4-05 SOUTHEAST HSC	70	3021 OFFICE SUPPLIES	48,634	16	72,951	55,334	54,450
4-05 SOUTHEAST HSC	70	3024 PRINTING	25,262	16	37,893	35,423	35,413
4-05 SOUTHEAST HSC	70	3025 PROF. SUPPLIES & MATERIALS	25,047	16	37,570	32,680	40,115
4-05 SOUTHEAST HSC	70	3027 FOOD & CLOTHING	19,853	16	29,779	35,790	18,818
4-05 SOUTHEAST HSC	70	3029 MEDICAL, DENTAL & OPTICAL	7,127	16	10,691	18,498	18,394
4-05 SOUTHEAST HSC	70	3030 BLDG GRNDS & VEH MTCE SUPP	13,280	16	19,921	25,613	24,319
4-05 SOUTHEAST HSC	70	3033 MISC SUPPLIES	38,715	16	58,072	65,968	60,440
4-05 SOUTHEAST HSC	70	3900 OPERATING BUDGET ADJUSTMENT	2,575	16	3,862		-
4-05 SOUTHEAST HSC	70	4002 OFFICE EQUIP & FURN	9,330	16	13,994	32,055	32,055
4-05 SOUTHEAST HSC	70	4020 OTHER EQUIP	-	16	-	5,400	5,400
4-05 SOUTHEAST HSC	70	6006 GRANTS, BENEFITS, & CLAIMS	1,571,906	16	2,357,859	2,843,943	2,332,947
70 Total			**12,422,633**		**17,753,275**	**18,723,805**	**19,813,929**
4-05 SOUTHEAST HSC Total			**12,510,516**		**17,885,099**	**18,875,967**	**20,387,053**

1-30-01

#3

Department of Human Servicse * HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schaller Administration Request	1999-2001 Current Budget
4-05 SOUTHEAST HSC	410-75-20 CHILD WELFARE	8527 Shelter Care	49,771 61	16	74,657	77,605	77 605
4-05 SOUTHEAST HSC	410-75-20 CHILD WELFARE	8610 WRAP Around Services	558 75	16	838		
4-05 SOUTHEAST HSC	410-75-20 CHILD WELFARE	8627 Access & Visitation Program	16,320 00	16	24,480	20,800	
	CHILD WELFARE Total		**66,650.36**		**99,975**	**98,405**	**77,605**
4-05 SOUTHEAST HSC	410-75-30 DISABILITY SERVICES	8530 Rehabilitation Employment Services	96 00	16	144	500	500
4-05 SOUTHEAST HSC	410-75-30 DISABILITY SERVICES	8702 DD Infants & Toddlers - Part C General	15,742 01	16	23,613	217,603	109,454
4-05 SOUTHEAST HSC	410-75-30 DISABILITY SERVICES	8703 DD Case Management	80 00	16	120	500	500
4-05 SOUTHEAST HSC	410-75-30 DISABILITY SERVICES	8733 DD Work Activity		16	-	78	78
4-05 SOUTHEAST HSC	410-75-30 DISABILITY SERVICES	8739 DD Infant Development	1,393 75	16	2,091	1,328	1 328
	DISABILITY SERVICES Total		**17,311.76**		**25,968**	**220,009**	**111,860**
4-05 SOUTHEAST HSC	410-75-40 OLDER ADULT SERVICES	8612 Aging Services Administration		16	-	80,800	-
	OLDER ADULT SERVICES Total		-		-	**80,800**	-
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8540 Medical Director & Psychiatrists	150,185 31	16	225,278	256,500	244,960
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8550 Clinical Population Services	21,270 05	16	31,905	28,120	28 120
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8551 Clinical Population Services - Youth	198 00	16	297	417	417
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8624 CD Social DeTox	7,697 00	16	11,546	8,878	90 099
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8625 CD Emergency Medical	149,684 39	16	224,527	208,741	211,412
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8626 CD Short Term Residential Services	163,406 00	16	245,109	294,064	299 610
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8628 CD Alcohol & Drug Services	234 90	16	352	-	36 975
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8629 CD Alcohol & Drug Services - Youth	4,558 19	16	6,837		
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8649 MH Prtnrshp Grant - 33 33% Fed 66 67 Gen	618,885 20	16	928,328	519,956	988 811
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8650 MH Partnership - Intensive In-Home - SED	24,471 24	16	36,707	50 000	50 000
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8711 SMI Case Management	32,303 55	16	48,455	48 000	58 499
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8715 SMI Community Support - Rhinelander	22,766 76	16	34,150	-	16 044
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8717 SMI Psych - Social Clubs	89,316 44	16	133,975	179 000	174 000
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8767 SMI Residential Room & Board/Semi Indep	48,559 75	16	72,840	151,200	277 458
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8779 SMI Services for the Homeless (MHSH)	16,090 00	16	24,135	18 000	24 000
4-05 SOUTHEAST HSC	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8782 SMI Short Term Inpatient Hospital	138,316 66	16	207,475	168,857	153 675
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**1,487,943.44**		**2,231,916**	**1,933,733**	**2,654,478**
4-05 SOUTHEAST HSC Total			**1,571,905.56**		**2,357,859**	**2,332,947**	**2,843,943**

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-75-20	CHILD WELFARE	8527	Shelter Care	6006	GRANTS, BENEFITS, & CLAIMS	77,605	77,605	-	-
410-75-20	CHILD WELFARE	8627	Access & Visitation Program	6006	GRANTS, BENEFITS, & CLAIMS	20,800	-	20,800	-
	CHILD WELFARE Total					**98,405**	**77,605**	**20,800**	-
410-75-30	DISABILITY SERVICES	8530	Rehabilitation Employment Services	6006	GRANTS, BENEFITS, & CLAIMS	500	106	394	-
410-75-30	DISABILITY SERVICES	8702	DD Infants & Toddlers - Part C General	6006	GRANTS, BENEFITS, & CLAIMS	217,603	-	217,603	-
410-75-30	DISABILITY SERVICES	8703	DD Case Management	6006	GRANTS, BENEFITS, & CLAIMS	500	290	210	-
410-75-30	DISABILITY SERVICES	8733	DD Work Activity	6006	GRANTS, BENEFITS, & CLAIMS	78	7	59	12
410-75-30	DISABILITY SERVICES	8739	DD Infant Development	6006	GRANTS, BENEFITS, & CLAIMS	1,328	649	679	-
	DISABILITY SERVICES Total					**220,009**	**1,052**	**218,945**	**12**
410-75-40	OLDER ADULT SERVICES	8612	Aging Services Administration	6006	GRANTS, BENEFITS, & CLAIMS	80,800	56,213	24,587	-
	OLDER ADULT SERVICES Total					**80,800**	**56,213**	**24,587**	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8540	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	258,500	90,027	119,306	49,167
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8550	Clinical Population Services	6006	GRANTS, BENEFITS, & CLAIMS	28,120	13,686	11,865	2,569
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8551	Clinical Population Services - Youth	6006	GRANTS, BENEFITS, & CLAIMS	417	138	252	27
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8624	CD Social DeTox	6006	GRANTS, BENEFITS, & CLAIMS	8,878	8,878	-	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8625	CD Emergency Medical	6006	GRANTS, BENEFITS, & CLAIMS	208,741	208,741	-	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8626	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	294,064	250,784	43,280	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8649	MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	6006	GRANTS, BENEFITS, & CLAIMS	515,956	272,504	165,710	6 742
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8650	MH Partnership - Intensive In-Home - SED	6006	GRANTS, BENEFITS, & CLAIMS	50,000	-	-	50,000
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8711	SMI Case Management	6006	GRANTS, BENEFITS, & CLAIMS	48,000	7,147	40,168	685
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8717	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	179,000	179,000	-	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8767	SMI Residential Room & Board/Semi Indep.	6006	GRANTS, BENEFITS, & CLAIMS	151,200	132,001	-	19,199
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8779	SMI Services for the Homeless (MHSH)	6006	GRANTS, BENEFITS, & CLAIMS	18,000	3,290	14,710	-
410-75-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8782	SMI Short Term Inpatient Hospital	6006	GRANTS, BENEFITS, & CLAIMS	168,857	168,857	-	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**1,933,733**	**1,335,053**	**395,291**	**203,389**
	4-05 SOUTHEAST HSC Total					**2,332,947**	**1,469,923**	**659,623**	**203,401**

Tape 1 side 1

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PRESENTATION TO THE HUMAN RESOURCES DIVISION OF
THE HOUSE APPROPRIATIONS COMMITTEE

REPRESENTATIVE KEN SVEDJAN, CHAIRMAN

Wednesday, January 10, 2001

Mr. Chairman and members of the committee, my name is Bob Sanderson and I'm the director of the Northeast Human Service Center. I am here today to comment on some of our accomplishments, concerns, and budget issues that pertain to our center.

ACCOMPLISHMENTS:

A. Community Services:

- Region IV's foster care program has achieved recognition for its accomplishments in terms of use of least restrictive settings, and shortened length of stay.
- Safe home for children opening February 2001.

B. Developmental Disabilities:

- Have contracted with two more providers to deliver extended services, which will provide DD clients with more choices to meet their employment needs. Fifty-seven percent of people receiving extended services are employed 20 or more hours a week in this region.

C. Clinical Services:

- Have had a reduction in admissions to the North Dakota State Hospital from an average of 14 per month to 5.5 per month. This is the result of better screening and use of local resources.

- Raised $450,000 through private donations and $500,000 through the Community Development Block Grant to renovate a building to house a collocated SMI Crisis Residential, CD Short-term Residential, Hospital Alternative, and CD Adolescent Residential program.

D. Vocational Rehabilitation:

- Our goal was to serve 1,200 clients; actually served 1,297.
- Our goal was to assist 156 clients to become gainfully employed; actually had 187 clients reach this goal.

E. Ruth Meiers Adolescent Center:

- Successful discharge of 21 out of 31 adolescents (with 10 adolescents in the program as of December 28, 2000) to less restrictive settings.
- Successfully reduced the average length of stay in placement for the third consecutive year. This ranges from an average of 148 days per placement in 1998 to an average of 85 days in 2000.
- There was a 3% increase in the number of children who returned home over the preceding calendar year. In 1999 seven children returned to their own families, and twelve children returned to their own families in 2000.

F. Medical Services:

- By working diligently with the Pharmaceutical Companies, we received approximately $100,000 in free medications so far in this biennium.
- In working cooperatively with the Altru Health System and Centre, Inc. (a non-profit provider), the Medical Services unit prevented approximately 200 admissions to the ND State Hospital.

CONCERNS:

The following is an area of concern that we have about future issues that arise in the delivery of services to the people we serve:

- Hiring and retention of entry level personnel (Community Home Counselors and Activity Assistants) is becoming increasingly difficult because of low wages and very competitive labor market. This is also true for community service providers that provide services to people with developmental disabilities.

Mr. Chairman and members of the committee, we have also developed three new programs in our region in collaboration with a number of other agencies.

A. Healthy Families America:

- This program is contracted, in part, through Lutheran Social Services and went into effect on 5/1/2000.
- This is a collaborative effort between Northeast Human Service Center, the four County Social Service Boards in this region, NDSU Extension Services, UND Kids Count, Grand Forks Air Force Base, Public Health, Lutheran Social Services, Altru Health System, Community Violence Intervention Center, Prevent Child Abuse ND, Region IV consumers, and Region IV CSCC.
- This is a voluntary program to reach out to families at the time of birth of the child to prevent problems such as child neglect and abuse. For every dollar spent on treatment of child abuse, the United States spends only $.01 on prevention.
- This organization has raised approximately $425,000 in private contributions and they are continuing to work on additional grants.

E. Welfare Reform Project:

- This project is contracted through the Prairie Harvest Human Service Foundation and went into effect in October 2000.
- This is a collaborative effort between the Northeast Human Service Center, Job Service, Grand Forks County Social Service Board, UND Counseling Center, Red River Valley Community Action, Grand Forks Chamber of Commerce, Prairie Harvest Human Service Foundation, and Community Violence Intervention Center.
- The Project is current working with 22 families that have significant problems in moving from welfare to work.

C. Safe Home Project for Children:

- This is a group home developed for the purpose of doing family evaluations, crisis intervention, and respite care for foster parents.
- This is a collaborative effort between the county social service boards in this region, the Northeast Human Service Center, Prairie Harvest Human Service Foundation, and Professional Association of Treatment Homes (PATH).

1. We can avoid sending some children to the North Dakota State Hospital or residential child care facilities.
2. Children will be able to continue their care in the community in other areas such as school, medical care, and so forth.

NORTHEAST HUMAN SERVICE CENTER BUDGET:

The following are some comments that we have on our budget situation for the 2001-03 biennium.

- **$19,082,759 is the Governor's request for the Northeast Human Service Center for the 2001-03 biennium.**
- **$1,096,814 is the total increase for the Northeast Human Service Center over 1999-2001 appropriation. The following is a breakdown of this dollar figure:**
  1. **$646,670 is the Governor's recommended salary and benefit package ($511,060 General funds; $135,610 Federal and other funds).**
  2. **$99,890 is an increase for Partnership core services funded with Medical Assistance revenue and a Children's Services Coordinating Committee funding transfer.**
  3. **$172,500 of federal Part C funding for the Healthy Families project and Home Visitation program**
  4. **$60,686 of federal Part C funding for Developmental Disabilities Case Aide**
  5. **$89,620 federal funding for the Retired Senior Volunteer Program.**
  6. **$60,000 of IV-E Foster Care Case Management revenue designated for enhancing children's services.**

Mr. Chairman and members of the committee, this concludes my testimony to this point. Thank you for the opportunity to be here today and I would be glad to answer any questions you may have.

Department of Human Servicse * HSCs and Institutions

Grant (BOC 6006) Amounts by ACC

Subdivision	Budget Level	Accounting Cost Center	Expenses to Nov. 30, 2000	Assuming "x" # of Months Actual	Projected Biennial Expenses	Schafer Administration Request	1999-2001 Current Budget
4-04 NORTHEAST HSC	410-74-30 DISABILITY SERVICES	8030 Rehabilitation Employment Services	1,032 50	16	1,549	10,000	10,000
4-04 NORTHEAST HSC	410-74-30 DISABILITY SERVICES	8207 DD Behavioral Analyst	2,010 00	16	3,015		
	DISABILITY SERVICES Total		**3,042.50**		**4,564**	**10,000**	**10,000**
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8040 Medical Director & Psychiatrists	196,748 75	16	295,123	295,320	295,320
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8052 Dual Diagnosis (MR/MI)	4,530 12	16	6,795		
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8120 ATC Rehabilitation Services	349 77	16	525		
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8124 CD Social DeTox	9,935 00	16	14,903	19,870	19,870
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8126 CD Short Term Residential Services	288,342 93	16	432,514	333,621	333,621
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8129 CD ATC - Therapeutic		16	-	560,103	560,103
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8134 CD Long Term Residential Services		16	-	51,580	-
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8140 MH Prtnrshp Grant - 33.33% Fed 66 67 Gen	32,902 80	16	49,354	168,680	68,790
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8211 SMI Case Management	46,740 35	16	70,111	77,000	77,000
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8217 SMI Psych - Social Clubs	108,828 21	16	163,242	125,000	125,000
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8261 SMI Partial Care	43,425 01	16	65,138	66,966	66,966
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8262 SMI Crisis Residential - Room & Board	35,186 73	16	52,780	84,737	84,737
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8264 SMI Crisis Residential - Therapeutic	131,922 53	16	197,884	382,903	382,903
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8265 SMI Residential Therapeutic Serv /Group	677 49	16	1,016		
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8269 SMI Residential Therapeutic Srv/Semi Ind	697,552 73	16	1,046,329	1,143,914	1,143,914
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8271 SMI Work Activity	66,041 07	16	99,062	108,000	108,000
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8279 SMI Services for the Homeless (MHSH)	9,038 05	16	13,557	12,360	12,360
4-04 NORTHEAST HSC	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	8282 SMI Short Term Inpatient Hospital	90,065 00	16	135,098	116,000	116,000
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**1,762,286.54**		**2,643,431**	**3,546,054**	**3,394,584**
4-04 NORTHEAST HSC Total			**1,765,329.04**		**2,647,995**	**3,556,054**	**3,404,584**

ND Department of Human Services * Human Service Centers * Funding for [illegible]nt Budget Object Codes * 2001 - 2003 Biennium as submitted to the [illegible]use

Bdgt Lvl	Budget Level Description	ACC	Cost Center Description	BOC	Budget Object Code Description	Request	General	Federal	Other
410-74-30	DISABILITY SERVICES	8030	Rehabilitation Employment Services	6006	GRANTS, BENEFITS, & CLAIMS	10,000	2,976	7,024	-
	DISABILITY SERVICES Total					**10,000**	**2,976**	**7,024**	**-**
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8040	Medical Director & Psychiatrists	6006	GRANTS, BENEFITS, & CLAIMS	295,320	163,822	88,245	43,253
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8124	CD Social DeTox	6006	GRANTS, BENEFITS, & CLAIMS	19,870	19,870	-	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8126	CD Short Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	333,621	170,470	163,151	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8129	CD ATC - Therapeutic	6006	GRANTS, BENEFITS, & CLAIMS	560,103	155,854	182,773	221,476
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8134	CD Long Term Residential Services	6006	GRANTS, BENEFITS, & CLAIMS	51,580	21,580	-	30,000
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8149	MH Prtnrshp Grant - 33.33% Fed 66.67 Gen	6006	GRANTS, BENEFITS, & CLAIMS	168,680	6,774	127,234	34,672
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8211	SMI Case Management	6006	GRANTS, BENEFITS, & CLAIMS	77,000	30,709	26,227	20,064
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8217	SMI Psych - Social Clubs	6006	GRANTS, BENEFITS, & CLAIMS	125,000	125,000	-	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8261	SMI Partial Care	6006	GRANTS, BENEFITS, & CLAIMS	66,966	46,152	20,347	467
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8262	SMI Crisis Residential - Room & Board	6006	GRANTS, BENEFITS, & CLAIMS	84,737	-	84,737	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8264	SMI Crisis Residential - Therapeutic	6006	GRANTS, BENEFITS, & CLAIMS	382,903	-	382,903	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8269	SMI Residential Therapeutic Srv/Semi Ind	6006	GRANTS, BENEFITS, & CLAIMS	1,143,914	598,484	543,691	1,739
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8271	SMI Work Activity	6006	GRANTS, BENEFITS, & CLAIMS	108,000	37,107	70,893	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8279	SMI Services for the Homeless (MHSH)	6006	GRANTS, BENEFITS, & CLAIMS	12,360	3,068	9,292	-
410-74-50	MENTAL HEALTH & SUBST. ABUSE SRVCS	8282	SMI Short Term Inpatient Hospital	6006	GRANTS, BENEFITS, & CLAIMS	116,000	116,000	-	-
	MENTAL HEALTH & SUBST. ABUSE SRVCS Total					**3,546,054**	**1,494,890**	**1,699,493**	**351,671**
	4-04 NORTHEAST HSC Total					**3,556,054**	**1,497,866**	**1,706,517**	**351,671**

Bob Sandvson

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Subdivision	LINE	Budget Object Code	1999-2001 Budget as per SIBR	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-04 NORTHEAST HSC	70	1001 SALARIES	8,597,246	5,715,550	17	8,069,012	9,066,386
4-04 NORTHEAST HSC	70	1002 TEMP, OT & SHIFT DIFF	421,815	312,180	17	440,725	464,352
4-04 NORTHEAST HSC	70	1008 BENEFITS	2,748,209	1,865,538	17	2,633,701	3,102,975
4-04 NORTHEAST HSC	70	1900 SALARY BUDGET ADJUSTMENT		0	16	0	18,750
4-04 NORTHEAST HSC	70	3003 IT-TELEPHONE	200,217	134,927	16	202,391	199,194
4-04 NORTHEAST HSC	70	3004 TRAVEL	120,442	81,373	16	122,060	117,603
4-04 NORTHEAST HSC	70	3005 IT - SOFTWARE - SUPPLIES		452	16	677	0
4-04 NORTHEAST HSC	70	3006 UTILITIES	29,350	19,409	16	29,113	16,750
4-04 NORTHEAST HSC	70	3007 POSTAGE	41,147	25,471	16	38,207	39,737
4-04 NORTHEAST HSC	70	3011 LEASE - RENT EQUIP MENT	8,038	6,391	16	9,587	8,038
4-04 NORTHEAST HSC	70	3012 LEASE - RENT BLDG - LAND	1,175,980	784,379	16	1,176,568	1,101,672
4-04 NORTHEAST HSC	70	3013 DUES & PROFESSIONAL DEV	46,515	10,555	16	15,832	52,158
4-04 NORTHEAST HSC	70	3014 OPERATING FEES & SRVC	255,634	244,947	16	367,420	447,682
4-04 NORTHEAST HSC	70	3016 REPAIRS	45,537	108,275	16	162,412	44,769
4-04 NORTHEAST HSC	70	3018 PROFESSIONAL SERVICES	538,312	241,414	16	362,121	603,576
4-04 NORTHEAST HSC	70	3019 INSURANCE	720	3,066	16	4,598	720
4-04 NORTHEAST HSC	70	3021 OFFICE SUPPLIES	36,845	34,361	16	51,541	40,595
4-04 NORTHEAST HSC	70	3024 PRINTING	23,670	23,413	16	35,120	23,670
4-04 NORTHEAST HSC	70	3025 PROF. SUPPLIES & MATERIALS	42,816	18,470	16	27,705	22,410
4-04 NORTHEAST HSC	70	3027 FOOD & CLOTHING	112,646	54,972	16	82,458	90,646
4-04 NORTHEAST HSC	70	3029 MEDICAL, DENTAL & OPTICAL	13,467	9,313	16	13,970	13,467
4-04 NORTHEAST HSC	70	3030 BLDG GRNDS & VEH MTCE SUPP	6,032	9,780	16	14,670	6,032
4-04 NORTHEAST HSC	70	3033 MISC SUPPLIES	72,462	39,214	16	58,821	41,262
4-04 NORTHEAST HSC	70	3900 OPERATING BUDGET ADJUSTMENT		2,287	16	3,430	0
4-04 NORTHEAST HSC	70	4002 OFFICE EQUIP & FURN	44,261	1,095	16	1,643	4,261
4-04 NORTHEAST HSC	70	6006 GRANTS, BENEFITS, & CLAIMS	3,404,584	1,765,329	16	2,647,994	3,556,054
	70 Total		17,985,945	11,512,161		16,571,776	19,082,759
4-04 NORTHEAST HSC Total			17,985,945	11,512,161		16,571,776	19,082,759

1-31-01

#7

01/31/2001

ATTACHMENT B Feb 8 letter to St. Aubyn (#5)

NORTHEAST HUMAN SERVICE CENTER

1407 24th Avenue South, Suite 108, Grand Forks, ND 58201-6793 (701) 795-3000
24 Hour Crisis Line: 775-0525 Vocational Rehabilitation (701) 795-3100
5th & School Road, P.O. Box 654, Grafton, ND 58237 (701) 352-4334
Telecommunication Device for the Deaf (TDD) (701) 795-3060
FAX (701) 795-3050

Toll Free: Grand Forks 1-888-256-6742 Grafton 1-888-845-2215
Ruth Meiers Adolescent Center (701) 795-3870
Duane R. Dornheim House (701) 795-3889

Edward T. Schafer
Governor

North Dakota Department of Human Services
Carol K. Olson, Executive Director
State Capitol, Bismarck, ND 58505

Robert L. Sanderson
Regional Director

TO: Senator Rod St. Aubyn

FROM: Robert L. Sanderson, Regional Director, Northeast Human Service Center Bob Sanderson

SUBJECT: Estimate of Savings in Collocating With the County Agencies

On Monday, February 8, 1999 Don Shields, Director, Public Health; Keith Berger, Director, Grand Forks County Social Service Board; and Ed Nierode, County Administrator; and I met to discuss the types of savings that we could all generate in making this move into the County Office Building. The following is a breakdown of those savings and an outline of where they would be generated.

We want to point out, however, that these are our best estimates that we can give you. There is no way to get this down to an absolute dollar figure, but we will do our best to reach these goals in the 1999-01 biennium.

SAVINGS:

Northeast Human Service Center	$102,000.00
Grand Forks County Social Services	61,000.00
Public Health	13,000.00
Sheriff's Department	5,800.00
Prairie Harvest Human Service Foundation	2,400.00
	$184,200.00

OVERVIEW OF SAVINGS:

We are anticipating that these savings will come from the following areas:

1. One state car
2. One state position found through attrition
3. Hours saved in travel converted to services that could possibly generate income
4. One county car
5. One position through attrition from the County Social Service Board
6. Travel for Northeast Human Service Center staff and Grand Forks County Social Service Board staff back and forth between the agencies
7. The other figures for the Public Health Department, the Sheriff's Department and the Prairie Human Service Foundation come through travel.

Also attached, you will find some additional documentation that we hope will be helpful to you in looking at this entire issue of collocation. There is a document on the Grand Forks County Social Service Center regarding the inter-relationship with the Northeast Human Service Center. There is a list of additional benefits that we feel will save dollars, but it is difficult to put a monetary figure to them. There are also letters from the Public Health Department and the Prairie Harvest Human Service Foundation supporting this move as well.

Senator St. Aubyn, I can honestly tell you that there is a real desire on the part of all these administrators not just to collocate with each other but to integrate with one another. What collocation exists in North Dakota and has existed in the past has been simply that, collocation. Our desire is to become an integrated system of services that will best meet the needs of all the clients that we serve, in the most efficient and cost effective manner possible.

Again, we hope this information will be helpful to you and if you should have any questions please feel free to contact any one of us. Thank you very much for your continued interest in this project.

Enclosures

Bob54/jb

Bob Sanderson

1-31-01

#3

HB 1012

HUMAN RESOURCES DIVISION

HOUSE APPROPRIATIONS COMMITTEE

January 31, 2001

Chairman Svedjan and members of the Committee, I am Bob Sanderson, Director of Northeast Human Service Center. I am here today to discuss with you the financial impact of co-location.

- NEHSC has approximately 600 more square feet of space at a cost of $50,000 less per biennium than was rented at the HEMMP Center.

- In a letter to Senator St. Aubyn on February 8, 1999, we estimated that $102,000 in general fund savings could be generated through collocation efficiencies. Through action of the legislature, NEHSC general fund budget was reduced by $100,000. We have continued to reflect that reduction in the 2001-03 request.

- The 1999-2001 budget funded the State Hospital Alternative Program for 18 months, and the CD Adolescent Treatment Program for 21 months. NEHSC has accessed $450,000 in private donations, and $500,000 in CDBG funds to renovate a building to house these programs. In addition, two existing programs, Crisis Residential and Short-term Residential, will be located in this building. The net effect of the consolidation of programming is a savings of $437,403 in the 2001-2003 budget, including a general fund savings of $74,229. (Attachment A)

- Testimony of March 1, 1999, before the House Appropriations subcommittee, projected department-wide savings that could be

anticipated in the areas of foster care, child protection, and TANF. NEHSC has efforts underway to generate the efficiencies through improvements in service delivery. (Attachment B)

- In addition, the co-location of service agencies has yielded benefits that are very difficult to assign a dollar value to. Chief among these are:
    1) Multiple appointments for clients with the various agencies in the Grand Forks County Office Building.
    2) Clients do not have to travel between agencies, which reduces their expenses.
    3) Fewer rescheduled appointments.
    4) More expeditious face-to-face staffings between agencies.
    5) Handling crises more effectively.
    6) Better cooperation between agencies.
    7) More efficiencies when no-shows occur.
    8) Staffings without traveling.
    9) Training opportunities.
    10) Health improvement for staff and clients.
    11) Better collaboration with the court.
    12) Delivery of mail and reports among agencies more efficiently.
    13) Other agencies also save travel and staffing time.
    14) Better professional setting.

Northeast Human Service Center

Analysis of operating the partially funded new programs as separate operations versus consolidating existing and new programs in one facility with one provider, including expanding new programs to 24 months.

	Cost Center	Current Budget (CB_0331) for 18 months	Current Budget (CB_0331) for 21 months	Budget for full 24 months
CD Adolescent Treatment	8127		$205,927	$235,345
CD Adolescent Treatment	8129		$382,000	$436,571
Crisis Residential-Room & Board	8262			$41,134
Crisis Residential-Therapeutic	8264			$154,797
CD-Short-term Residential	8126			$333,621
State Hospital Alternative	8280	$511,400		$681,867
Total if creating new programs and operating separately from existing programs				**$1,883,335**
General Funds				$413,867
Federal Funds				$1,240,841
Other Funds				$228,627
Total Funds				$1,883,335

	Cost Center	Budget Request 2001 - 2003 (24 months)
CD Adolescent Treatment	8129	$560,103
Crisis Residential-Room & Board	8262	$84,737
Crisis Residential-Therapeutic	8264	424,520
CD-Short-term Residential	8126	$333,621
CD Alcohol and Drug Services (50% of RIS Coordinator)	8128	$42,943
State Hospital Alternative	8280	$0
Total		**$1,445,932**
General Funds		$339,638
Federal Funds		$880,525
Other Funds		$225,769
Total Funds		$1,445,932

Overall Savings comparing 24 months current biennium to 24 months of 2001 - 2003 biennium. **$437,403**

UPDATE ON FOLLOW-THROUGH FROM MARCH 1, 1999 TESTIMONY

EXERPT FROM TESTIMONY OF MARCH 1, 1999 BEFORE THE HOUSE HUMAN RESOURCES -- Bob Sanderson presenting

"We also feel there are many innovative things that we can do together, if we are given the opportunity. Through concentrating efforts on working with hard-to-service clients who are receiving assistance through various economic assistance programs, focusing greater attention on early intervention and prevention of child abuse and neglect, and moving children faster and more effectively through the costly foster care system, we can realize savings.

⇒ When a typical household received TANF benefits, Fuel Assistance, Food Stamps, and Medical Assistance, the average cost per month is $1,188. In a biennium, this amounts to $28,512 in grant payments per biennium, not to mention the administrative and case management costs associated with serving the family. If five families whose problems cause difficulties for their attaining self-sufficiency are able to become self-sufficient through the concerted effort brought to bear by the agencies, the state would save $142,560 in a biennium....or $1,425,600 over ten biennlums."

ACTIONS TAKEN BY NORTHEAST TO ACHIEVE THIS RESULT
Welfare Reform Project:

- **This project went into effect in October 2000.**
- **Collaborative effort among the Northeast Human Service Center, Job Service, Grand Forks County Social Service Board, UND Counseling Center, Red River Valley Community Action, Grand Forks Chamber of Commerce, Prairie Harvest Human Service Foundation, and Community Violence Intervention Center. .**
- **Working with families that have significant problems in moving from welfare to work, including such issues as:**
  1. **Having been on welfare for generations.**
  2. **Serious problems with alcohol abuse, mental illness and domestic violence.**
  3. **Lack the education to acquire and maintain employment.**
  4. **No or poor work experiences.**
  5. **Availability of child care is and the family wanting to raise their own children or the children not wanting the mother out of the home.**
  6. **Lack of transportation, e.g., no drivers license and/or automobile.**
- **Currently working with 35 families.**
- **Projected Monthly Savings to the Department for a Family of 3 leaving TANF Roles:**

Cash Grant	$463
Food Stamps	$341
Medical Assistance	$350
Childcare Assistance	$600
TOTAL	$1,754

Excerpt continued

- "In the Foster Care system, if we are able to reduce the average length of stay by just 5% overall, there will be a biennial savings amounting to $226,886. In ten bienniums, there would be a savings of $2,268,860."

ACTIONS TAKEN BY NORTHEAST HSC TO ACHIEVE THIS RESULT

Safe Home Project for Children:

- **Group home developed for the purpose of doing family evaluations, crisis intervention, and respite care for foster parents.**
- **Collaborative effort between the county social service boards in this region, the Northeast Human Service Center, Prairie Harvest Human Service Foundation, and Professional Association of Treatment Homes (PATH).**
  - **This project has been given a house by the City of Grand Forks at the lease price of $1.00 per year.**
  - **The majority of the furnishings for this house were raised through private donations.**
- **Goals:**
  - **to have children returned to their families without having to further utilize the foster care system.**
  - **to ensure that if children move further into the foster care ystem, they are placed in the most appropriate setting.**
- **Expected Results:**
  1. **Placements in foster care will be shorter.**
  2. **The staff time in making placements will be significantly reduced.**
  3. **Law enforcement, in cooperation with the Shelter Care Coordinator, will be able to place directly into the safe home.**
  4. **There will be continuity of care between the therapist and the professionals involved with these children and their families.**
  5. **We can avoid sending some children to the North Dakota State Hospital or residential child care facilities. Sibling groups will be able to be placed together, reducing the trauma of the placement.**
  6. **Children will be able to continue their care in the community in other areas such as school, medical care, and so forth.**
  7. **In crisis situations, we will be able to become intensely involved with the family on a much quicker basis to resolve the crises and hopefully reintegrate the child back into their home.**
     - *NOTE: The Northeast Region has an excellent history in the foster care program. In FY1999, they placed 146 children in family foster care at an average cost of $494 per month. By returning these children home 9.7 months sooner than the state average (10.6 months as compared to 20.3 months), this region avoided $699,602 in foster care costs. They also placed 62 children in residential care at an average cost of $2,612 per month. By returning these children home 2.5 months sooner than the state average (8.4 months as compared to 10.9 months) $404,860 in foster care costs were avoided.*

Excerpt continued

- "Grand Forks County conducted 938 child protection assessments in 1998. The county and human service center staff are looking toward establishing a Healthy Families Program, which is a home visiting program geared toward preventing abuse and neglect among at-risk families. Based upon research conducted in other programs of this type, we could conservatively expect to reduce child abuse and neglect reports by 10%. In SB 2012 as amended, the state will reimburse counties for child protection services at a rate of $400 per assessment. If there are 94 fewer assessments per year, the savings in a biennium would be $75,200, or $752,000 in ten bienniums."

ACTIONS TAKEN BY NORTHEAST HSC TO ACHIEVE THESE RESULTS
Healthy Families America:

- **Went into effect in May 2000.**
- **Collaborative effort between Northeast Human Service Center, the four County Social Service Boards in this region, NDSU Extension Services, UND Kids Count, Grand Forks Air Force Base, Public Health, Lutheran Social Services, Altru Health System, Community Violence Intervention Center, Prevent Child Abuse ND, Region IV consumers, and Region IV CSCC.**
- **Voluntary program to reach out to families at the time of birth of the child to prevent problems such as child neglect and abuse.**
- **They are working with approximately 53 families at this point.**
- **At least six of these children would have gone directly into foster care from the hospital.**
- **Because of high risk factors at the time of the birth of these children, many of them would have the potential to enter foster care without these preventive services.**
- **Some basic facts about some of the families they are working with:**
  1. **83% of these families are single parents**
  2. **59% have been involved in alcohol and drug abuse**
  3. **32% of the fathers are not involved in these situations**
  4. **51% of these parents have a history of depression**
  5. **77% are on some form of public assistance**
  6. **50% of them have a history of childhood abuse (10% sexual, 40% physical)**
  7. **87% of these births are unplanned pregnancies**
- **This organization has raised approximately $484,000 in private contributions and they are continuing to work on additional grants.**
- **Additional cost savings associated with this program include reduced medical expenditures and increased school readiness.**

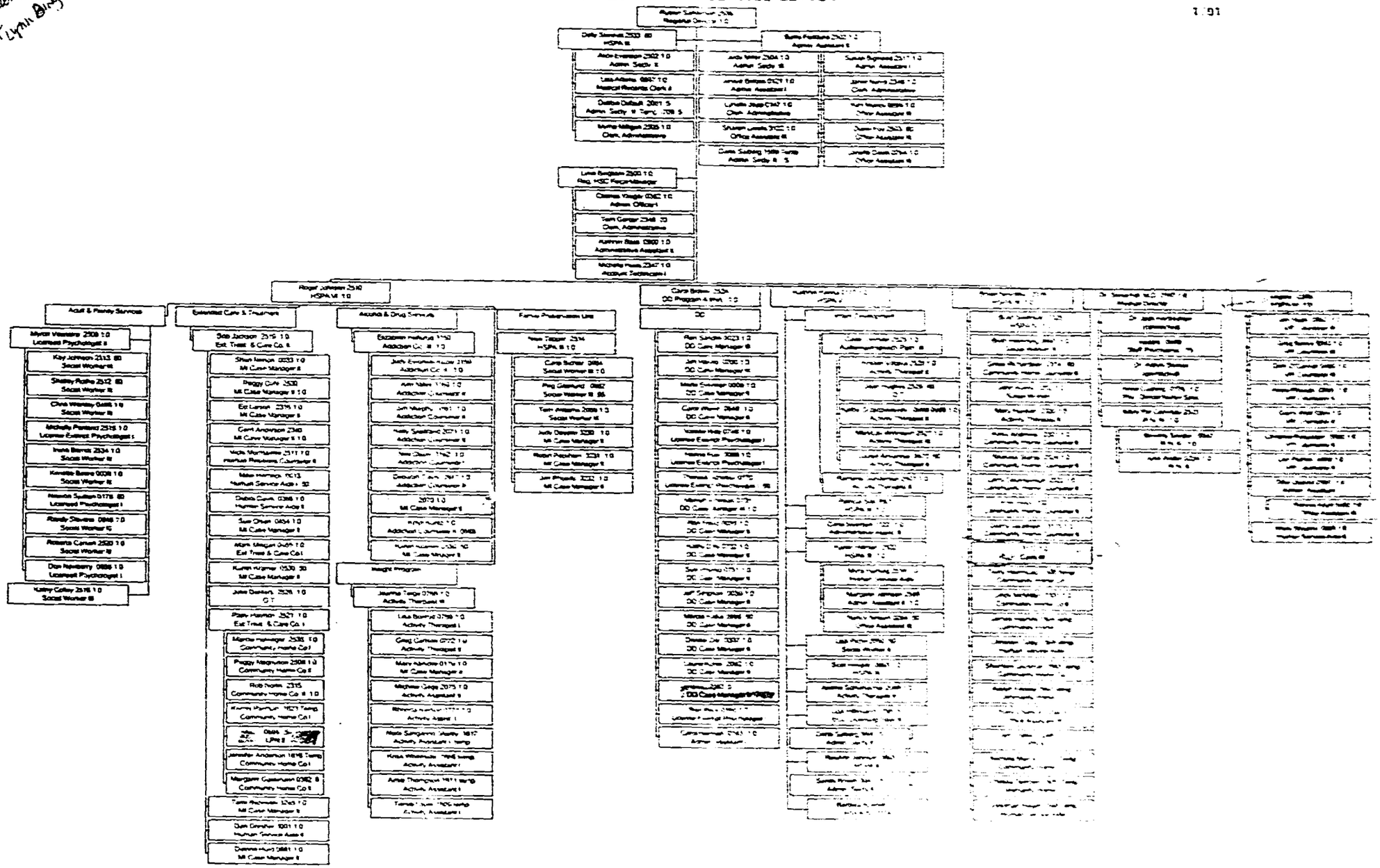
Bob Sundenson
Lynn Bingham

1-31-01

#6

NORTHEAST HUMAN SERVICE CENTER

1/91



Carol Olson

1-31-01

#2

HB 1012
HUMAN RESOURCES DIVISION
HOUSE APPROPRIATIONS COMMITTEE
January 31, 2001

Chairman Svedjan and members of the committee, I am Carol Olson, Executive Director of the Department of Human Services.

In the summer of 1997, after the historic Grand Forks flood, city, county and state officials who had been involved in the recovery process began discussion about the opportunity to consolidate the office space of various government service agencies.

The Northeast Human Service Center (NEHSC) had been located at the HEMMP Centre from 1981 to December 1999 and had been paying rent based upon the square footage, plus operating increases via an escalator clause.

Within one month of the flood, Mr. Bob Peterson, HEMMP managing partner, informed the Department that the state could purchase the HEMMP Centre within 30 days rather than rent it. Because of the short notice and as the Department was not

vested with the authority to make such a deal, NEHSC remained as a tenant. Mr. Peterson then notified the Department that the base rent would be increased by 10% and the escalator payment by $22,000 per year.

Since NEHSC plays a critical role in the delivery of services, the state was approached about including space in the newly proposed county building.

After reviewing the facts as presented at that time, Governor Schafer authorized me, as Executive Director of the Department, to sign a non-binding letter of intent on April 2, 1998. It was non-binding because both the Governor and the Department were well aware that the decision to collocate would need the approval of the 1999 Legislative Assembly.

Mr. Bob Peterson then appeared before the Senate Appropriations' subcommittee with an alternate proposal that the state buy the HEMMP Centre for $895,000. He indicated that

the purchase as opposed to renting would result in $5 million savings over the next 20 years.

After careful review the Department offered testimony in support of the proposed collocation. The decision was based on three main facts:

- Analysis of the poor physical condition of the existing HEMMP location,
- Necessary additional costs of capital improvements to HEMMP if purchased, and
- The positive opportunities of collocation for both clients and the state.

Collocation offered city, county and state citizens a client friendly "one stop service area" and offered the Department potential fiscal efficiencies in combined department wide general and federal funds.

Bob Sanderson, the director of NEHSC, testified before the House Appropriations subcommittee on March 1, 1999, regarding potential efficiencies that could be gained by the Department if collocation was adopted.

The House and Senate Appropriation Committees did not agree with the Department and appropriated funds for the purchase of the HEMMP Centre. However, a minority report amendment, removing the HEMMP Centre, was brought to the floor of the House and passed. A conference committee was appointed, as the Senate did not concur with the House amendments.

In the last days and hours of the 1999 Legislative Session, the conference committee negotiated toward common ground and finally agreed on a proposal to reduce $500,000 in general funds from the NEHSC budget. In addition, the conference committee removed $100,000 in general funds in line with NEHSC's projected cost savings that had been identified by Bob Sanderson in a letter to Senator St. Aubyn on February 8, 1999.

The Senate concurred with this amendment and SB 2012 was sent to the Governor who signed the bill into law.

The Department did not see the text of the amendment at the time of the conference committee report and incorrectly assumed that the discussion of the $500,000 savings was the same $500,000 that had been identified in the testimony by Bob Sanderson before the House Appropriations committee on March 1, of 1999.

Bob Sanderson's testimony of March 1, stated that $5,466,460 in general and federal funds through "department wide" efficiencies could be gained through collocation.

As a result, Department staff raised no comments of concern or objection.

It was not until the final draft of engrossed SB 2012 was distributed on the floor of the Senate, that the Department staff understood that the $500,000 was to come from general funds at

NEHSC. The Department could not have supported this move and would have issued strong objections had we been aware of the actual contents of the conference committee amendment. Removing $500,000 in NEHSC's general fund budget would have meant the demise of the human service center in the Grand Forks area as there is no human service center in this state that could withstand this kind of reduction to its general fund budget.

Upon review of the final draft of SB 2012, the Department raised immediate concerns to legislators and the Governor's office.

In June 2000, the Department felt it was required to meet the conditions of Section 18 of SB 2012, and reported to the Budget Section the reductions necessary to reduce the general fund budget at NEHSC by $500,000. The testimony also reflected the Department's understanding of what it understood it had agreed to with respect to the $500,000 reduction. As previously stated, the Department understood it was agreeing to a $500,000 reduction department wide from both general and federal funds.

The Department asked that the Governor restore these reductions and the Executive Budget presentation to the 2001 Legislative Assembly reflected that request.

This history from the Department's prospective is important as it speaks to the credibility of the Department in the eyes of the legislature. After the Department understood the magnitude of the misunderstanding, we could fully appreciate the Legislature's frustration with the actions of the Department.

Through this testimony, we hope you can understand the reasons we did what we did and why we are here today.

Bob Sanderson, the director of NEHSC, will discuss how the Department is working toward meeting its understood obligation to fulfill the requirement of $500,000 in federal and general fund efficiencies department wide.

Rob Sanderson
+ Lynn Bingham

1-31-01

#8

01/23/01

Following is prepared to respond to Representative Delzer's question regarding comparability of rent between the existing and new facilities of our CD Short-term Residential, SMI Crisis Residential, Hospital Alternative, and CD Adolescent Treatment program.

Our existing contracted CD Short-term Residential and SMI Crisis Residential services are currently located in two apartment buildings on 24th Ave. South and Continental Drive on the south end of Grand Forks.

Sq. Ft =	5,928	(2 buildings)
# of beds =	20	
Rent =	$ 53,400 / biennium	
Utilities =	$ 19,992 / biennium	
Total =	$ 73,392	
Cost per sq. ft =	$ 6.19/sq. ft.	

The new facility was previously the County Administrative Offices building. It is a 3-story building located across the street to the south of the new County Office Building. Floors 2 and 3 of this facility will house our existing CD Short-term Residential, SMI Crisis Residential, enhancing capacity and staffing of each of these services to serve as our hospital alternative program, and our CD Adolescent Residential Program. The closeness of this facility to Northeast's offices will also increase efficiency and effectiveness of these programs. All of these services will be contracted through Centre, Inc.

Sq. Ft. =	11,730	(Floors 2 and 3)
# of beds =	34	
Rent =	$ 77,400 / biennium	
Utilities =	$ 30,300 / biennium	
Total =	$ 107,700	
Cost per sq. ft =	$ 4.59/sq. ft.	

1-30 Bob Sanderson's testimony to House Approp (#1)

TESTIMONY TO THE

HOUSE APPROPRIATIONS SUBCOMMITTEE ON HUMAN RESOURCES
Representative Ken Svedjan, Chairman

March 1, 1999

Mr. Chairman and members of the committee, my name is Bob Sanderson and I'm the director of the Northeast Human Service Center in Grand Forks. I'm here today to talk to you about the issues of purchasing the HEMMP Centre in Grand Forks as recommended by the Senate or allowing the Northeast Human Service Center to move into the new County office building in Grand Forks.

There have been many issues raised about this situation over the past few months. I hope some of the information we are about to provide you will help to clarify our position on this issue.

I would like to start by saying that we are not interested in co-location. We are interested in integration. We are aware, and we do not make this statement in any judgmental manner, that the other human service centers that are co-located are simply that, co-located. Our desire is to go far beyond just existing in the same physical location.

The meetings that we have been having between the agencies ever since this became a topic of conversation in Grand Forks, have been extremely positive and

exciting. We truly do want to find ways to be more efficient and cost effective in the delivery of services.

We also sincerely believe that this kind of co-location, integration and collaboration will make for better quality of services. If anything good can come out of a tragedy such as the flood, it has taught us that we cannot continue the battles of "turfdom" but that we must work from the common ground of understanding that we need each other in order to do the best job possible.

I personally have had the opportunity of working in three regions in North Dakota. Without a doubt North Dakotans do a good job of cooperation. Based on my experience in these three regions, however, I can say that even prior to the flood this is a region that has excelled in team work. Since the flood that willingness and ability to be part of a team has increased tenfold.

We also believe that our clients have a right to the opportunity for "one stop shopping" to receive the services they get from the various agencies. As an analogy, we have one major clinic in Grand Forks, and I would guess that by far and away the vast majority of the people in this city appreciate the fact that they do not have to run from one location to another to get their medical needs met. We would like to see the clients, or the beneficiaries of human services, have the same type of opportunity.

As part of the information we put together for Senator St. Aubyn, we did an analysis, again conservative, of the number of trips that are made by the various agencies back and forth to deliver services to these clients. It numbered in the hundreds for a biennium, and definitely has a financial impact.

In addition, our clients, many of them with limited resources, are forced to travel back and forth between agencies, as well, to receive the multiplicity of services some of these clients require. This is a financial burden to them, that many of them cannot afford.

We also feel there are many innovative things that we can do together, if we are given this opportunity. Through concentrating efforts on working with hard-to-service clients who are receiving assistance through various economic assistance programs, focusing greater attention on early intervention and prevention of child abuse and neglect, and moving children faster and more effectively through the costly foster care system, we can realize savings.

- When a typical household receives TANF benefits, Fuel Assistance, Food Stamps, and Medical Assistance, the average cost per month is $1,188. In a biennium, this amounts to $28,512 in grant payments per biennium, not to mention the administrative and case management costs associated with serving the family. If five families whose problems cause difficulties for their attaining self-sufficiency are able to become self-sufficient through the

concerted effort brought to bear by the agencies, the state would save $142,560 in a biennium... or $1,425,600 over ten bienniums.

- In the Foster Care system, if we are able to reduce the average length of stay by just 5% overall, there will be a biennial savings amounting to $226,886 In ten bienniums, there would be a savings of $2,268,860.
- Grand Forks County conducted 938 child protection assessments in 1998. The county and human service center staff are looking toward establishing a Healthy Families Program, which is a home visiting program geared toward preventing abuse and neglect among at-risk families. Based upon research conducted in other programs of this type, we could conservatively expect to reduce child abuse and neglect reports by 10%. In SB 2012 as amended, the state will reimburse counties for child protection services at a rate of $400 per assessment. If there are 94 fewer assessments per year, the savings in a biennium would be $75,200, or $752,000 in ten bienniums.

If you add the conservative savings estimated above to the $102,000 per biennium savings previously identified in the February 8 letter to Senator St. Aubyn, the total amounts to $546,646 per biennium, or $5,466,460 over ten bienniums.

In addition some of the other things we feel we can do are: better training between agencies, finding new ways to share resources, working closer with other agencies such as the courts, making staffing more convenient for the agencies as well as the

clients, ensuring very adequate ADA accessibility, and making the whole teamwork concept stronger in our community.

Finally, I would like to make just a few points about the purchase of the HEMMP Centre. There is nothing personal in my comments as we have enjoyed a very good working relationship with the landlord over the years, but there are some realities that should be looked at in purchasing this particular facility.

This building ranges from twenty to twenty-five years old, depending on which year a certain portion of it was built. If the life span of a building is roughly forty years, then it appears the state may be faced with having to consider finding another facility within the next fifteen to twenty years. We can only assume that building another facility in Grand Forks in that time frame is going to be much more costly than it will be today.

The physical configuration of this building has always been a problem for us . We have had to add and change programs. Whenever we have to make adaptations to this building it is a cost to the state to do so.

Currently we have some staff who have to actually go outside to come back into the inside of another part of the building to perform their duties. This obviously is not only a problem from the standpoint of time and efficiency, but in the wintertime is

a difficult process due to the weather.

Mr. Peterson asserts that the hallways upstairs meet ADA standards. Perhaps that is true. However, if they do it is by a very narrow margin and I would not like to be the person who would have to maneuver a wheelchair in this part of the building in the event of an emergency. The accuracy of the ADA compliance needs to be documented if the state is to purchase this building.

We are often being called by staff for heating problems in the winter and cooling problems in the summer. I would venture to say that there is hardly a week that goes by that some staff members are not asking our business manager for help with these issues.

Mr. Chairman and members of the committee, this concludes my remarks. I would respectfully request that you give serious consideration and ultimately decide to reverse the decision made by the Senate in regard to the purchase of the HEMMP Centre. I sincerely feel that the State of North Dakota and, most importantly the people we serve will have much greater opportunities if we are allowed to move to the new County office building and integrate, cooperate and collaborate in the many new and exciting ways that will be available to us to meet the needs of our clients.

Thank you for the opportunity to present this information and I will be glad to answer any questions that you may have.

Robert L. Sanderson
Sent by: Lynn A. Bingham

02/06/2001 04:43 PM

To: Ken D. Svedjan/NDLC/NoDak@NoDak
cc: Brenda M. Weisz/DHS/NoDak@NoDak, Lynn A. Bingham/DHS/NoDak@NoDak
Subject: Responses from the Northeast Human Service Center

Representative Svedjan,

During the House Appropriations Committee - Human Resources Division review of the 2001-03 budget for the **Northeast Human Service Center**, additional information was requested on a few topics. Following are Northeast's responses:

- **Which cost center contains the funding for Prairie Harvest Human Service Foundation's Supported Residential and Harvest Homes services?**
  Accounting cost center: 8269, budget cost center: 410-74-50 Mental Health and Substance Abuse Services

- **What is Prairie Harvest HSF's Harvest Homes cost per day:**
  1. Therapeutic services: $ 28.09 per bed day, covered by contract with Northeast Human Service Center.
  2. Room & Board: $ 20.30, covered by HUD Project Rental Assistance and United Way

- **How many clients does Prairie Harvest HSF serve in Supported Residential and Harvest Homes?**
  1. Supported Residential: 65 clients per day
  2. Harvest Homes: 12 bed capacity

- **Prairie Harvest HSF Supported Residential - what types of tasks are involved in this?**
  1. Daily Living Activities - skills leading to independent living including housekeeping, laundry, hygiene, grooming, grocery shopping, meal planning, nutrition, and budgeting.
  2. Financial Management - assistance to clients who have difficulty managing their funds.
  3. Housing and Subsidies - assistance to clients locating independent housing and applying for financial assistance. Also provide subsidies to allow clients to pay rental and deposits until housing assistance is received.

4. Special Nutrition Assistance - several area restaurants have agreed to provide one nutritious meal per day at a reduced rate. In addition, NDSU Extension offers cooking classes for clients. Prairie Harvest HSF staff help with nutrition education and meal planning.

5. Medication Management - Many clients are dependent on medication to stabilize and manage their illnesses. Prairie Harvest HSF offers two medication monitoring programs: Self-Administration - nurse fills client pill boxes or supervises clients who prefer to fill their own; direct care workers go to clients' homes up to twice daily and observe that their medications are taken properly.

6. Medical Assistance - Nurse is available to assist with any medical concerns, notifies appropriate medical staff, schedules appointments, and compiles medical histories/emergency data forms for clients.

7. Crisis Management - Prairie Harvest HSF staff carry pagers to ensure that clients have 24 hour support.

- **What amount of our repairs budget object code for 99-01 was for the HEMMP Center?** Northeast paid approximately $ 46,919 in repair and custodial costs for the period of 7/1/1999 through 12/31/1999.

- **Does the Northeast Human Service Center purchase services from the new psychiatric hospital in Grand Forks?** Northeast does not purchase any services from the Stadter Center Psychiatric Hospital. However, we do pay Center for Psychiatric Care psychiatrists when they are on-call at Altru Hospital and see Northeast Human Service Center clients while inpatient at Altru or Altru's emergency room. We pay at the rate of $ 80.00 per initial visit and $ 20.00 per follow-up visit.

We hope that this provides the information that need. Please let us know if you have additional questions.

HB 1012 JA6

North Dakota Association of County Social Service Directors

Michon C. Sax, President
%McKenzie County Social Services
P.O. Box 790
Watford City, ND 58854-0790

County Social Services

February 23, 2001

Hon. David E. Nething
Chair
Senate Appropriations Committee
600 East Boulevard
Bismarck, ND 58505

Carol K. Olson
Executive Director
Department of Human Services
State Capitol
600 E. Boulevard
Bismarck, ND 58505

BURLEIGH
FEB 2 6 2001
BCSS

Dear Carol and Senator Nething:

I am writing pursuant to a motion of the County Social Service Director's Association to inform you both of our concern about funding that is not contained in House Bill No. 1012. That funding, requested as an Optional Adjustment Request, was for the design and programming necessary to include the Food Stamp eligibility process in the VISION (TEEM) computer system. Specifically, the Association is asking permission to speak to the Senate Appropriations Committee on this subject during the hearing on House Bill No. 1012. The funding sought is in the amount of approximately $5,000,000.00, of which $2,500,000.00 is in General Funds.

Let me briefly explain the Association's concerns. When the TEEM system was developed, the premise was that, over time, all computerized public assistance eligibility processes would be accomplished in one server-based (as opposed to mainframe) system. TEEM was developed and became operational. However, the older Technical Eligibility Computing System (TECS) remains in place for determination of Food Stamp and Medicaid eligibility. In addition, another computer program must be used for child care assistance eligibility determination. Thus, depending on what the client is applying for, an Eligibility Worker often must work the case in two or more computer systems.

For example, if client is a TANF/Medicaid, Food Stamps, Child Care, and Fuel Assistance recipient (5 programs), the eligibility worker would need to process the case in TEEM (soon to be VISION) system for TANF/Medicaid, the TEC system for Food Stamps and in two different parts of the Natural system for Child Care and Fuel Assistance. The client's information is input

four different times with still some paper budget determination processing needing to be done prior to inputting information.

However, not all children and family coverage cases of Medicaid will be in the VISION system with conversion. This is one more thing eligibility workers will need to consider when processing cases.

Staff have been patient with this added burden, but looked forward to the Department's plan to add Medicaid and Food Stamp eligibility processing to the VISION (TEEM) system. The Medicaid portion of that plan is about completed and will roll out by the end of this biennium. The Food Stamp portion was to follow, according to the plan, in the next (2001-2003) biennium. County staff have been shaken to learn that the funds to make that happen are not in the budget contained in House Bill No. 1012.

In addition to staff morale and effectiveness, there are other sound reasons for funding this project as early as possible. Having to work in several computer systems creates a greater likelihood that processing errors could occur. That would impact on our federally-measured error rate, and could, in the worst case scenario, result in the State receiving a fiscal penalty. Additionally, clients are not well served by having to have their data entered into two or more systems.

Our County Director on duty during the week in which you hold the initial hearing on House Bill No. 1012 will contact you to request permission to testify. I hope that you and the Committee will seriously consider this request and factor it into your thinking about what additional funding, if any, the Department may need.

Sincerely,

Michon C. Sax
President
NDACSSD

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BURLEIGH
FEB 2 6 2001
BCSS

North Dakota Department of Human Services
Title XX Social Service Block Grant by County
For CY 2000 & CY 2001

County	Calendar Year 2000 Title XX: County Share SSBG Ceiling Total Allocation Title XX	15% Set Aside for Qualifing 6 Indian Counties	Net Allocated to all Counties	15% Title XX Allocated to Six Indian Counties	Calendar Year 2001 Title XX: County Share SSBG Ceiling Total Allocation Title XX	7.5% Set Aside for Qualifing 6 Indian Counties	Net Allocated to all Counties	7.5% Title XX Allocated to Six Indian Counties
	A	B = A * .15	C = A - B	D	E	F = E * .075	G = E - F	H
1 Adams	12,973	(1,946)	11,027		12,364	(927)	11,437	
2 Barnes	27,721	(4,158)	23,563		26,575	(1,993)	24,582	
3 Benson	22,345	(3,352)	18,993	37,798	21,379	(1,603)	19,776	18,973
4 Billings	See G. Valley	See G. Valley	See G. Valley	See G. Valley	See G. Valley	See G. Valley	See G. Valley	See G. Valley
5 Bottineau	16,751	(2,513)	14,238		16,161	(1,212)	14,949	
6 Bowman	16,649	(2,497)	14,152		15,946	(1,196)	14,750	
7 Burke	7,305	(1,096)	6,209		6,937	(520)	6,417	
8 Burleigh	176,667	(26,500)	150,167		170,269	(12,770)	157,499	
9 Cass	278,063	(41,710)	236,354		269,322	(20,199)	249,123	
10 Cavalier	19,073	(2,861)	16,212		18,125	(1,359)	16,766	
11 Dickey	21,106	(3,166)	17,940		20,349	(1,526)	18,823	
12 Divide	11,278	(1,692)	9,586		10,748	(806)	9,942	
13 Dunn	15,939	(2,391)	13,548	5,933	15,197	(1,140)	14,057	1,996
14 Eddy	7,771	(1,166)	6,605		7,419	(556)	6,863	
15 Emmons	12,189	(1,828)	10,361		11,659	(874)	10,785	
16 Foster	12,511	(1,877)	10,634		12,030	(902)	11,128	
17 G. Valley	11,919	(1,788)	10,131		11,368	(853)	10,515	
18 G. Forks	141,171	(21,176)	119,995		132,821	(9,962)	122,859	
19 Grant	12,694	(1,904)	10,790		12,077	(906)	11,171	
20 Griggs	10,281	(1,542)	8,739		9,821	(737)	9,084	
21 Hettinger	10,336	(1,550)	8,786		9,829	(737)	9,092	
22 Kidder	8,932	(1,340)	7,592		8,484	(636)	7,848	
23 LaMoure	18,859	(2,829)	16,030		18,085	(1,356)	16,729	
24 Logan	8,080	(1,212)	6,868		7,671	(575)	7,096	
25 McHenry	17,635	(2,645)	14,990		16,825	(1,262)	15,563	
26 McIntosh	9,867	(1,480)	8,387		9,449	(709)	8,740	
27 McKenzie	19,995	(2,999)	16,996	15,230	19,059	(1,429)	17,630	10,276
28 McLean	27,634	(4,145)	23,489		26,492	(1,987)	24,505	
29 Mercer	24,734	(3,710)	21,024		23,560	(1,767)	21,793	
30 Morton	71,111	(10,667)	60,444		68,095	(5,107)	62,988	
31 Mountrail	17,924	(2,689)	15,235	24,263	17,119	(1,284)	15,835	17,037
32 Nelson	11,108	(1,666)	9,442		10,605	(795)	9,810	
33 Oliver	6,060	(909)	5,151		5,765	(432)	5,333	
34 Pembina	26,240	(3,936)	22,304		25,097	(1,882)	23,215	
35 Pierce	15,774	(2,366)	13,408		15,156	(1,137)	14,019	
36 Ramsey	28,828	(4,324)	24,504		27,322	(2,049)	25,273	
37 Ransom	24,572	(3,686)	20,886		23,578	(1,768)	21,810	
38 Renville	7,290	(1,094)	6,197		7,013	(526)	6,487	
39 Richland	48,022	(7,203)	40,819		45,719	(3,429)	42,290	
40 Rolette	28,434	(4,265)	24,169	125,700	27,421	(2,057)	25,364	57,089
41 Sargent	13,116	(1,967)	11,149		12,419	(931)	11,488	
42 Sheridan	8,874	(1,331)	7,543		8,507	(638)	7,869	
43 Sioux	9,713	(1,457)	8,256	44,677	9,314	(699)	8,615	21,135
44 Slope	See Bowman	See Bowman	See Bowman	See Bowman	See Bowman	See Bowman	See Bowman	See Bowman
45 Stark	64,942	(9,741)	55,201		61,919	(4,644)	57,275	
46 Steele	9,504	(1,426)	8,078		9,047	(679)	8,368	
47 Stutsman	66,150	(9,923)	56,228		63,861	(4,790)	59,071	
48 Towner	6,642	(996)	5,646		6,321	(474)	5,847	
49 Traill	25,739	(3,861)	21,878		24,783	(1,859)	22,924	
50 Walsh	35,729	(5,359)	30,370		34,191	(2,564)	31,627	
51 Ward	103,835	(15,576)	88,260		99,343	(7,451)	91,892	
52 Wells	21,072	(3,161)	17,911		20,157	(1,512)	18,645	
53 Williams	59,519	(8,928)	50,591		56,770	(4,258)	52,512	
Total:	1_/ 1,690,676	(253,601)	1,437,075	253,601	1_/ 1,619,546	(121,466)	1,498,080	121,466

Calendar Year 2000	
National Appropriation	$1.775 Billion
North Dakota Portion	4,226,690
State 60%	2,528,669
County 40%	1,698,021

Calendar Year 2001	
National Appropriation	$1.725 Billion
North Dakota Portion	4,048,865
State 60%	2,429,319
County 40%	1,619,546

1_/: Distribution of Title XX county share allocation based on 50% ratio of county population and 50% on average of 3 years Title XX expenditures.

R&S ms-2-2-01 T:\mike\[titlexx 00 & 01.xls]Sheet1

North Dakota Dep[illegible] Human Services

Monthly Average Number of Cases [illegible]e XX Related Programs By County

State Fiscal Year 2000

County	Special Payments to the Elderly & Disabled (SPED) - Number of Recipients 1_/	Expanded Special Payments to the Elderly & Disabled (X-SPED) - Number of Recipients 1_/	Aged & Disabled Waiver - Number of Recipients 1_/	Foster Care - Number of Families	Foster Care - Number of Cases (Children)	Subsidized Adoption - Number of Cases
Adams	9	0	1	4	3	0
Barnes	8	0	1	13	14	5
Benson	26	0	4	39	55	6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bottineau	23	5	1	6	9	4
Bowman/Slope	1	0	1	2	2	0
Burke	0 *	0	0 *	1	1	0
Burleigh	54	7	13	107	169	32
Cass	51	19	21	197	239	70
Cavalier	8	0	0 *	3	2	2
Dickey	10	5	1	5	4	4
Divide	0 *	0	0 *	2	3	1
Dunn	12	0	1	7	8	1
Eddy	1	0	0 *	4	3	0
Emmons	8	2	0 *	2	0 *	1
Foster	0 *	0	1	2	2	4
G. Valley/Billings	2	0 *	0 *	8	2	1
G. Forks	20	1	2	92	116	73
Grant	10	4	1	4	0 *	0
Griggs	2	0 *	0 *	5	5	0
Hettinger	10	2	0 *	3	5	0
Kidder	1	0	0 *	0	0 *	1
LaMoure	9	1	0	2	3	0
Logan	3	0	0	0 *	0	1
McHenry	4	0 *	0 *	4	3	0
McIntosh	1	0 *	0	1	2	3
McKenzie	0 *	0 *	0 *	6	9	2
McLean	2	0	1	7	10	0
Mercer	12	1	1	9	10	1
Morton	62	9	5	42	0	16
Mountrail	30	5	1	9	6	1
Nelson	11	1	0 *	2	3	2
Oliver	0	0	0	2	3	0
Pembina	12	0	1	8	6	6
Pierce	3	0	0 *	4	5	3
Ramsey	21	6	1	52	60	3
Ransom	11	0	1	2	3	2
Renville	0 *	0 *	0	0 *	1	1
Richland	4	1	0	26	24	12
Rolette	36	7	2	74	97	8
Sargent	2	0	1	2	3	3
Sheridan	1	0	0	0 *	0	0
Sioux	2	0	0 *	15	18	0
Slope	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stark	35	7	2	40	40	14
Steele	7	0	0 *	2	0 *	1
Stutsman	30	4	9	29	24	5
Towner	7	0	0 *	2	0	1
Traill	23	3	3	9	6	6
Walsh	21	1	1	19	19	15
Ward	108	13	26	79	83	8
Wells	5	0 *	1	3	2	0
Williams	9	0 *	1	22	25	6
Total:	726	105	105	972	1,109	328

1_/ Recipients rounded to nearest whole number & recipients shown have received one or more services from their CSSB

* Less than 1/2 a case per month average

F&S mo 2/8/01 T:\mike\fostercare cases & unduplicates[Sheet3]

2-2-01

MARK A. JOHNSON
EXECUTIVE DIRECTOR
www.ndaco.org

January 30, 2001

Representative Ken Svedjan, Chairman
Human Resource Division
House Appropriations Committee
State Capitol
Bismarck, ND 58505

Dear Chairman Svedjan:

Of the many critical issues that your committee must face in the budget for the Department of Human Services, the allocation of administrative reimbursement funding for the "Indian Counties" of the State is one of utmost importance to our Association.

It is my desire to speak to the Human Resource Division regarding this issue at a point that it is appropriate and convenient for you. To facilitate such a presentation, I have met with DHS staff, reviewed their background information, and prepared a brief document that summarizes both the numbers and the reasons we feel this funding is so important. I have attached this document and copies of this letter in sufficient numbers for the Division's members.

If I may sum up the materials in one sentence however, this funding protects the small number of property tax payers (that own 5% of the taxable property in the state) from shouldering 12% of the costs of delivering federal and State mandated economic assistance programs. By fully funding this reimbursement, these property owners would collectively pay a more reasonable 5% of the total Statewide costs.

Thank you for your consideration of this important budget item, and I look forward to an opportunity to discuss it further.

Sincerely,

Terry Traynor,
NDACo Assistant Director

P.O. BOX 117 ■ BISMARCK, NORTH DAKOTA 58502-0417 ■ PHONE: (701) 328-9800 ■ IN STATE WATS (800) 932-8730 ■ FAX: (701) 328-9808

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

John Hoeven, Governor
Carol K. Olson, Executive Director

Fiscal Administration

(701) 328-1980
Toll Free 1-800-472-2622
Fax (701) 328-2359

February 7, 2001

Representative Ken D. Svedjan
Chairman, Appropriations-Human Resources Division
600 E Blvd Ave
Bismarck, ND 58505

Dear Representative Svedjan:

Attached is the information that you requested regarding the outcomes of SWAP and Indian County Allocations. The information included in this packet is as follows:

- Effects of the SWAP on the Counties for the 18 months in the 97-99 biennium.
- Effects of the SWAP on the State for the 18 months in the 97-99 biennium.
- The estimated effects of the SWAP for the 99-01 and the 01-03 biennium.
- The total county administrative costs for Economic Assistance Programs for State Fiscal Year (SFY) 99 through SFY 2002, broken down into separate categories for administration, county-wide cost allocation, and regional Child Support costs.
- Number of TANF, Food Stamp, LIHEAP and Medicaid recipients in the Indian Counties and the non-Indian Counties as compared to the applicable county populations.
- The 99-01 budget for Indian County Allocation as compared to the 01-03 reprojections.
- The estimated 03-05 Indian County Allocation, assuming no changes to existing law.
- Recipients of the TANF, Food Stamp, LIHEAP and Medicaid programs by county for SFY 1997-SFY 2000.
- Social Services Block Grant Allocation by county for Calendar Year 2000 and 2001.
- Monthly average number of cases by county for the SPED, Expanded SPED, Aged and Disabled Waiver Services, Foster Care and Subsidized Adoption.

If you would like to discuss any of the schedules, please let me know.

Sincerely,

Debra A. McDermott

Debra A. McDermott
Assist. Director, Fiscal Administration

North Dakota Department of Human Services
SWAP Impact on Counties
January 1, 1998 to June 30, 1999

	COUNTY	Expenditures Prior to SWAP Less Expenditures with SWAP	Positive Impact (County has Realized a Savings due to SWAP)	Negative Impact (County has Realized an Increase in Expenditures due to SWAP)
1	Adams	58,009	58,009	
2	Barnes	124,769	124,769	
3	Benson	(93,949)		(93,949)
4	Billings	See Golden Valley		
5	Bottineau	107,741	107,741	
6	Bowman / Slope	20,162	20,162	
7	Burke	50,663	50,663	
8	Burleigh	21,109	21,109	
9	Cass	(232,952)		(232,952)
10	Cavalier	18,560	18,560	
11	Dickey	139,346	139,346	
12	Divide	27,333	27,333	
13	Dunn	34,153	34,153	
14	Eddy	65,800	65,800	
15	Emmons	71,423	71,423	
16	Foster	111,985	111,985	
17	G. Valley / Billing	(5,490)		(5,490)
18	Grand Forks	(138,208)		(138,208)
19	Grant	48,481	48,481	
20	Griggs	36,964	36,964	
21	Hettinger	25,958	25,958	
22	Kidder	74,125	74,125	
23	LaMoure	64,686	64,686	
24	Logan	59,253	59,253	
25	McHenry	222,243	222,243	
26	McIntosh	119,022	119,022	
27	McKenzie	(85,453)		(85,453)
28	McLean	229,048	229,048	
29	Mercer	114,478	114,478	
30	Morton	101,177	101,177	
31	Mountrail	3,040	3,040	
32	Nelson	111,091	111,091	
33	Oliver	(7,710)		(7,710)
34	Pembina	65,069	65,069	
35	Pierce	125,011	125,011	
36	Ramsey	61,129	61,129	
37	Ransom	124,461	124,461	
38	Renville	2,763	2,763	
39	Richland	191,610	191,610	
40	Rolette	(292,872)		(292,872)
41	Sargent	85,639	85,639	
42	Sheridan	63,869	63,869	
43	Sioux	(100,204)		(100,204)
44	Slope	See Bowman		
45	Stark	(145,170)		(145,170)
46	Steele	12,783	12,783	
47	Stutsman	166,850	166,850	
48	Towner	95,148	95,148	
49	Traill	120,297	120,297	
50	Walsh	153,061	153,061	
51	Ward	39,447	39,447	
52	Wells	109,049	109,049	
53	Williams	(66,747)		(66,747)
	Total	2,308,064	3,476,825	(1,168,761)

North Dakota Department of Human Services
SWAP Impact on Department
January 1, 1998 to June 30, 1999

Additional Revenues:	
Federal Retained Dollars Generated From County Expenditures	16,967,558
State's Share of IV-D Administrative Costs No Longer Paid	1,050,767
County Share of Estate Collections	58,756
County Share of Food Stamp, TANF, and Medicaid Refunds	31,154
Total Additional Revenues	18,108,235
Additional Expenditures:	
County Share of Grant Expenditures	18,620,517
TEEM Computer Equipment	132,117
Statutory Funds for Indian Counties for 65 @ 1 Case Ration (Benson, Rolette & Sioux)	619,000
Additional Administrative Reimbursement for Indian Counties for 65 @ 1 Case Ration (Rolette & Sioux)	147,754
Additional Monies to IV-D Regional Units for Indian Cases	192,828
FACSES - Data Processing	312,338
FACSES - Conversion Costs, Training & Equipment	733,138
Griffith & Associates Contract for 1999 Reimbursements	167,180
Total Additional Expenditures	20,924,872
Overall Cost of SWAP to Department of Human Services	(2,816,637)

Note:
TEEM - Training, Education, Employment and Management
FACSES - Fully Automated Child Support Enforcement System
TANF - Temporary Assistance for Needy Families

North Dakota Department of Human Services

Comparison of Economic Assistance Grant Costs and County Administration

Economic Assistance Grants - "Previously" the County Share

	Projected Expenditures for 99-01	Projected Expenditures for 01-03
Traditional Medicaid	18,889,690	21,357,836
Developmental Disability	3,257,020	3,564,507
Basic Care	2,302,856	2,585,707
TANF	1,279,986	1,356,338
JOBS	376,270	723,927
State Hospital	288,290	270,506
Child Care	864,774	1,171,286
Total Additional Grants Costs Assumed by the State	27,258,886	31,030,107

County Administrative Costs - "Previously" State Reimbursement

	Projected Reimbursement for 99-01	Projected Reimbursement for 01-03
Federal Funds for EA Programs	22,499,764	25,337,549
State Funds for IV-D Regional Units	1,537,355	1,762,250
Total Additional Administrative Costs Assumed by County	24,037,119	27,099,799

Overall Effects on Counties and State

	1999-2001 Biennium	2001-2003 Biennium
Grant Costs in Excess of Admin. Reimbursement	3,221,767	3,930,308
Additional Indian County Funds Provided in Excess of $440,000	1,336,420	2,365,746
Avoided County Expenditures and Corresponding Add'l State Costs	**4,558,187**	**6,296,054**

Additional Information

The county share of the Social Service Block Grants have decreased as follows:

CY 1998 $2,230,706
CY 1999 $2,230,858
CY 2000 $1,690,676
CY 2001 $1,619,546

North Dakota Department of Human Services
Administrative Costs
For State Fiscal Years 1999 - 2002 using 3% inflation for all costs and used
CY2001 Budgets adjusted for SFY2001 Child Support IV-D Costs

County	Actual SFY1999	Actual SFY2000	Percent Change from Previous Year	SFY2001	Percent Change from Previous Year	SFY2002	Percent Change from Previous Year	Percent Change From SFY1999 to SFY2002
Total Administrative Costs								
Indian Counties	2,151,282	2,521,615	17.21%	2,643,275	4.83%	2,727,204	3.18%	26.77%
Rest of Counties	16,698,220	17,779,846	6.48%	19,016,914	6.96%	19,582,791	2.98%	17.27%
Total:	18,849,502	20,301,461	7.70%	21,660,189	6.69%	22,309,995	3.00%	18.36%
CSSB Administrative Costs Excluding CWCA & Child Support IV-D								
Indian Counties	1,724,726	1,896,936	9.98%	1,953,844	3.00%	2,012,459	3.00%	16.68%
Rest of Counties	12,396,889	12,441,712	0.36%	12,814,964	3.00%	13,199,413	3.00%	6.47%
Total:	14,121,617	14,338,648	1.54%	14,768,808	3.00%	15,211,872	3.00%	7.72%
Countywide Cost Allocation Costs								
Indian Counties	115,885.00	290,536.95	150.71%	299,253.06	3.00%	308,230.65	3.00%	165.98%
Rest of Counties	885,004.00	1,586,767.59	79.29%	1,634,370.62	3.00%	1,683,401.74	3.00%	90.21%
Total:	1,000,889.00	1,877,304.54	87.56%	1,933,623.68	3.00%	1,991,632.39	3.00%	98.99%
Regional Child Support Units IV-D Costs								
Indian Counties	310,669.00	334,142.45	7.56%	390,177.97	16.77%	406,513.68	4.19%	30.85%
Rest of Counties	3,416,327.00	3,751,365.94	9.81%	4,567,579.63	21.76%	4,699,976.66	2.90%	37.57%
Total:	3,726,996.00	4,085,508.39	9.62%	4,957,757.60	21.35%	5,106,490.34	3.00%	37.01%

R&S ms-1-25-01 f:\mike\SWAP project (for LeRoy)\all 4 costs for 99-02 (2).xls\final not by county

North Dakota Departm[illegible] Human Services
Summary of TANF, Food Stamps, LIHEAP, & Medicaid Programs
County Recipients and Population Comparison by Program and Year
Fiscal Years 1997 - 2000

County	Unduplicated Number of Recipients											
	1997			1998			1999			2000		
	Number of Recipients	*1997 Estimated Population	Percent of Population Receiving	Number of Recipients	**1998 Estimated Population	Percent of Population Receiving	Number of Recipients	**1999 Estimated Population	Percent of Population Receiving	Number of Recipients	**2000 Estimated Population	Percent of Population Receiving
TANF Program - *Monthly Average Number of Recipeints*												
Indian Counties	4,596	50,817	9.04%	4,242	50,686	8.37%	3,873	50,283	7.70%	3,652	50,935	7.17%
Rest of Counties	7,222	590,128	1.22%	4,953	587,122	0.84%	4,322	583,383	0.74%	3,886	591,362	0.66%
Total:	11,818	640,945	1.84%	9,185	637,808	1.44%	8,195	633,666	1.29%	7,538	642,297	1.17%
Food Stamps Program - *Monthly Average Number of Persons*												
Indian Counties	8,402	50,817	16.53%	7,843	50,686	15.47%	7,624	50,283	15.16%	7,289	50,935	14.31%
Rest of Counties	29,643	590,128	5.02%	26,164	587,122	4.46%	25,908	583,383	4.44%	24,841	591,362	4.20%
Total:	38,045	640,945	5.94%	34,007	637,808	5.33%	33,533	633,666	5.29%	32,130	642,297	5.00%
LIHEAP Program - *Unduplicated Number of Recipients*												
Indian Counties	3,222	50,817	6.34%	2,942	50,686	5.80%	2,448	50,283	4.87%	2,686	50,935	5.27%
Rest of Counties	30,780	590,128	5.22%	25,670	587,122	4.37%	24,153	583,383	4.14%	25,103	591,362	4.24%
Total:	34,002	640,945	5.30%	28,612	637,808	4.49%	26,602	633,666	4.20%	27,789	642,297	4.33%
Medicaid Program - *Monthly Average Number of Eligible Recipients (Not Cases)*												
Indian Counties	5,452	50,817	10.79%	5,231	50,686	10.32%	5,160	50,283	10.26%	5,144	50,935	10.10%
Rest of Counties	28,278	590,128	4.79%	27,308	587,122	4.65%	27,107	583,383	4.65%	27,709	591,362	4.69%
Total:	33,760	640,945	5.27%	32,539	637,808	5.10%	32,267	633,666	5.09%	32,853	642,297	5.11%

* Source U.S. Bureau of the Census, Population Estimates Branch March 2000 Calendar Year Projections
** Source: North Dakota State Data Center, North Dakota Population Projections by Age and Gender 2000-2015 Vol. 15 No. 2 Feb. 1996 Calendar Year Projections

Reprojection as of 1-31-01 **
2001-2003 Biennium - Revenue to Six Indian Counties from State County Allocations (DHS Budget ACC3040) Pursuant to SB2012

County	1999-01 Appropriation	** 2001-2003 Biennium Total $ Needed to Equalize Indian County Mills (to bring down to Avg.) *Includes IV-D*	*Difference*
	A	B	*C = B - A*
Adams Barnes Benson Billings Bottineau	257,155.00	435,461.21	*178,306.21*
Bowman/Slope Burke Burleigh Cass Cavalier			
Dickey Divide Dunn Eddy Emmons	29,154.00	41,134.06	*11,980.06*
Foster G. Valley/Billings G. Forks Grant Griggs			
Hettinger Kidder LaMoure Logan McHenry			
McIntosh McKenzie McLean Mercer Morton	94,898.00	247,332.53	*152,434.53*
Mountrail Nelson Oliver Pembina Pierce	134,642.00	276,074.53	*141,432.53*
Ramsey Ransom Renville Richland Rolette	938,873.00	1,312,924.10	*374,051.10*
Sargent Sheridan Sioux Slope Stark	321,698.00	492,819.86	*171,121.80*
Steele Stutsman Towner Traill Walsh			
Ward Wells Williams			
Total:	**1,776,420.00**	**2,805,746.29**	***1,029,326.29***

Reprojection Scenario as of 1-11-01 **
2003-2005 Biennium - Revenue to Six Indian Counties from State County Allocations
(DHS Budget ACC3040) Pursuant to SB2012 using *3% Inflation* per year

County	2001-2003 Biennium Reprojected Amount as of 1-8-01 ***Includes IV-D***	**2003-2005 Biennium Total $ Needed to Equalize Indian County Mills (to bring down to Avg.) ***Includes IV-D***	Difference	Percent Change
	A	B	C = B - A	D
Adams Barnes Benson Billings Bottineau	435,461.21	464,834.26	29,373.05	6.75%
Bowman/Slope Burke Burleigh Cass Cavalier				
Dickey Divide Dunn Eddy Emmons	41,134.06	41,487.90	353.84	0.86%
Foster G. Valley/Billings G. Forks Grant Griggs				
Hettinger Kidder LaMoure Logan McHenry				
McIntosh McKenzie McLean Mercer Morton	247,332.53	277,166.78	29,834.25	12.06%
Mountrail Nelson Oliver Pembina Pierce	276,074.53	293,518.03	17,443.50	6.32%
Ramsey Ransom Renville Richland Rolette	1,312,924.10	1,400,569.29	87,645.19	6.68%
Sargent Sheridan Sioux Slope Stark	492,819.86	534,031.42	41,211.56	8.36%
Steele Stutsman Towner Traill Walsh				
Ward Wells Williams				
Total:	**2,805,746.29**	**3,011,607.68**	**205,861.39**	**7.34%**

1_/ : For the 2003-2005 Biennium the estimated costs for CY2003 for CSSB Admin. Costs, Countywide Cost Allocation, Regional Child Support Units, and the Value of a mill levy costs were increased 3% to compute CY2004 and CY2005 . Compiled impact using same method as 1-8-01 projection for 2001-2003 Biennium.

Testimony to the
SENATE APPROPRIATIONS COMMITTEE
Prepared March 2, 2001
By the North Dakota Association of Counties
Terry Traynor, NDACo Assistant Director

REGARDING ENGROSSED HOUSE BILL 1012

Chairman Nething and members of the committee, of the many critical issues that you must face in the budget for the Department of Human Services, the allocation of administrative reimbursement for the "Indian Counties" of the State, is one of utmost importance to our Association. I appear before you today to therefore specifically address Section 17 of the bill and its associated appropriation.

Attached to my testimony is a discussion of the history and impact of this reimbursement so I will not go into detail unless that is the Committee's desire. If I may sum up the materials in one sentence however, this funding protects the small number of property tax payers (that own 5% of the taxable property in the state) from shouldering 12% of the costs of delivering federal and State mandated economic assistance programs. By fully funding this reimbursement consistent with current law, these property owners would collectively pay a more reasonable 5% of the total statewide costs.

Unfortunately, HB1012 as it comes to this Committee, contains a 15% reduction in this funding (14% less than the Executive Budget recommendation). Based on the formula that drives this reimbursement, two of the six impacted counties would actually receive less total assistance in the coming biennium. The back of this page of testimony contains a table that contrasts these funding levels.

Thank you for your consideration of this important budget item, and I hope that at least some of this funding can be restored.

Terry Trumble

Analysis of Indian County Economic Assistance Reimbursement

Comparison of Current and Proposed Allocations

	Actual Amounts Allocated - 1999-01 Biennium			Reprojected Amounts 2001-03 Biennium (100% per Statute)	85% of Reprojected 2001-03 Amounts	Difference (Savings) in State Appropriation	Gain (Loss) of County Funding (From last Biennium)
	General Fund Retained $	Other Counties' Title XX	Total Reimburse.				
	a	b	c	d	e	f = e - d	g = e - c
Benson	257,155	71,275	328,430	435,461	370,142	(65,319)	41,712
Dunn	29,154	7,889	37,043	41,134	34,964	(6,170)	(2,079)
McKenzie	94,898	50,485	145,383	247,333	210,233	(37,100)	64,850
Mountrail	134,642	36,493	171,135	276,075	234,663	(41,411)	63,528
Rolette	938,873	241,183	1,180,056	1,312,924	1,115,985	(196,939)	(64,071)
Sioux	321,698	84,771	406,469	492,820	418,897	(73,923)	12,428
	1,776,420	492,096	2,268,516	2,805,746	2,384,884	(420,862)	116,368

Funds Not Appropriated (based on Reproject.)	154,469
Additional Needed to go from 18 to 24 Months	291,587
Total of Statutory Amounts	2,714,572

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 4, after line 12, insert:

Section 2. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:
   a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at one ~~hundred~~ eighty five percent;
   b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date;
   c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation; and
   ~~d. For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

Indian County Economic Assistance Funding

Prepared by the North Dakota Association of Counties

What is this funding for?

- Counties with a large amount of non-taxable land but disproportionately large economic assistance caseloads have always had a very difficult time funding the staff to fulfill federal and state program requirements.
- Prior to the realignment of social service costs in 1997 (effective in 1998), also termed the SWAP, this problem was addressed by a fairly small state general fund appropriation (less than $500,000 for the 95-97 biennium) to the 3 most heavily impacted counties and economic assistance grant formulas that placed a reduced burden on the reservation counties.
- The SWAP eliminated the county grant costs, but gave counties the full cost of their administration while the State retained the federal reimbursement on the counties' administrative effort's to help pay the "SWAPed" grant costs.
- The counties agreed that during the first 2 years of SWAP implementation they would shift funds to the negatively impacted counties, and for the last 1½ years they have shifted funds to the help the State fund the six Indian Counties. This shift was accomplished by those (non-reservation) counties taking less federal Title XX block grant funds, allowing the reservation counties to have more.
- For the last 3½ years these disproportionate Indian County costs have been addressed at least partially through a combination of State General Funds, retained dollars, and the other counties acceptance of greater costs or less federal funds.

What does this funding do?

- The statute requires state reimbursement of a portion of those economic assistance administration costs for counties with more than 20% of their caseload residing on reservation land.
  - The amount of reimbursement is to equal the costs that exceed the statewide average of the other counties' costs as expressed in mills.
  - 7 counties meet the 20% caseload eligibility criteria, but 1 county's costs are currently less than the statewide average. They are
    - Benson
    - Dunn
    - McKenzie
    - McLean (Currently paying less than statewide average)
    - Mountrail
    - Rolette
    - Sioux
- It is important to note that this statute and this reimbursement only effects economic assistance program administration (Medicaid, Basic Care, Food Stamps, TANF, Child Support, etc.) This statute does not compare or consider the costs of children and family service or services for the elderly and disabled (Foster Care, SPED, Subsidized Adoption, etc.)

Why did the State costs change?

- In the current (99-01) biennium the State and the non-reservation counties collectively added $2.26 million in revenue to the reservation counties. DHS estimates that it will take $2.81 million in the 2001-03 biennium to meet the current statutory reimbursement

1999-2001 Biennium		2001-2003 Biennium
$ 1,776,420	State Funds	$ 2,805,746 State Funds (Reprojected)
$ 491,654	Other Counties' Title XX	
$ 2,268,074	Indian County Total	

- The State (federal reimbursement) funds needed are therefore increasing by $1,029,326.
- $491,654 of this increase is because the statute no longer takes grant funds from the other (non-reservation counties) requiring their use of property taxes to offset the funds shifted.
- The remaining $537,672 of the increase is the result of a combination of the following:
  - Overall economic assistance administration costs have increased in all counties (In the past 2 years these county costs have increased by $1.4 million – this has leveraged approximately $700,000 in increased federal reimbursements to DHS)
    - 25% of this increase in county costs was due to Child Support Enforcement.
    - Indirect costs increased by the greatest percentage, but these costs also leverage a proportionate increase in federal reimbursements to DHS. (A large portion of this increase is due to the recognition of additional costs eligible for federal reimbursement – including central service costs such as risk management, insurance, and automation support.)
    - Administrative costs for reservation counties have increased faster than the others, particularly in the indirect cost area.
  - The taxable valuation of the non-reservation counties increased on the average 7.6% in the past two years, while it increased an average of only 1.6% in the 6 reservation counties that are eligible for reimbursement.

How does it affect property taxes?

- In Bottineau County (a non-reservation county) to fully fund their economic assistance administration costs with property taxes requires 12.07 mills of property tax, or $6.11 of property tax on an average valued quarter of farmland in the county.
- In neighboring Rolette County (the most severely impacted reservation county) their economic assistance administration costs (without the "Indian County" funding) would require 87.62 mills, or $40.63 of property tax on an average valued quarter of farmland in the county.
- Rolette County, with the full reimbursement proposed, these costs are reduced to the statewide average in mills (14.65) and would therefore require $6.76 of property tax for that same quarter of farmland.
- With the reimbursement in Engrossed House Bill 1012, the funding would allow these costs to be reduced to approximately $11.84 of property tax for that same quarter of farmland.
- A table is attached showing the actual annual economic assistance administration costs in dollars and in mills – and the impact that fully funding the Indian County reimbursement will have.

CY2001 "Indian County" EA Administr...

Based on SFY 2000 Data (Provided by DHS Research & Statistics)

County	Total Economic Assistance Administrative Costs	Mills Needed to Fund Economic Assistance Admin.	Amount Proposed for "Indian County" Reimbursement	Mills Needed to Fund Economic Assistance Admin
	ONLY	**Actual**		**Adjusted**
Adams	101,953	15.68		
Barnes	372,635	15.34		
Benson	374,210	33.44	210,277	14.65
Billings	**Included in G. Valley**			
Bottineau	227,624	12.07		
Bowman/Slope	155,768	12.38		
Burke	72,893	8.86		
Burleigh	1,820,281	15.73		
Cass	2,967,398	13.14		
Cavalier	277,714	15.32		
Dickey	209,987	16.34		
Divide	71,175	8.32		
Dunn	178,438	16.67	21,623	14.65
Eddy	105,931	19.40		
Emmons	125,872	10.67		
Foster	116,527	12.31		
G. Valley/Billings	106,167	11.41		
G. Forks	1,755,480	16.42		
Grant	124,102	16.64		
Griggs	154,230	19.52		
Hettinger	112,182	14.54		
Kidder	100,709	12.78		
LaMoure	141,650	10.65		
Logan	97,573	15.85		
McHenry	173,353	11.37		
McIntosh	133,880	15.63		
McKenzie	328,061	22.44	113,902	14.65
McLean	287,994	13.65		
Mercer	238,698	16.11		
Morton	894,892	19.93		
Mountrail	329,606	24.61	133,383	14.65
Nelson	135,932	13.08		
Oliver	83,361	18.16		
Pembina	374,004	14.02		
Pierce	132,955	12.07		
Ramsey	459,474	20.97		
Ransom	143,188	11.94		
Renville	90,918	10.24		
Richland	399,650	10.83		
Rolette	759,826	87.62	632,778	14.65
Sargent	123,899	11.28		
Sheridan	76,044	13.39		
Sioux	263,480	132.41	234,337	14.65
Slope	**Included in Bowman**			
Stark	988,265	33.07		
Steele	99,570	10.90		
Stutsman	748,322	18.47		
Towner	99,470	9.62		
Traill	201,963	9.80		
Walsh	390,457	14.11		
Ward	1,560,418	17.37		
Wells	193,056	13.53		
Williams	820,224	25.32		
Total:	**20,301,461**		**1,346,300**	
Statewide Average:		**19.13**		
Average without "Indian Counties":		**14.65**		

Physician practices need strategies today to meet tomorrow's HIPAA requirements

December 20, the Clinton Administra- issued rules under the Health Insurance Portability and Accountability Act (HIPAA) to protect the privacy of electronic medical records. These rules, which have force of law, will affect every provider and health care consumer in the United States.

Under the rules, consumers have the right to inspect and copy information in their medical records as well as the right to request correction of inaccurate or incomplete information. The standard limits the use and disclosure of data by insurance companies, health maintenance organizations, and health care providers. For example, physicians and hospitals will need patients' written consent before disclosing medical information.

HIPAA was enacted in 1996 as part of a broad Congressional attempt at incremental health care reform. Regulations pertaining to its primary function-protecting health insurance coverage for workers and their families when they changed or lost their jobs-were implemented relatively quickly. But other HIPAA provisions, unrelated to portability, are still being rolled out by the Department of Health and Human Services (HHS).

These requirements, which call for "administrative simplification," are intended to reduce the costs and administrative burdens of health care by making possible the standardized, electronic transmission of many administrative and financial transactions. Health information privacy is also a requirement.

The first HIPAA final rule, which defines standard data code sets and electronic formats, was published last fall. In addition to this and the forthcoming privacy rule, administrative simplification will address security, national provider identifiers, national employer identifiers, and attachments as they pertain to electronic transfer of health data.

In November 1999, HHS published its proposed privacy standards, which will attempt to protect electronically transmitted health information from improper access or alteration and guard against loss of records. The proposed regulations underwent nationwide review by groups with an interest in the electronic transmission of health care data. HHS considered comments from these groups when drafting the final version of the rule.

When HHS rules and regulations become effective in their final form, small health plans have 36 months to comply. Others, including health care providers, must comply within 24 months.

Start preparing for HIPAA by reviewing standards at http://aspe.hhs.gov/admnsimp/

North Dakota HIPAA Coalition

Workgroup needs your help

A workgroup made up of Provider Associations and Payer Organizations has been formed to determine if there is a need to establish a North Dakota-based coalition to coordinate implementation of the Health Insurance Portability and Accountability Act. Members of the workgroup, including NDMGMA and NDMA, need your help to determine if this work group should continue and to what extent it should be developed. The workgroup considered just being a loose network of individuals who are willing to get together informally to work amongst themselves to solve HIPAA concerns, or perhaps forming a non-profit organization whose function is determined by the members of the organization. If you, as a provider, are interested in working with this group and helping develop HIPAA-related services, please contact the NDMGMA representative, Todd Bortke at 701-530-7580, or the NDMA representative, Dave Peske at 701-223-9475 prior to February 15th.

Department of Human Services

HB 1012 to House Human Resources

Medicaid Factors To Consider in HIPAA

- ✓ HIPAA Was Initiated At The Request of the Private Sector
  - Standardize and Simplify the Process
  - Save Money
- ✓ Medicaid as a Payer Is The Key Piece to Implementing HIPAA in DHS
  - See Attached HIPAA Project Detail Requested Previously
- ✓ Providers Have a Choice of Submitting Paper or Electronic Claims
  - If the Provider Elects Electronic Claims
    - Medicaid Must Be Able to Receive Them Electronically
    - Medicaid Must Be Able to Return Them to Providers Electronically
  - If the Provider Elects Paper Claims
    - Medicaid Will Have To Process The Paper
- ✓ Providers Are Moving Forward and Implementing HIPAA
  - HIPAA is Moving Forward in North Dakota- HIPAA Collation
  - HIPAA is Moving Forward Across the Nation- See Attached Survey
  - Comments from Noridian and Others

January 31, 2001

(1) HB 1012 1-31-01

Department of Human Services
HB 1012 to House Human Resource
Medicaid Factors to Consider in HIPAA

- ✓ Risks of Not Implementing HIPAA in DHS
  - Financial
    - Fines- Could Exceed $1 Million Per Year
      - See Attached Highlighted Penalty Information
    - Reduction of Federal Match from 75% to 50%
      - Risk Loss of Federal Certification on MMIS
        - $875,000 Reduction in Federal Match Per Biennium
    - Increased Cost for Operations
      - Providers Could Opt for More Paper Claims
      - Currently 210,000 Electronic Claims Are Received Monthly
      - Currently 28,000 Paper Claims Are Manually Input By 7 Data Entry Staff
      - If 10% More Paper Claims Are Received, 5 New FTE's Would Be Needed
    - Potential Lawsuits Over Privacy
  - Providers are Negatively Impacted
    - Some Services are Paid at 50% of Billed Charges
      - This May Cause Providers to Quit Medicaid
    - Increased Processing Time By DHS, Affects Cash Flow
      - Nursing Home Example, Now Paid Quickly
- ✓ HIPAA Will Not Go Away
- ✓ DHS Needs To Implement HIPAA

January 31, 20001

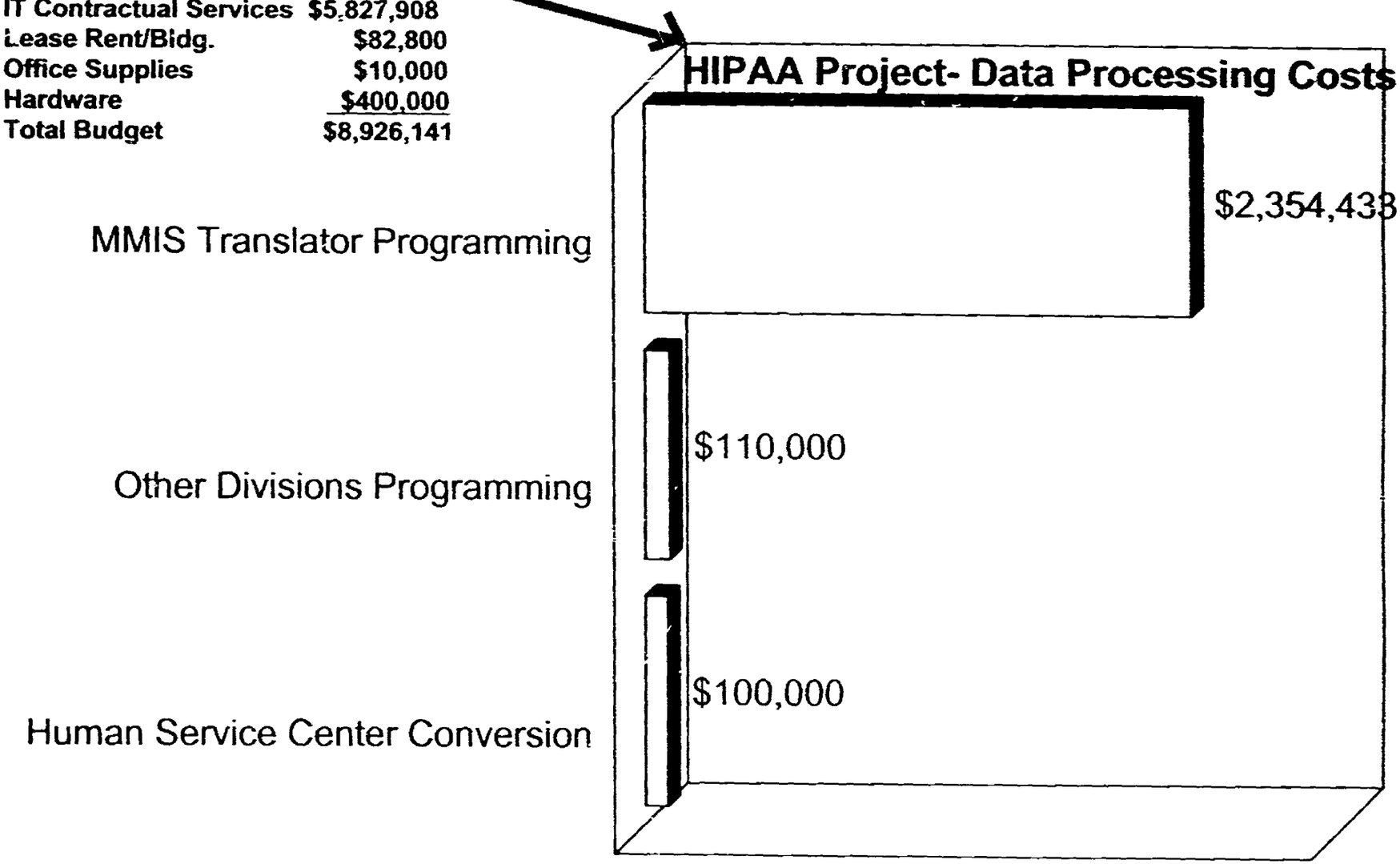
North Dakota Department of Human Services

Information Management Division

HB 1012 to House Human Resources

2001-2003 Biennium

HIPAA Project Budget:	
Temp. Salaries	$41,000
Data Processing	$2,564,433
IT Contractual Services	$5,827,908
Lease Rent/Bldg.	$82,800
Office Supplies	$10,000
Hardware	$400,000
Total Budget	$8,926,141



North Dakota Department of Human Services
Information Management Division
HB 1012 to House Human Resources
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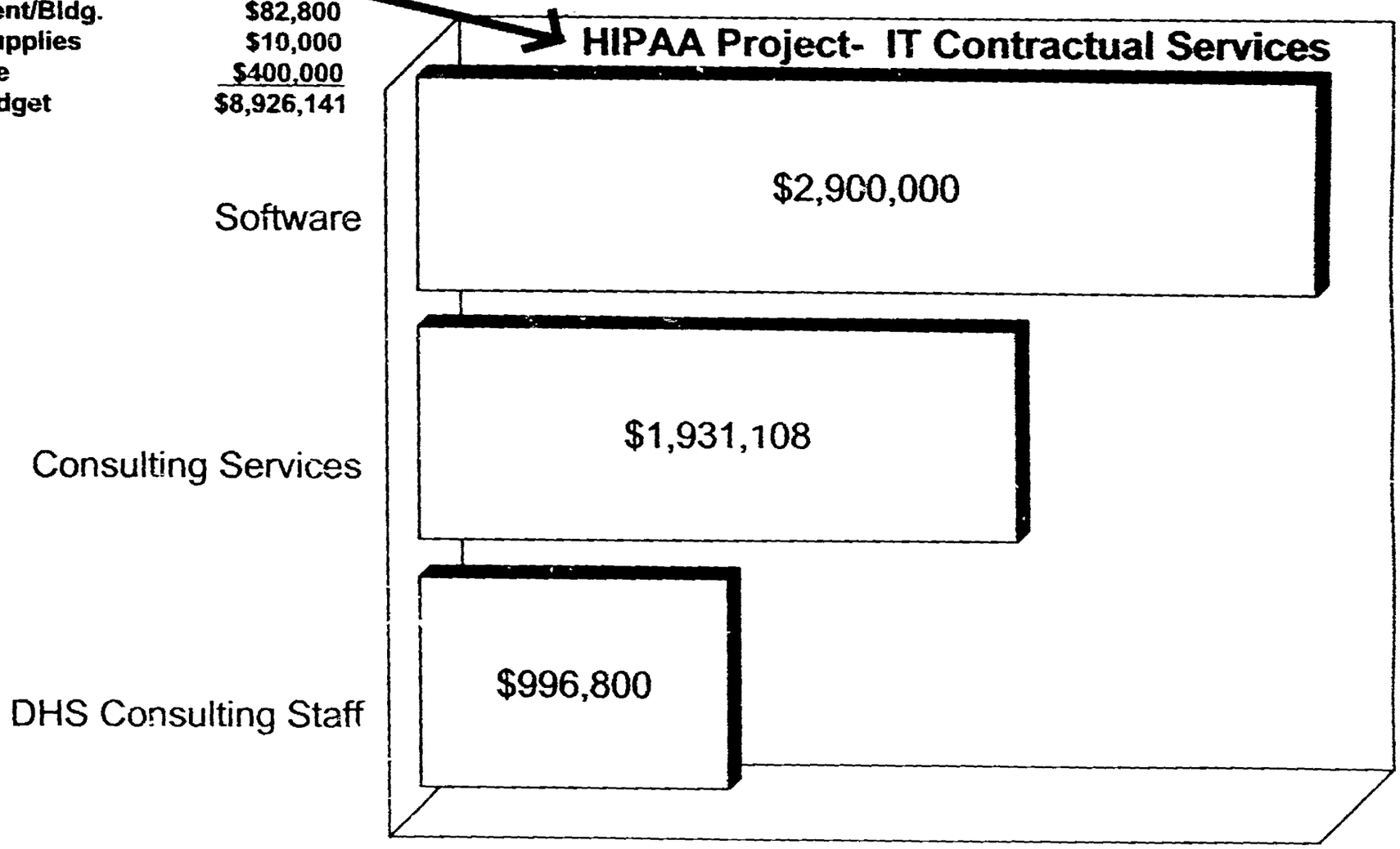

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Survey Finds Health Plans Preparing for HIPAA

Washington, D.C. (January 16, 2001) - A major study released today by the American Association of Health Plans (AAHP) removes much of the uncertainty about how America's health plans will react to the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The study, conducted by and Long Beach, California-based First Consulting Group, Inc., found that most plans are actively pursuing strategies to meet the electronic data interchange (EDI) and security components of HIPAA even in advance of final regulations, although about a third are deferring certain steps until final requirements are known. At the time the survey was conducted, the federal government had also not issued its final privacy rules, and a number of significant issues about these requirements remained unknown.

Many of the plans are combining EDI and e-health initiatives and view HIPAA as an opportunity to accomplish strategic objectives in addition to regulatory compliance. And while most are in the early stages of HIPAA compliance, the study found some have moved further into planning and even implementation in some areas.

Of the 27 health plans that responded to the survey, one-half are national plans, one-third are local and the remainder are regional. The sample offers an opportunity to understand HIPAA compliance in the large plans that serve much of the U.S. population as well as to identify any significant differences in how plans of different sizes are approaching HIPAA.

Health plan executives responding to the survey identified the most daunting challenges

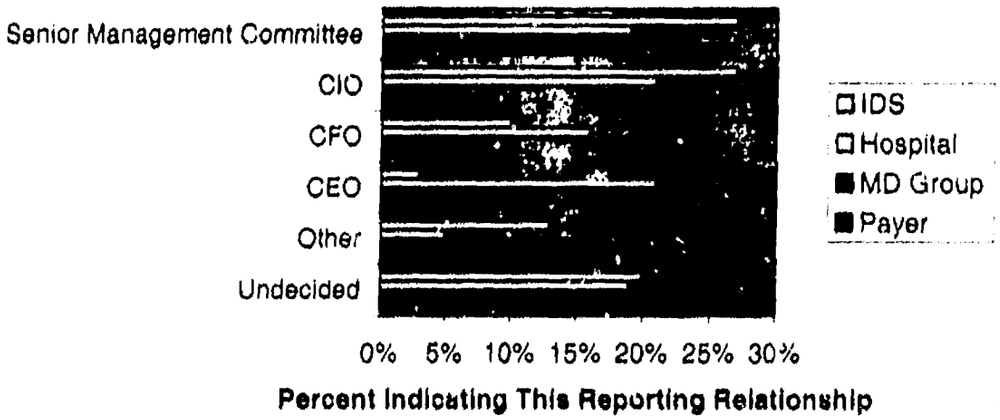
- organizational readiness
- security/confidentiality
- staff resources/necessary skill sets
- funding availability

Least important is the ability to demonstrate return on investment. The likely explanation is that compliance is mandated, not optional, and therefore, examining ROI is only of use in comparing approaches. Overall, respondents are quite confident about meeting the listed challenges. Relatively speaking, they raise the greatest concern about mustering sufficient resources, both staffing and funding, this is especially true of the smaller plans

"Use of electronic technology in healthcare, from the Internet to the electronic medical record, offers exciting new opportunities to improve how healthcare is delivered and coordinated in the United States," said AAHP President Karen Ignani. "Implementing HIPAA smoothly will be a major step in

- Overall, just over one-quarter of respondents have HIPAA Compliance Officers that were also Y2K officers.

HIPAA Officer Reporting Relationship
Source: Gartner HIPAA Survey, 4Q 2000



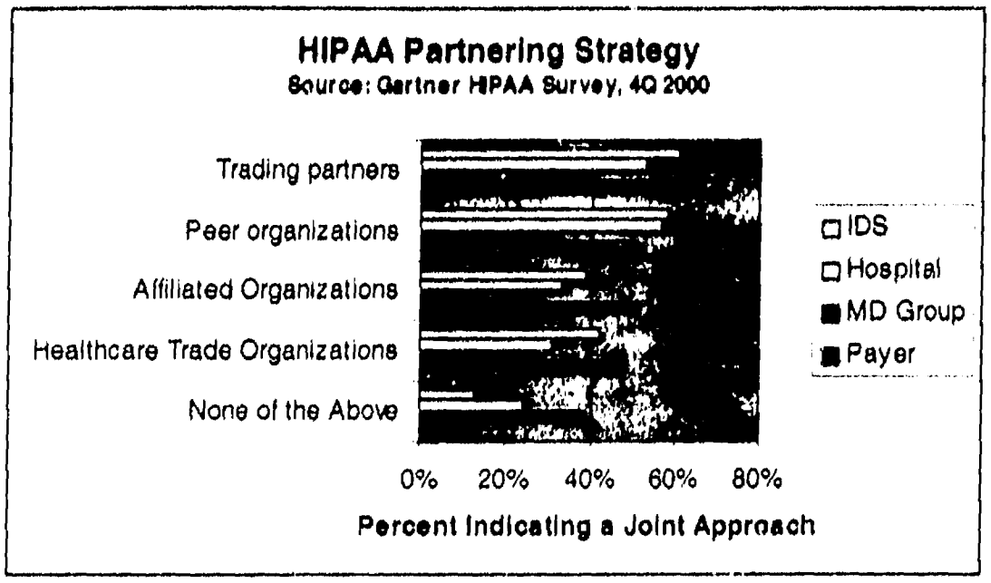
HIPAA Spending

At this time, only 15 percent of healthcare organizations have allocated budgets for complying with HIPAA. For those providers and payers that have developed preliminary budgets for compliance, the total cost is expected to average $9 million.

HIPAA Strategy/Tactics

- Nearly three quarters (73%) of all respondents will use some combination of consultant or contractor resources for HIPAA assessment. This remains generally consistent across market segments. About one-fifth (19%) will use in-house resources only.
- Less than 10% of all respondents have completed or are currently involved in estimating ROI for implementing HIPAA-compliant electronic transactions.

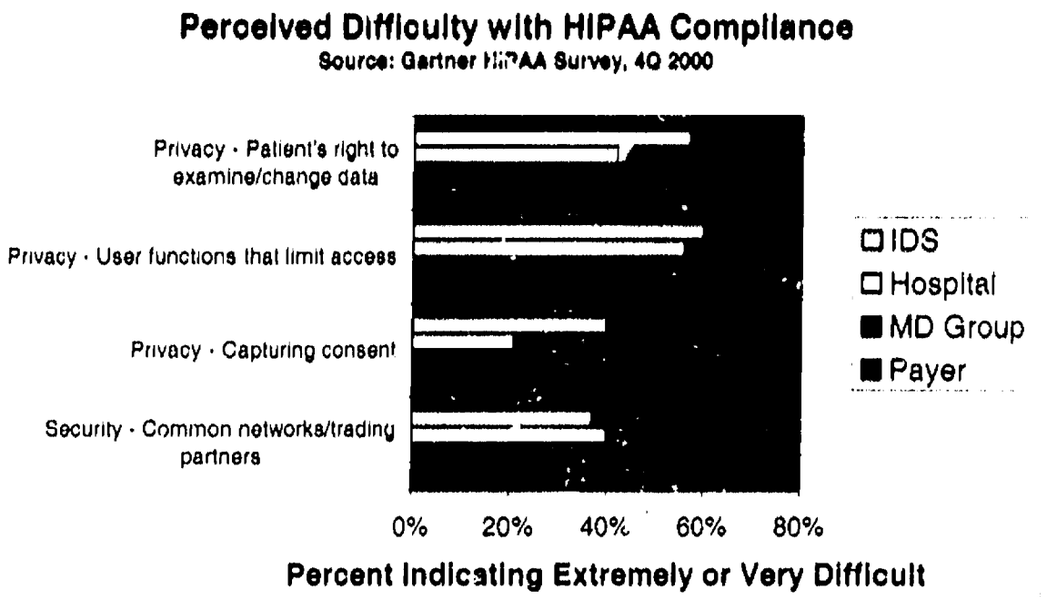
Gartner
insight for the connected world



- Overall, organizations intending a joint approach to HIPAA Compliance are using either:
  - Trading Partners (i.e. payers, providers, suppliers) - 59%,
  - Peer Organizations (i.e. local/regional healthcare organizations similar to yours) - 50%,
  - Affiliated Organizations (i.e. some other larger entity like BCBSA or HCA, etc.) - 41%, and
  - Healthcare Trade Organizations (i.e. WEDI, HIMSS, AFEHCT) - 38%.
  - Some 20% are using none of these and presumably will approach compliance alone.
- Physician groups are less likely to approach HIPAA through joint efforts in all of these categories than other segments. Payers (68%) are more likely to use Trading Partners than are Providers (51%).

HIPAA Challenges

- At present, three of the top four most difficult perceived challenges associated with HIPAA compliance deal with privacy: "patient's right to examine and change data", "user functions that limit access to only those who need to know", and "capturing consent".
- Integrated Delivery Systems were much more likely to see "level of trust agreements" as being difficult than other healthcare segments.
- Hospitals were much less likely to see "capturing consent" as difficult in comparison to other segments.
- Physician groups were much less likely to see "digital signatures" and "user functions that limit access to only those who need to know" as difficult in comparison to other healthcare organizations.
- Payers were more likely to see "converting to nationally standardized identifiers" as being difficult than provider segments.



Conclusions

In general (with the exception of IDSs) payers are being more aggressive in their compliance activities than providers. This can be attributed to their need to be ready to accept standardized transactions before the compliance deadline. Payers also may not be as able as providers to rely on their software vendors, since many of their processing systems are home-grown.

Payers shoulder a bigger burden because they cannot fully rely on clearinghouses or transaction mapping products for compliance. They must revise their adjudication programs to eliminate local codes and use standard identifiers. That remediation effort is a substantial investment that will likely necessitate special remediation tools and skilled outside assistance.

The task of complying with the EDI regulations will be significantly easier for providers, since they will be replacing dozens of different transactions formats with a single standard, while payers must revise their back-end processing to accept a single standard transaction rather than the proprietary transactions that the payer may have designed to meet their specific needs.

Gartner expects most healthcare organizations, with the possible exception of physician practices, will significantly step up their HIPAA efforts over the next quarter, especially with the privacy rule now final and the security rule expected shortly.

HIPAA Applicability, Penalties, Enforcement, & Certification

By Richard Zon Owen
Hawaii Medical Service Association

Applicability

Unfortunately, minus any of the final rules, both applicability and compliance are harder to define than any of us would like. Different parts of HIPAA have different enabling language, and different people interpret different parts of it differently. And many observers, including yours truly, have been quite surprised by some of the interpretations relied on by the federal government thus far. So what follows should not be taken as gospel.

Levels of Compliance: The HIPAA electronic transaction mandates may have four levels of compliance

- **Transaction Level Compliance.** Do you use the applicable HIPAA transaction when performing the equivalent business function electronically?
- **Data Element Level Compliance.** Do you use the prescribed data elements within either the electronic transactions or an acceptable equivalent?
- **Code Value Level Compliance.** Do you limit your use of code values to those included in the prescribed nationally maintained coding schemes?
- **Implementation Guide Compliance.** Do you limit your instructions for use of transactions, data elements, and code values to ones that are consistent with the HIPAA Implementation Guides?

Each compliance level could be a separate source of penalties.

Health Plans or Payers: The HIPAA electronic transaction mandates are supposed to apply to all health plans, regardless of size. In other words, every health plan would be required to support each of the specified electronic transactions, whether or not the equivalent business process is automated. They could either do so directly, or with the assistance of a health care clearinghouse.

Health Care Clearinghouses: Generally speaking, health care clearinghouses would be allowed to convert proprietary formats to the HIPAA format, or vice versa. According to the latest reports, however if a clearinghouse provides services to both trading partners, it would not have to include the equivalent HIPAA format within this process. It is not clear how significant this exception is, however, since data element level and code level compliance might still be required.

Health Care Providers: Providers would be required to use the applicable HIPAA transactions, data elements, and code values whenever they perform the equivalent business function electronically, whether this is done internally or through a clearinghouse or other external entity.

Employers and Sponsors: The HIPAA electronic transaction mandates do not apply directly to employers and other benefit sponsors. Apparently a health plan would be required to use an applicable HIPAA transaction if the employer requests it, but the employer would also be free to ask that a proprietary format be used, or even a different version of a standard otherwise included in HIPAA.

Penalties

Congress prescribed penalties for non-compliance with any provision of the HIPAA mandates. This includes civil fines of up to $100 per occurrence, with a maximum of $25,000 per calendar year for "... all violations of an identical requirement or prohibition...". DHHS is reportedly interpreting the transaction mandates as worth up to four penalties each, with separate penalties for not using a transaction, for not using the standard data elements within a transaction, for not using the standard data values (or code sets) within the data elements, and for not using the transaction as described in the associated Implementation Guide. This interpretation gives you maximum annual penalties of up to (4 x 9 + 4 + 1) = 41 x $25,000 = $1,025,000 and counting. I say "and counting" because they are also considering imposing separate fines for each major component of the security requirements that is violated. At last count, there were 25 such components.

Enforcement

Nothing has been published yet regarding any of the details for determining compliance and applying penalties. The law itself provides considerable flexibility in applying penalties when an entity can demonstrate a good faith effort to understand the rules and to achieve compliance. We expect a separate NPRM on this topic.

Certification

At this point, it appears that certification of compliance will be left at least partly in the hands of the industry. Several organizations, including the NCQA, the JCAHO, and the EHNAC, have expressed an interest in having a role in this.
Compliance would also be of interest to auditors at all levels, and could be a condition of future government contracts.

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By Richard Zon Owen
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TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE
HB 1012

MIKE TIMM, CHAIRMAN
January 4, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
CHILDREN AND FAMILY SERVICES DIVISION

Mr. Chairman and members of the committee, for the record, my name is Paul Ronningen, Director of Children and Family Services Division.

INTRODUCTION:

Children and Family Services Division is responsible for the administration of programs and services for child welfare. The public child welfare services are primarily delivered through 53 county social service offices, eight regional human service centers or via contract with private non-profit entities, such as the Village Family Service Center and Lutheran Social Services.

The Division is administratively responsible to develop rules, policies, procedures and budgets for six major program areas. In addition, programmatic direction, technical assistance and training are provided to the staff of the agencies who provide the direct services to children and their families. The six programs are: Adoption, Child Protection Services, Early Childhood Services, Family Preservation Services, Foster Care Services and Refugee Resettlement Services.

The services provided through the work of the Division are to children who are deprived, unruly and or delinquent and their families. In many instances, the custody of these children has been removed from their parents and transferred to the state (DHS or Division of Juvenile Service) or County Social Services. Thus, the state has a tremendous responsibility to provide safe care and the appropriate treatment services to these children and their families.

DHS Goal for Children and Family Services Division:

To Promote Safe, Secure, Nurturing Living Environments and Protect Children From Abuse or Neglect Within Their Families As Well As In Alternative Settings.

Program Purpose Statements and Services are:

1. Adoption: The purpose of the Adoption Program is to recruit, approve and support families for children in need of adoption so they can have a permanent home.

Adoption Program services:

- Recruitment
- Adoption Assessment
- Placement
- Post Placement Follow-up
- Post Finalization Services
- Adoption Assistance Program
- Birth Family Services
- Adoption Search
- Licensure of Child Placing Agencies

- Interstate Compact on the Placement of Children (ICPC)

2. Child Protection: The purpose of the Child Protection Program is to provide protection for children who have been or are at risk of being neglected and/or abused so they can be free of neglect and/or abuse.

Child Protection Services include:

- Child Protection Assessments
- Child Protection Case Management
- Child Fatality Review Panel
- Institutional Child Protection
- Children's Trust Fund
- Child Abuse and Neglect Prevention

3. Early Childhood Services: The purpose of the Early Childhood Services (ECS) Program is to coordinate activities, establish standards and provide training to providers of early care and education for children so that they can meet their goals as agreed upon with the department.

Early Childhood Services include:

- Licensing
- Child Care Resource and Referral (CCR&R)
- Tribal Consult
- Head Start
- Early Head Start

4. Family Preservation Program: The purpose of the Family Preservation Program is to provide therapeutic intervention to families whose children have been or are at risk of abuse, neglect, and out of home placement so children can be safe in their environment.

Family Preservation Services include:

- Parent Aide
- Prime Time Child Care
- Intensive In-Home Services
- Respite Care
- Family Focus
- Safety/Permanency Funds

5. Foster Care: The purpose of the Foster Care Program is to provide substitute temporary living environments for children who cannot remain with their family so they can be safe in an alternative living environment.

Foster Care Program services include:

- Licensing for family foster homes, group homes & residential child care facilities and licensed child placing agencies such as PATH-ND and The Casey Family Programs
- Foster care eligibility determination and payment
- Case planning and reviews (permanency planning)
- Placement services including Interstate Compact on the Placement of Children (ICPC)
- Independent Living Skills
- Training and stipends

6. Refugee Resettlement Program: The purpose of the Refugee Resettlement Program is to provide resettlement resources to all eligible refugees so they can become economically and socially self-sufficient.

Refugee Resettlement Program services include:

- Job Development/Employment Enhancement
- Case Management
- English as a Second Language
- Vocational Training
- Refugee Cash Assistance
- Refugee Medical Assistance
- Education

Highlights/Accomplishments

With Executive and Legislative support the Adoption and Safe Families Act (AFSA) legislation was enacted in North Dakota. The requirements for the statute were met, policies and procedures implemented and training provided to all systems involved in child welfare including social services and human services staff, court personnel, prosecutors, guardian ad litems and juvenile service staff. The focus of the ASFA legislative endeavor is to provide services which will effect the safety, well being and permanency of children.

- Since the Adoption and Safe Families Act was implemented in August 1999, the following has occurred:

  -The number of subsidized adoptions has more than doubled from 55 in 1999 to approximately 126 in calendar year 2000. Collaboration of the Division, Lutheran Social Services and the Village Family Service

Center continues as a model for special needs adoption. This collaborative, "Adults Adopting Special Needs Kids", otherwise known as the AASK Program is a nationally recognized model for the provision of adoption services for children with special needs.

-Total number of adoption subsidy cases has climbed to 465 this year (2000) which includes 44 medical only cases. The data reported below reflect numbers that were extrapolated from the adoption data and did not include "medical only" subsidized adoptions. Today, we are now able to get an accurate count due to our CCWIPS (Comprehensive Child Welfare Information Payment System) computer system. (See Attachment A)

FY 1996	198 children
FY 1997	216 children
FY 1998	246 children
FY 1999	285 children
FY 2000	465 children

-Adoption Incentive dollars (bonus payments from the federal government for increased adoptions of children from the child welfare system) totaled $226,331 during this current biennium.

-The Subsidized Guardianship Program was developed and implemented this biennium with a total of 7 children participating.

-Background checks were required by the Adoption and Safe Families Act. During this past year, 1235 background checks were completed on prospective adoptive and foster families and staff of residential foster care facilities. (Foster Care = 964 & Adoption = 271)

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- The Child Protection Services chairs the Alliance for Sexual Abuse Prevention and Treatment (ASAPT). This thirty five (35) member interdisciplinary task force held a Child Sexual Abuse Prevention Summit in 1999 to develop a prevention plan for sexual abuse. Staff from CPS continues to work on implementation of the plan with a second Summit planned for June 2001.

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of out-of-home placement, with intensive crisis intervention services. Therapists work with families in their homes. During FY 2000, 322 families received this service.

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-In North Dakota, there is one foster care system for children who are deprived, delinquent, unruly and/or in need of mental health services. Of the total number of children in care 18.6% were adjudicated delinquent, 16.2% unruly and 65.1% deprived. Again, the court has removed these children from the care of their parents and placed them in the custody of the state (DHS or the Division of Juvenile Services) or County Social Services. Thus, there is a tremendous responsibility to provide safe care and appropriate treatment services.

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- Head Start Collaborative initiated the North Dakota QUILT (Quality in Linking Together) project to bring relevant agencies and programs together quarterly to enhance communication and collaboration supportive of early care and educational partnerships.

Challenges and Concerns

- During the week of September 24, 2001, there will be an on-site federal review of the child welfare system in North Dakota. The state is one of seventeen states that will be reviewed in 2001. This review will include the following elements/activities:

  -Three regions of the state will be reviewed including approximately 50 foster care and community based service cases
  -In each case reviewed, attempts will be made to interview the following persons: the child, parent, foster/adoptive parent, school personnel, court personnel, mental health professionals and others that would have knowledge of the service delivery system.
  -The specific areas under review fit the broad categories of safety, permanency and family and child well being.
  -The review will determine whether the state is in "substantial conformity". For states in substantial conformity, the next review will occur in five years. For states not in substantial conformity, the state will be required to complete a program improvement plan with another review scheduled in two years. Fiscal penalties will be assessed if a state does not meet substantial conformity during the second review.

- The moratorium on developing additional residential childcare and residential treatment center beds, which was adopted by the 1999 Legislative Assembly and incorporated into the DHS appropriation bill, will sunset this biennium. The Residential Treatment Centers and the Residential Child Care Facilities have sought the Department's support in requesting that the moratorium continue. In our discussions, we concur that the

moratorium should continue. However, our request is that the Department be granted the flexibility to increase bed capacity only in response to demonstrated need.

- The number of families adopting special needs children continues to rapidly rise. This trend places a heavy demand on the very limited post-adoption services currently available. Based on these trends, the number of adoption disruptions will rise if families are not provided the safety net for the children in their care.

- During the 2001-03 interim, the Department requests that our current reimbursement for family foster care for children be studied. The child welfare system is built on the services foster families provide, is dependent upon our ability to recruit and retain these families and relies on the fact that approximately two thirds (66%) of our special needs adoptions occur with foster families.

- The number of requests for background checks for prospective adoptive and foster care parents/facility staff has taxed the workforce assigned (1/2 position). This shortage has limited our ability to recruit and prepare adoptive and foster parents in a timely manner.

Major budget increases/decreases:

The budget request has resulted in a total increase of $9.3 million in federal /other funds and a $1.1 million in general funds. This represents an overall increase in Children and Family Services budget of $10,479,143 (See Attachment D).

Adoption services have increase totals $706,000. This is due to increased caseloads resulting in additional general funds of $413,463 and $293,058 in federal/other funds. The majority of the federal funds will come from the federal adoption incentive program ($200,000).

Child Protection Services has an increase of $350,000. An increase in general funds of $305,000 and federal/other funds of $45,000. This represents a shift away from TANF federal funds that occurred in this biennium.

Early Childhood Services increase totals $2.137 million, all federal/other funds. This is represented by an additional $1.087 million in Child Care Development Funds and $1.05 million in Bush Foundation funds

Family Preservation Services has a decrease of $651,000 dollars. This is a result of an increase in general funds of $502,000 and a decrease of $1.153 million in federal/other funds. This represents a shift away from TANF federal funds that occurred in this biennium.

Foster Care increases increase totals $3.4 million, an increase of $394,000 in general funds and $3.0 million in federal/other funds. This is due to an inflationary increase of 2.2% for each year of the biennium and a $50 per child per month increase in RCCF service rate payments.

Refugee Services has an increase of $1.3 million, all in federal funds. Federal grants issued to the state continue to increase each federal fiscal year.

Additional increases include $100,00 in federal funds from the Maternal and Child Health grants. Another increase of $750,000 which is generated by the Children Services Coordinating Committee. This results in a decrease of $83,000 in general funds and an increase of $833,000 in federal funds.

Finally, County reimbursement anticipates an increase of $2.285 million. The result of a decrease in general funds of $465,000 and an increase in federal/other funds of $2.750 million. This is due mostly to increased workloads in foster care and adoptions.

Conclusion:

As discussed above, the Adoption and Safe Families Act has had a significant impact in North Dakota. The number of subsidized adoptions has more then doubled, the training and technical assistance related to ASFA has been intense and the subsidized guardianship program was developed and launched. In the next few months, there will be a federal site visit to three areas of the state. The Division of Children and Family Services has begun the preparation for this review of North Dakota's Child Welfare Services. Plans are underway to include county social services, regional human service centers, education, juvenile services, tribes, mental health, parents, foster parents, adoptive parents, the courts and other interested parties in this review. Your participation in the preparation and actual review is welcome.

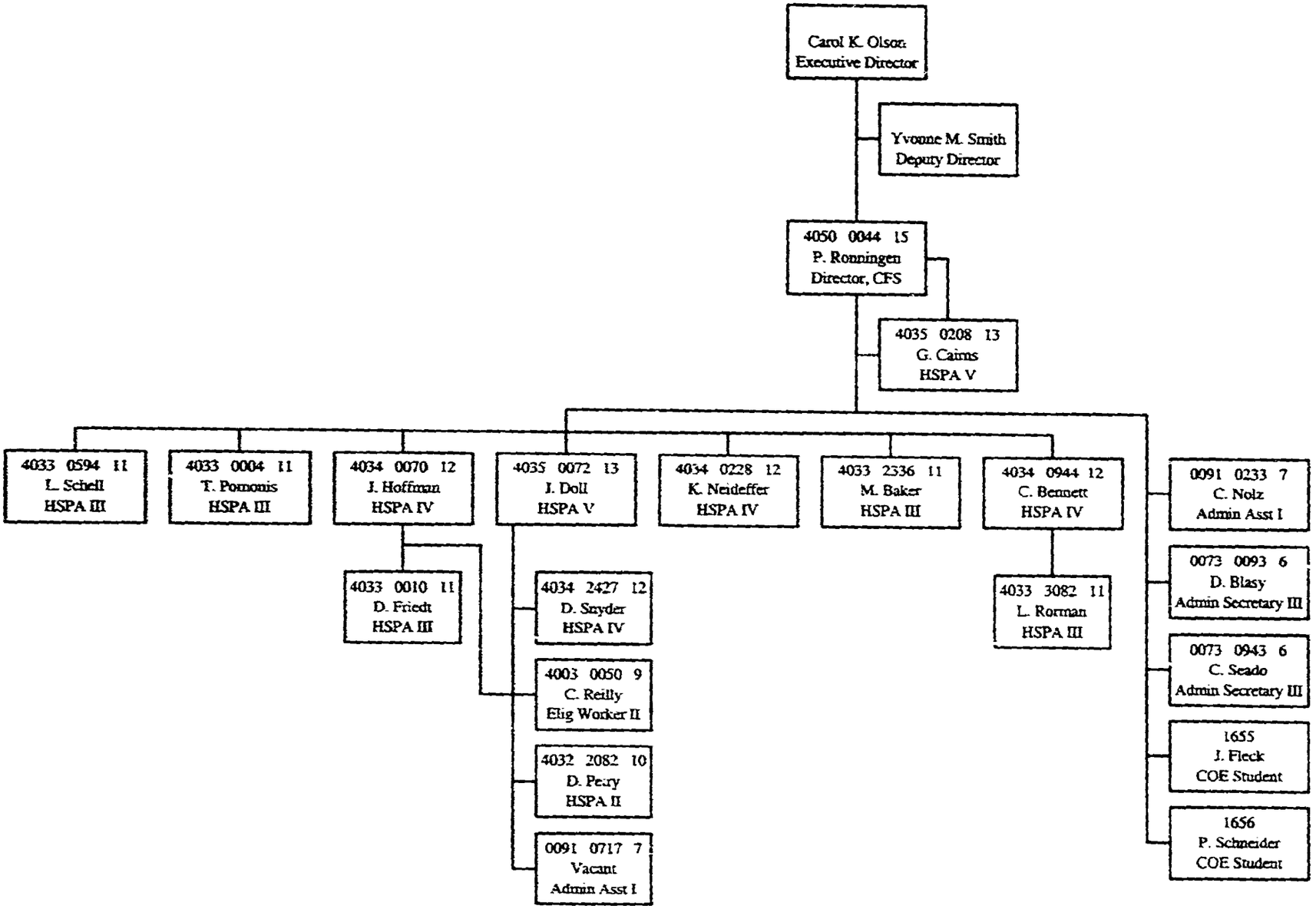
While preparing this testimony I struggled with the issue of how to present the information in a way which capsulated in a meaningful way the "how's?", "what's?", "why?" and the "how comes?" of North Dakota's Child Welfare Services. I continually remind myself that there is a child and family behind each of the numbers in this overview of CFS.

As I identified some of the accomplishments in child welfare, I was reminded of the people who provide these meaningful direct services to the children and their families. These professionals are at the county social service offices, regional human service center, the private sector, the tribal social service offices and the Division of Juvenile Services. They are required to deal with the human suffering within these families. Some of them remain forever touched by the pain they encounter while serving children at risk and their families. The Division is particularly grateful to our partners at the County Social Service Offices for the collaboration and cooperation which has enabled us all to achieve quality in Child Welfare Services in North Dakota.

Thank you for this opportunity to present an overview of the Division of Children and Family Services.

I would be happy to address any questions.

North Dakota Department of Human Services
Children & Family Services Division



Revised
1/19/01

#15

North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		Grant Type	1999 - 2001 Budget	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-46	CHILDREN & FAMILY SERVICES	CFS Administration	100,000	0	16	0	0
300-46	CHILDREN & FAMILY SERVICES	Child Protection Services	3,252,049	2,256,777	16	3,385,165	4,194,100
300-46	CHILDREN & FAMILY SERVICES	Foster Care Services	43,436,609	28,857,978	16	43,286,966	46,845,470
300-46	CHILDREN & FAMILY SERVICES	Family Preservation Services	8,982,759	4,167,334	16	6,251,002	8,255,254
300-46	CHILDREN & FAMILY SERVICES	Subsidized Adoption Services	5,773,655	3,670,194	16	5,505,291	6,488,282
300-46	CHILDREN & FAMILY SERVICES	Early Childhood Services	1,895,668	2,056,677	16	3,085,016	4,176,344
300-46	CHILDREN & FAMILY SERVICES	Refugee Services	1,956,502	2,006,261	16	3,009,391	3,255,000
300-46	CHILDREN & FAMILY SERVICES	Collaboration Services	7,503,000	4,497,260	16	6,745,890	8,350,000
300-46	CHILDREN & FAMILY SERVICES	Co Reimb. - Adams	10,090,449	6,542,110	16	9,813,164	12,406,003
300-46 Total			82,990,691	54,054,590		81,081,885	93,970,453

Notes: Some services are behind in their claims, they can range from 1 month to 6 months.

#16

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code		1999 - 2001 Budget	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-46 CHILDREN & FAMILY SERVICES	10	1001	SALARIES	1,194,279	806,890	17	1,139,139	1,343,259
300-46 CHILDREN & FAMILY SERVICES	10	1002	TEMP OT & SHIFT DIFF	39,120	40,327	17	56,932	62,280
300-46 CHILDREN & FAMILY SERVICES	10	1008	BENEFITS	356,567	223,897	17	316,090	425,299
	10 Total			**1,589,966**	**1,071,114**		**1,512,161**	**1,830,838**
300-46 CHILDREN & FAMILY SERVICES	30	3002	IT-DATA PROCESSING	1,526	920	16	1,380	1,526
300-46 CHILDREN & FAMILY SERVICES	30	3003	IT-TELEPHONE	2,120	2,105	16	3,156	2,970
300-46 CHILDREN & FAMILY SERVICES	30	3004	TRAVEL	344,681	175,060	16	262,621	353,121
300-46 CHILDREN & FAMILY SERVICES	30	3005	IT - SOFTWARE - SUPPLIES	436	763	16	1,145	375
300-46 CHILDREN & FAMILY SERVICES	30	3007	POSTAGE	7,060	696	16	1,047	6,835
300-46 CHILDREN & FAMILY SERVICES	30	3011	LEASE - RENT EQUIP MENT	5,955	2,015	16	3,022	5,955
300-46 CHILDREN & FAMILY SERVICES	30	3012	LEASE - RENT BLDG - LAND	9,000	3,057	16	4,585	9,000
300-46 CHILDREN & FAMILY SERVICES	30	3013	DUES & PROFESSIONAL DEV	136,785	114,653	16	171,980	179,420
300-46 CHILDREN & FAMILY SERVICES	30	3014	OPERATING FEES & SRVC	1,643,910	782,560	16	1,173,639	1,111,350
300-46 CHILDREN & FAMILY SERVICES	30	3016	REPAIRS	24,683	403	16	604	9,200
300-46 CHILDREN & FAMILY SERVICES	30	3018	PROFESSIONAL SERVICES	8,500	1,625	16	2,438	4,500
	30	3019	INSURANCE	2,100	-	16	-	-
300-46 CHILDREN & FAMILY SERVICES	30	3021	OFFICE SUPPLIES	19,696	10,821	16	16,231	17,900
300-46 CHILDREN & FAMILY SERVICES	30	3024	PRINTING	124,230	70,486	16	105,729	102,000
300-46 CHILDREN & FAMILY SERVICES	30	3025	PROF SUPPLIES & MATERIALS	56,285	18,174	16	27,260	55,830
300-46 CHILDREN & FAMILY SERVICES	30	3030	BLDG GRNDS & VEH MTCE SUPP	350	-	16	-	150
300-46 CHILDREN & FAMILY SERVICES	30	3033	MISC SUPPLIES	23,381	3,670	16	5,505	13,955
	30 Total			**2,610,678**	**1,187,030**		**1,780,644**	**1,874,087**

Paul Ronnigen

1-23-01

#-18

North Dakota Department of Human Services

Children and Family Services Division

HB 1012 to the House

2001-2003 Budget

Operating Fees & Services	Totals	
Admin	42,000	Consultant on administrative issues and case management system
CPS	239,750	Purchase services to provide education on shaken baby syndrome, Family life Education Project and other CA/N issues
FCS	57,150	Criminal background checks and consultant on Foster Care issues
FPS	49,250	Speakers & trainers for Family Focus and Parent Aide workers
AS	38,500	Criminal background checks and speakers / trainers for adoption issues
ECS	54,700	Criminal background checks and Head Start specialty project consultants
RS	30,000	For research and analysis on refugee population in ND
Collab	0	
CR	600,000	County Wide Cost allocation plan (all federal funds)
	1,111,350	

Paul Ronigan 1-23-01 #14

North Dakota Department of Human Services
Children and Family Services Division
HB 1012 to the House
2001-2003 Budget

Grants	General	Federal	Special	County	Totals
Admin					0
CPS	310,000	3,609,100	200,000		4,119,100
FCS	8,029,735	31,588,298	1,757,415	5,470,022	46,845,470
FPS	1,692,090	6,596,531		41,633	8,330,254
AS	2,677,292	3,205,746		605,244	6,488,282
ECS	145,000	2,771,344	1,260,000		4,176,344
RS		3,255,000			3,255,000
Collab		8,350,000			8,350,000
CR	68,966	12,075,273	261,764		12,406,003
	12,923,083	71,451,292	3,479,179	6,116,899	93,970,453
	13.75%	76.04%	3.70%	6.51%	

Ledger	
Admin	Administration
CPS	Child Protection Services
FCS	Foster Care Services
FPS	Family Preservation Services
AS	Adoption Services
ECS	Early Childhood Services
RS	Refugee Services
Collab	Collaborations
CR	County Reimbursement Fed.

HB 1012

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE
HB 1012

SENATOR DAVID NETHING, CHAIRMAN
March 1, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
CHILDREN AND FAMILY SERVICES DIVISION

Mr. Chairman and members of the committee, for the record, my name is Paul Ronningen, Director of Children and Family Services Division.

INTRODUCTION:

Children and Family Services Division is responsible for the administration of programs and services for child welfare. The public child welfare services are primarily delivered through 53 county social service offices, eight regional human service centers or via contract with private non-profit entities, such as the Village Family Service Center and Lutheran Social Services.

The Division is administratively responsible to develop rules, policies, procedures and budgets for six major program areas. In addition, programmatic direction, technical assistance and training are provided to the staff of the agencies who provide the direct services to children and their families. The six programs are: Adoption, Child Protection Services, Early Childhood Services, Family Preservation Services, Foster Care Services and Refugee Resettlement Services.

-Total number of adoption subsidy cases has climbed to 465 this year (2000) which includes 44 medical only cases. The data reported below reflect numbers that were extrapolated from the adoption data and did not include "medical only" subsidized adoptions. Today, we are now able to get an accurate count due to our CCWIPS (Comprehensive Child Welfare Information Payment System) computer system. (See Attachment A)

FY 1996	198 children
FY 1997	216 children
FY 1998	246 children
FY 1999	285 children
FY 2000	465 children

-Adoption Incentive dollars (bonus payments from the federal government for increased adoptions of children from the child welfare system) totaled $226,331 during this current biennium.

-The Subsidized Guardianship Program was developed and implemented this biennium with a total of 10 children participating.

-Background checks were required by the Adoption and Safe Families Act. During this past year, 1235 background checks were completed on prospective adoptive and foster families and staff of residential foster care facilities. (Foster Care = 964 & Adoption = 271)

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  -The specific areas under review fit the broad categories of safety, permanency and family and child well being.
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moratorium continue. In our discussions, we concur that the moratorium should continue. HB 1415 captures this agreement and has been passed out of the House unanimously.

- The number of families adopting special needs children continues to rapidly rise. This trend places a heavy demand on the very limited adoption and post-adoption services currently available. Based on these trends, the number of adoption disruptions will rise if families are not provided the safety net for the children in their care.

- During the 2001-03 Interim, the Department requests that our current reimbursement for family foster care for children be studied. The child welfare system is built on the services foster families provide, is dependent upon our ability to recruit and retain these families and relies on the fact that approximately two thirds (66%) of our special needs adoptions occur with foster families.

- The number of requests for background checks for prospective adoptive and foster care parents/facility staff has taxed the workforce assigned (1/2 position). This shortage has limited our ability to recruit and prepare adoptive and foster parents in a timely manner.

Major budget increases/decreases:

The Executive Budget request to the House of Representatives included a total increase of $10.4 million dollars for Children and Family Service. This represented an increase of $1.1 million dollars in general funds and $9.3 million dollars in federal/other funds.

Adoption services included increases totaling $706,000. This is due to increased caseloads resulting in additional general funds of $413,463 and $293,058 in federal/other funds. The majority of the federal funds will come from the federal adoption incentive program ($200,000).

Child Protection Services had an increase of $350,000. An increase in general funds of $305,500 and federal/other funds of $45,000.

Early Childhood Services had an increase totals $2.1379 million, all federal/other funds. This is represented an increase of $1.87 million in Child Care Development Funds and $1.05 million in Bush Foundation funds

Family Preservation Services had a decrease of $651,000 dollars. This is an increase in general funds of $502,000 and a decrease of $1.153 million in federal/other funds.

Foster Care increases totaled $3.4 million, an increase of $394,000 in general funds and $3.0 million in federal/other funds. This is due to an inflationary increase of 2.2% for each year of the biennium and a $50 per child per month increase in Group/RCCF service rate payments.

Refugee Services had an increase of $1.3 million, all in federal funds. Federal grants issued to the state continue to increase each federal fiscal year.

Additional increases in Collaboration Services include $100,000 in federal funds for the Maternal and Child Health grants and $750,000 which is anticipated to be generated by the Children Services Coordinating Committee. This results in a decrease of $83,000 in general funds and an increase of $833,000 in federal funds.

Finally, County reimbursement anticipates an increase of $2.285 million. The result of a decrease in general funds of $465,000 and an increase in federal/other funds of $2.750 million. This is due mostly to increased workloads in foster care and adoptions.

The House of Representative however made the following reductions to the Executive Budget for Children and Family Services:

• Operating	$ 25,000
• Child Protection Services	$100,000
• Family Preservation Services	$150,000
• Early Childhood Services	$ 40,000

These reductions to the Children and Family Services budget result in a total increase of $9.5 million in federal / other funds and $645,699 in general funds (See attachment D).

In addition, the Department of Human Service did grant reprojections for both Adoption and Foster Care in January based on actual November payments. Based on these reprojections for foster care, the federal spending authority needs to be increased by $1,162,075 and $392,133 of other funding. For the subsidized adoption program, the reprojections show an additional total increase of $1,065,629 (Of this amount, $262,826 is general fund, $725,945 is federal and $76,858 is other.) The House of

Representatives did not make adjustments to the budget based on these reprojections thus leaving a projected short fall for payments to foster care and adoptive parents of $2,619,837.

Conclusion:

As discussed above, the Adoption and Safe Families Act has had a significant impact in North Dakota. The number of subsidized adoptions has more then doubled, the training and technical assistance related to ASFA has been intense and the subsidized guardianship program was developed and launched. In the next few months, there will be a federal site visit to three areas of the state. The Division of Children and Family Services has begun the preparation for this review of North Dakota's Child Welfare Services. Plans are underway to include county social services, regional human service centers, education, juvenile services, tribes, mental health, parents, foster parents, adoptive parents, the courts and other interested parties in this review. Your participation in the preparation and actual review is welcome.

While preparing this testimony I struggled with the issue of how to present the information in a manner, which encapsulated in a meaningful way, the "how?" "what?", "why?" and the "how come?" of North Dakota's Child Welfare Services. I continually remind myself that there is a child and family behind each of the numbers in this overview of CFS.

As I identified some of the accomplishments in child welfare, I was reminded of the people who provide these meaningful direct services to the children and their families. These professionals are at the county social service offices, regional human service center, the private sector, the tribal social service offices and the Division of Juvenile Services. They are

States," said AAHP President Karen Ignani. "Implementing HIPAA smoothly will be a major step in achieving that potential, and we are very active in supporting our plans' compliance efforts and assessing the impact on consumer premium dollars," she added.

"The intent of HIPAA is to establish a common foundation for the eventual full electronic interchange of healthcare information, while enhancing security and ensuring privacy," said Luther Nussbaum, FCG's chairman and CEO. "With the many challenges health plans face today, the full benefits of HIPAA can only be achieved over time rather than immediately. HIPAA readiness must be fully integrated with other IT projects," he added.

Other conclusions of the study:

- HIPAA efforts are being organized largely at the corporate, rather than the departmental, level Accountability most often rests with the CIO or VP of regulatory affairs for all components of HIPAA: compliance with EDI transaction standards, privacy and security.
- Plans have been very active in early activities of building awareness and doing assessments of systems and processes. HIPAA compliance may not in the end be a neat, sequential process, because all organizations will have to "cycle back" as more information on requirements becomes available.
- Plans are assessing a variety of technical approaches, and most have further work to do to complete this. The plans that have completed assessments indicate they are considering significant changes to legacy systems or are relying entirely on a clearinghouse or storing provider ID as information only.
- As might be expected at the time of the survey, health plans have made more progress in the early steps of HIPAA readiness--the thinking parts--than on actual implementation. Moving ahead will require overcoming challenges of resource availability.

A detailed report on the survey, "Health Plans and HIPAA Readiness: Approaches & Status," is available at www.aahp.org.

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Gartner
insight for the connected world

HIPAA Panel Study - Summary of Results (Baseline Administration - 4th Quarter, 2000)

Overview

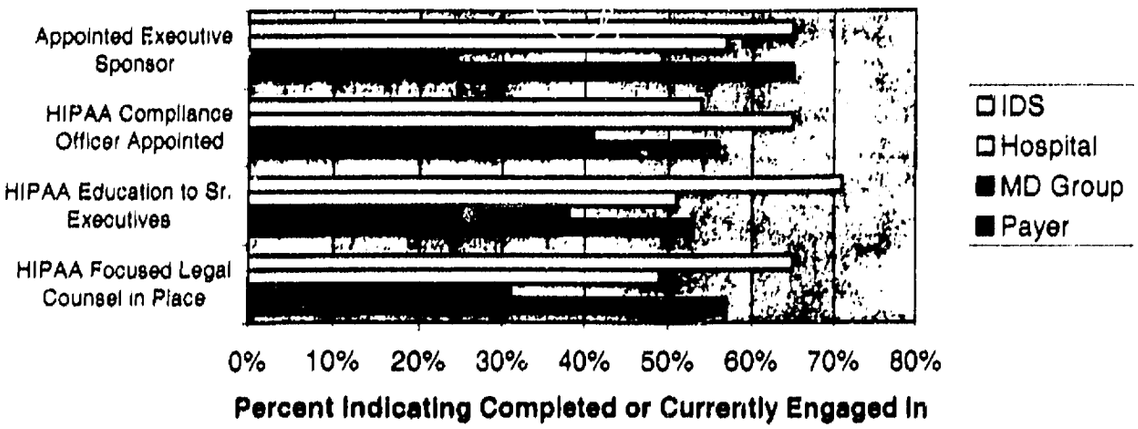
Gartner launched its HIPAA Panel Study in September, 2000 to assess how the healthcare industry is responding to impending mandates for HIPAA compliance. A total of 225 organizations participated, including 104 payers, 49 hospitals (single and network), 41 physician groups, and 31 integrated delivery systems.

HIPAA Activities (Percentages indicate those who have completed or are currently engaged in the activity)

As expected, most organizations are in the very early stages of achieving HIPAA compliance. Although payers in general are further along than providers, Gartner only asked about activities associated with early stages of HIPAA compliance. Future studies will focus on those milestones associated with increasingly advanced progress. Individual healthcare segments are mentioned when results notably vary from all other segments.

- Overall, at least half of all organizations have appointed an executive sponsor, appointed a HIPAA compliance officer, offered HIPAA education to senior executives, put legal counsel in place, and inventoried applications and software vendor contracts.
- Integrated Delivery Systems (IDSs) substantially lead other healthcare segments in the following areas: HIPAA education to senior executives (71%), legal counsel in place (65%), located and inventoried all software vendor contracts (65%), applications inventoried (64%), and the assessment of transactions compliance status (62%).

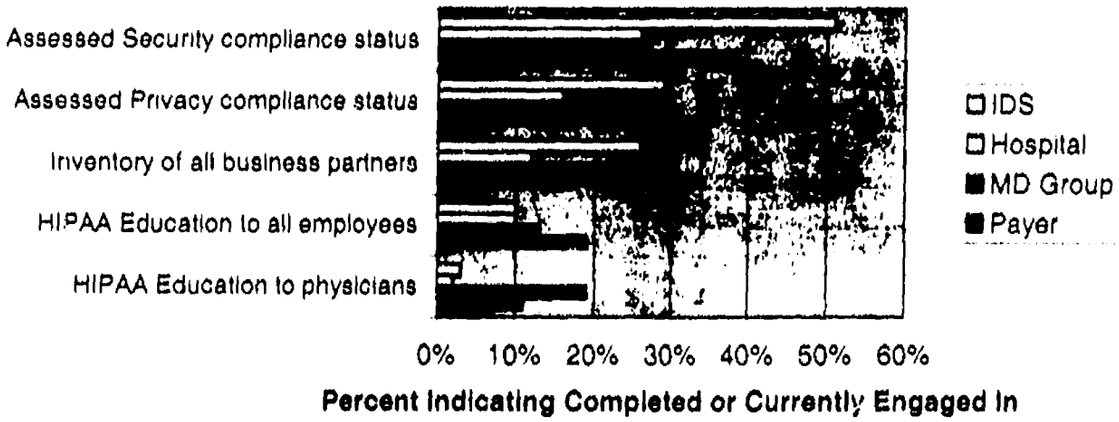
HIPAA Activities - Most Overall Progress
Source: Gartner HIPAA Survey, 4Q 2000



- Hospitals lead other organizations in appointing a HIPAA compliance officer (65%). However, they trail other segments in assessing transactions compliance status (28%), assessing privacy compliance status (16%), and taking inventory of business partners (12%).
- Physician groups generally trail other organization types in their activities. Examples include having appointed an executive sponsor (25%), HIPAA-focused legal counsel in place (31%), HIPAA compliance officer appointed (41%), HIPAA education to senior executives (38%), and organization-wide HIPAA awareness program (30%) undertaken. However, at 19% they do lead others in offering HIPAA education to physicians.
- As a group, Payers (56%) are more likely to have started a HIPAA awareness program throughout the organization than Providers as a group.
- In assessing transactions compliance status, there is wide variability. While 62% of IDSs and 56% of payers are engaged in or have completed an assessment of their transactions just 31% of hospitals and 28% of physician groups have reached this point.

HIPAA Activities - Least Overall Progress

Source: Gartner HIPAA Survey, 4Q 2000



HIPAA Organization

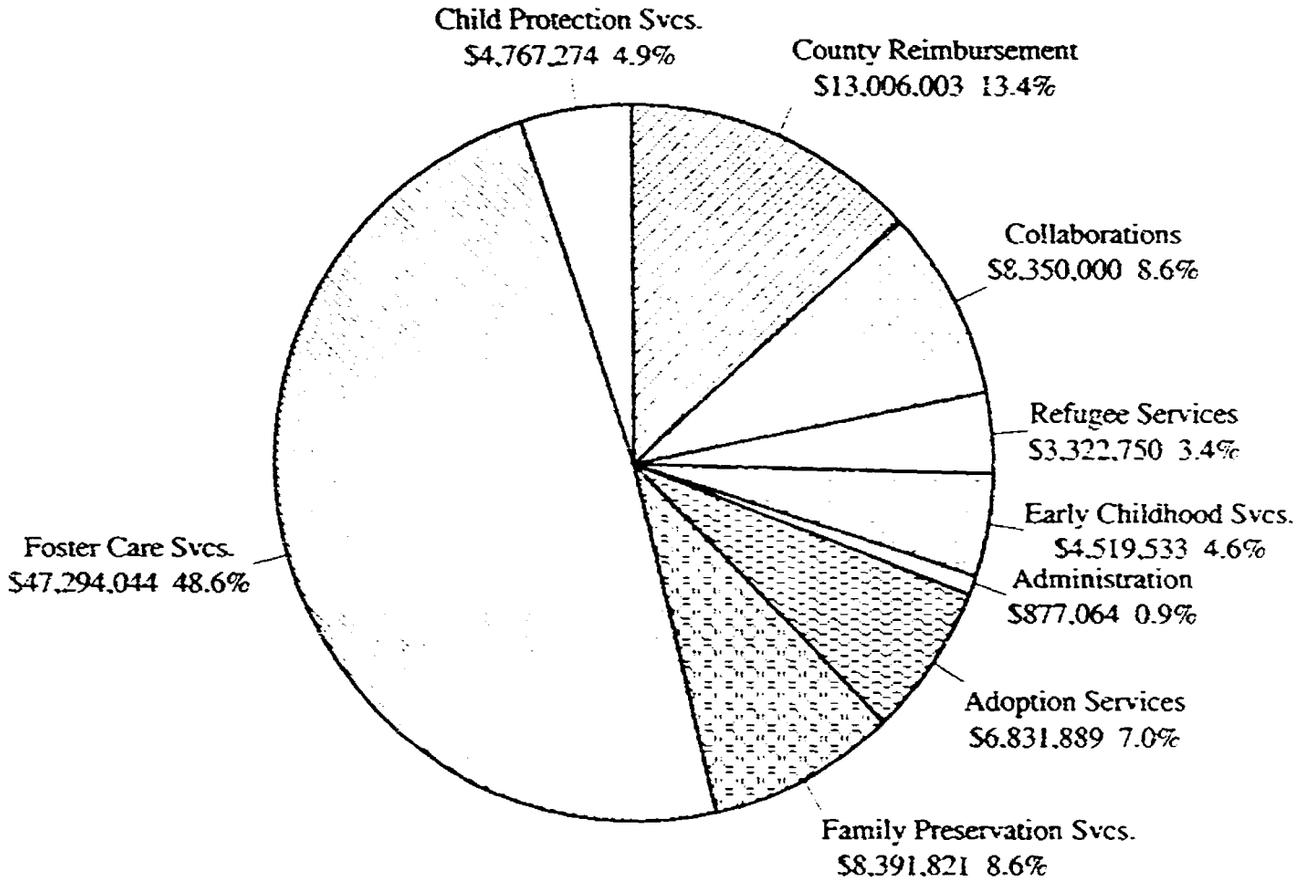
- Overall, 25% of HIPAA Compliance Officers either do or will report to a senior management committee. CEO's are the next most common reporting relationship, at 19%. Undecideds make up 18%.
- More than half (54%) of IDS HIPAA compliance officers report to a senior management committee or a CIO.
- Hospitals show wide variation. Forty-two percent (42%) of HIPAA compliance officers report to either a CIO or CEO.
- Half (50%) of HIPAA compliance officers at physician groups report to either a Senior Management Committee or a CEO.
- Payers also show wide variation, with 27% of HIPAA compliance officers reporting to a senior management committee.

required to deal with the human suffering within these families. Some of them remain forever touched by the pain they encounter while serving children at risk and their families. The Division is particularly grateful to our partners at the County Social Service Offices for the collaboration and cooperation which has enabled us all to achieve quality in Child Welfare Services in North Dakota.

Thank you for this opportunity to present an overview of the Division of Children and Family Services.

I would be happy to address any questions.

North Dakota Department of Human Services
Children and Family Services Division
Total Budget by Service -- $97,360,378
HB 1012 to Senate
2001 - 2003 Biennium



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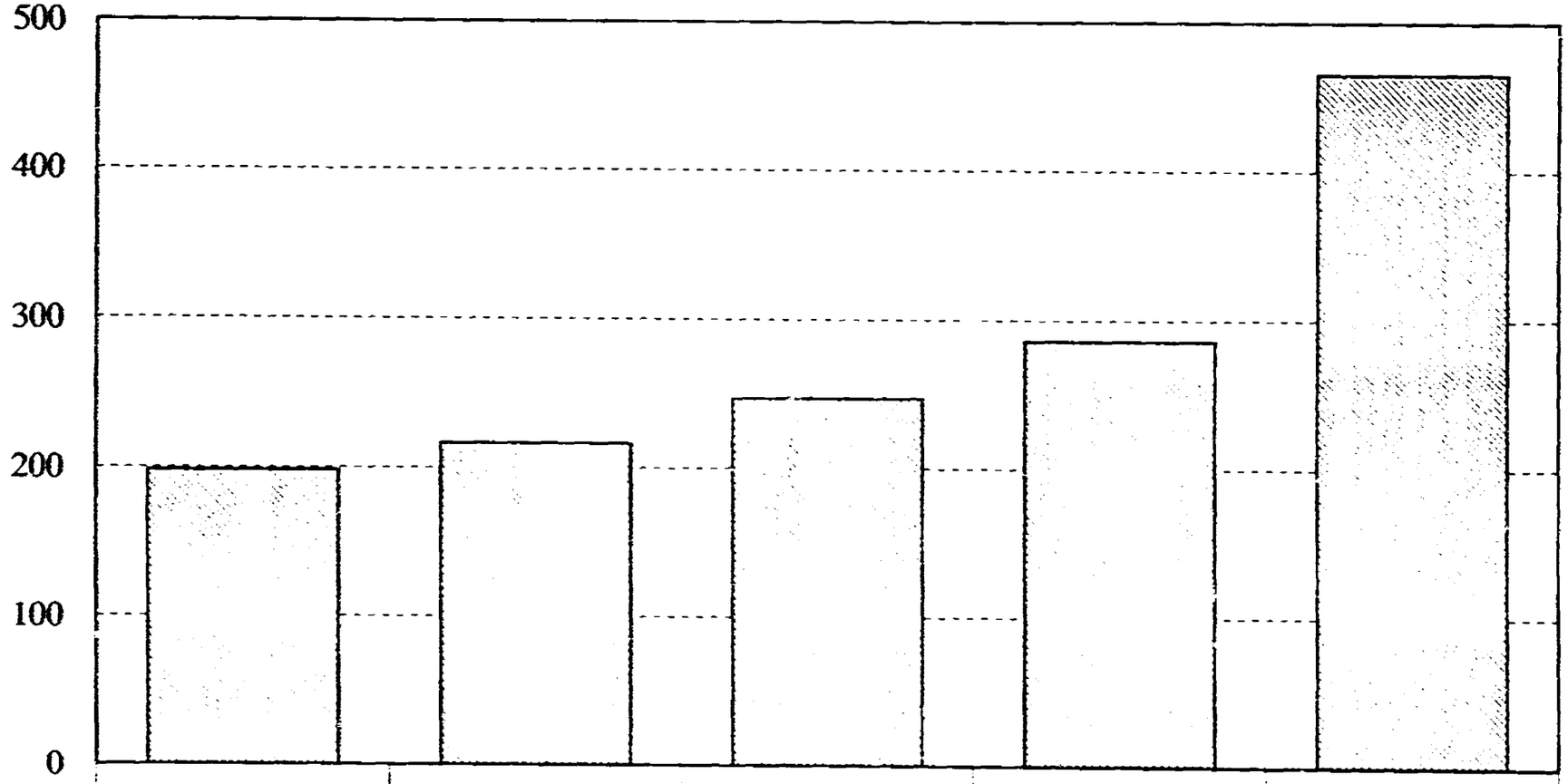
North Dakota Department of Human Services
Children and Family Services Division
Total Number of Adoption Subsidy Cases
HB 1012 to Senate
2001 - 2003 Biennium



	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Children	198	216	246	285	465

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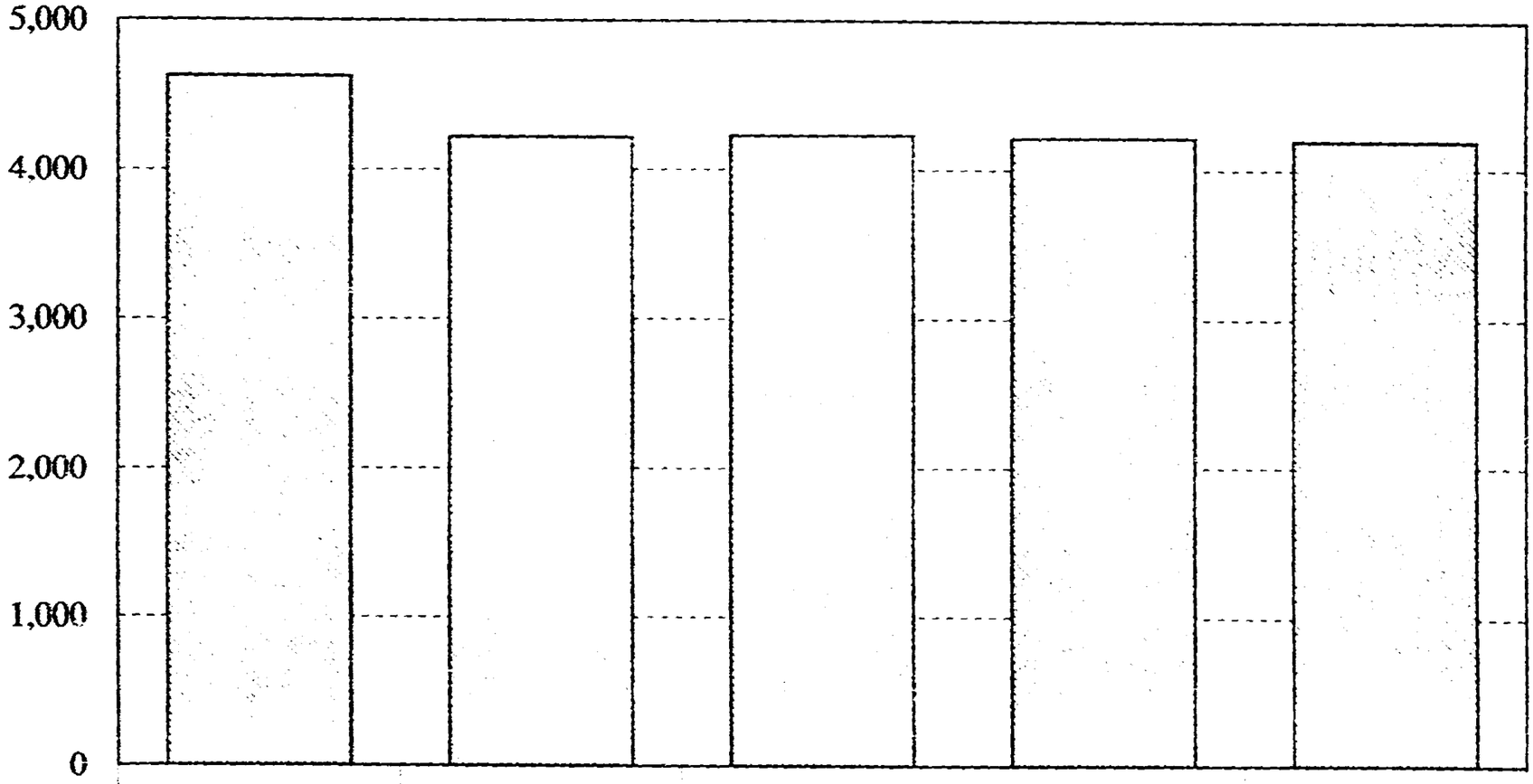
North Dakota Department of Human Services

Children and Family Services Division

Total Number of Child Abuse and Neglect Assessments Completed

HB 1012 to Senate

2001 - 2003 Biennium



	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Assessments	4,626	4,220	4,233	4,213	4,194

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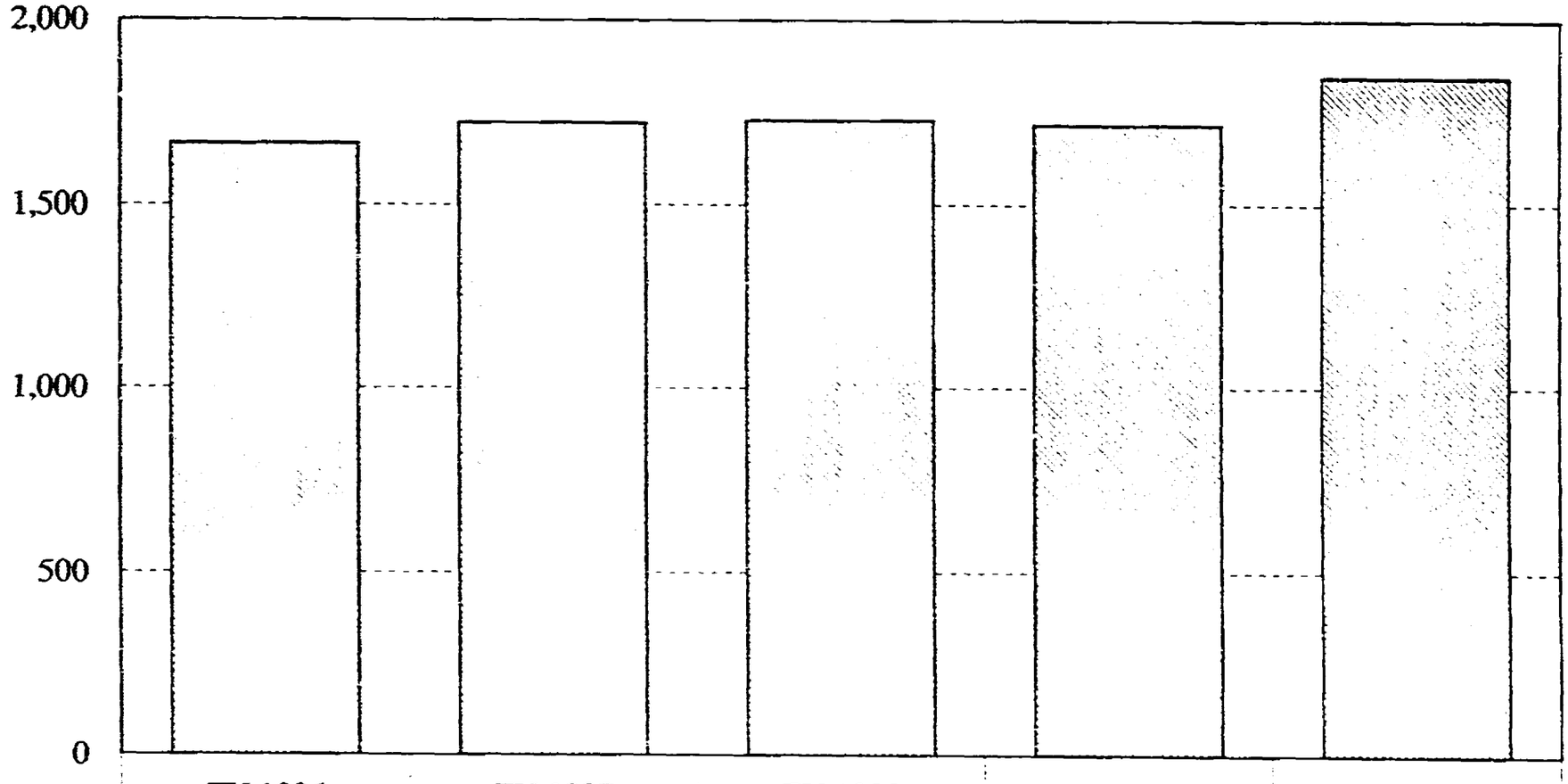
North Dakota Department of Human Services

Children and Family Services Division

Total Unduplicated Number of Children in Foster Care

HB 1012 to Senate

2001 - 2003 Biennium



	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Children	1,663	1,721	1,728	1,716	1,843

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Fact Sheet

Children & Family Services Review

Background:

North Dakota implemented the federal Adoption Safe Families Act (ASFA) requirements in August 1999 after enabling legislation was passed by the state legislature. The law is intended to assure that children do not languish in foster care, and that their safety and wellbeing are protected. Implementing, ASFA has required a concerted collaborative effort involving the courts, county social services, states attorneys, tribes, department staff and others.

To assure that states are achieving the outcomes outlined in ASFA, federal officials have designed the Children and Family Services Review. In 2001, North Dakota and 16 other states are scheduled to participate in the first round of this review process. North Dakota's review is set for September 2001.

hat is the purpose of the review?

The new review process is intended to assess whether services for children and family conform to the North Dakota Child and Family State Plan requirements and are achieving desired outcomes.

Who is involved in this review process?

Characterized as a partnership to achieve better results for children and families who are involved in the public child welfare system, the review involves federal, state, and local officials.

The 25-member review team will include representatives from the U.S. Department of Health and Human Services (DHHS) Children's Bureau, federal regional offices, peers from other state child welfare programs, and the state. About half of the reviewers will be from North Dakota. This 12-member state level review team is being formed now. Once finalized, it may include representatives such as private agencies, counties, the state, tribes, the Division of Juvenile Services, the foster parent community, regional supervisors, and the Children and Family Training Center at the University of North Dakota.

What is different about this review?

Previous child welfare program reviews focused on the accuracy and completeness of case file documentation. The new Children and Family Services Review examines the results that children and family services programs achieve. Paul Ronningen, director of the state's Children and Families Services Division said, the process has been piloted in a few states, and participants have described it as positive, thorough, and collaborative.

What are the steps in the review process?

North Dakota is completing a self-assessment provided by the Children's Bureau. The assessment will help federal officials and others on the review team understand how child welfare services are provided in North Dakota.

In March, the state will receive a profile summarizing the foster care and child protective services data it sends to federal officials. The state will have an opportunity to respond to the profile.

This spring, state and federal officials will determine the three review sites. Then, in September 2001, the review team will arrive and hold an entrance interview. The team will break up into smaller groups to conduct focus groups, case reviews, and interviews with "partners" such as the courts, families, children, caseworkers, foster parents, service providers, and others. The 30-50 cases reviewed during the on-site visit will be selected randomly.

After the information gathering stage is completed, the team will hold an exit interview. The Children's Bureau will make a decision within 30 days of the review whether the state is in substantial conformity. Because the review is constructive and collaborative, any state that does not meet ASFA outcome standards will have an opportunity to address concerns by developing a program improvement plan with the federal Administration for Children and Families before any penalty would be assessed. A state in this situation would participate in a review process in two years. States in substantial compliance will participate in reviews every five years. Over→

What does the review team evaluate?
Reviewers will look at seven outcomes and seven systemic factors.

Outcomes:

Safety

- Children are, first and foremost, protected from abuse and neglect.
- Children are safely maintained in their homes whenever possible and appropriate.

Permanency

- Children have permanency and stability in their living situations.
- The continuity of family relationships and connections is preserved for children.

Child and Family Well-Being

- Families have enhanced capacity to provide for their children's needs.
- Children receive appropriate services to meet their educational needs.
- Children receive appropriate services to meet their physical and mental health needs.

Systemic Factors:
The seven systemic factors considered essential to deliver high quality services include:

- Statewide information system
- Case review system
- Quality assurance system
- Staff training
- Array of services
- Agency responsiveness
- Foster and adoptive parent licensing, recruitment, and retention

Determination of substantial conformity:
Determination of substantial conformity are made separately for each of the seven outcomes and the seven system factors under review. A state may be determined to be in substantial conformity on one or more of the outcomes or system factors and not in substantial conformity on the others. Program improvement plans and penalties cover only those areas determined not to be in substantial conformity.

Prepared January 2001 for the North Dakota Department of Human Services, Children and Family Services Division, 600 E. Boulevard Avenue, Bismarck ND 58505-0250, (701) 328-2316, TTY (800) 366-6888 Email: dhscfs@state.nd.us

Paul Ramsiger

1-23-01

#28

MAINTENANCE/SERVICE DAILY RATES
GROUP/RCCF'S
(As of 1/1/01)

Group/RCCF's	Maintenance Rate		Service Rate		
Facility	Effective Date	Daily Rate	DHS Reimbursement	Facility Service Costs *	Time Period
Charles Hall Youth Services	07/01/00	$95.12	$9.86 per day	$17.72	FYE 12/31/99
Dakota Boys Ranch RCCF (does not include DBR-RTC or DBR Fargo Safe Home)	01/01/01	144.35	9.86	19.72	FYE 06/30/00
Eckert Youth Home	09/01/00	100.27	9.86	21.59	FYE 12/31/99
Home on the Range (+ Red River Victory Ranch)	04/01/00	87.50	9.86	12.71	FYE 09/30/99
Harmony House	01/01/01	80.15	9.86	15.19	FYE 06/30/00
Prairie Learning Center	07/01/00	69.67	9.86	10.24	FYE 12/31/99
Lake Oahe Group Home	04/01/00	103.60	9.86	12.67	FYE 09/30/99

* Department computation

House Bill 1012
House Appropriations Committee
January 3, 2001

Mr. Chairman, members of the Committee, I am Mike Schwindt, Child Support Enforcement Director for the Department of Human Services. My testimony will address the Division's budget request contained in Subdivision 2 of Section 1.

The purpose of the Child Support Enforcement program is to secure financial support from legally responsible parents so that families and children receive that support, and so that the demand on public treasuries is reduced. Our Child Support Enforcement program affects about 140,000 people, mostly instate although a considerable number are in other states as well as in other countries.

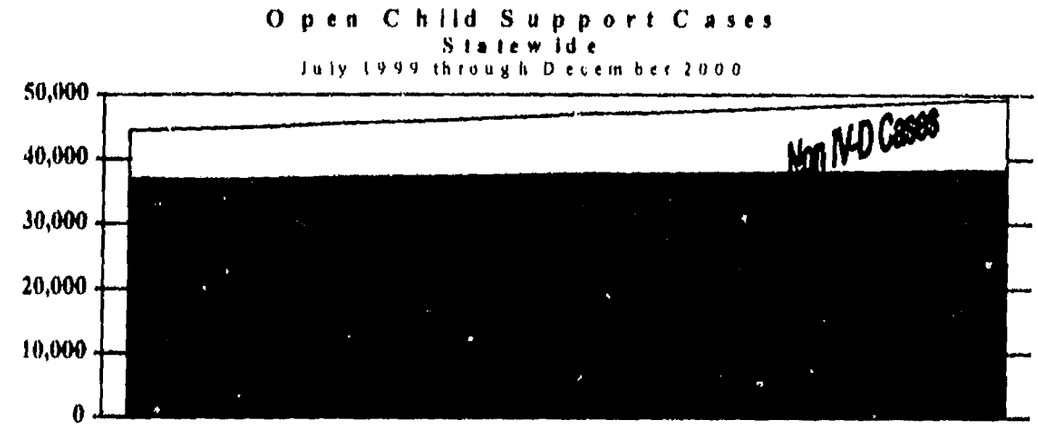
Our budget covers services on IV-D cases and some services on nonIV-D cases.

- The traditional Child Support Enforcement (IV-D) program establishes paternity, locates noncustodial parents, and establishes and enforces child support and medical support orders. These services are provided to individuals referred by public assistance programs and to those who request the services.
- With the passage of welfare reform, our services were expanded to include a State Disbursement Unit (SDU) for handling all payments, a task that had been handled by the Clerks of Court. Additionally, we are assuming responsibility from the Clerks for issuing income withholding

orders on nonIV-D cases on January 16, 2001. We intend to accomplish this through contract with the Grand Forks Regional Child Support Enforcement Unit staff. They were selected after we invited all Clerks of Court and Regional Child Support Enforcement Units to submit proposals to do the work.

The entire program continues in a growth mode, driven primarily by added federal requirements, which do not appear to be easing.

- The last Congress had about 35 bills pending that would impact us. Some would change things that we were just implementing from their earlier requirements.
- The IV-D caseload continues to grow as does the nonIV-D portion of the caseload to where we are now approaching 50,000 cases:



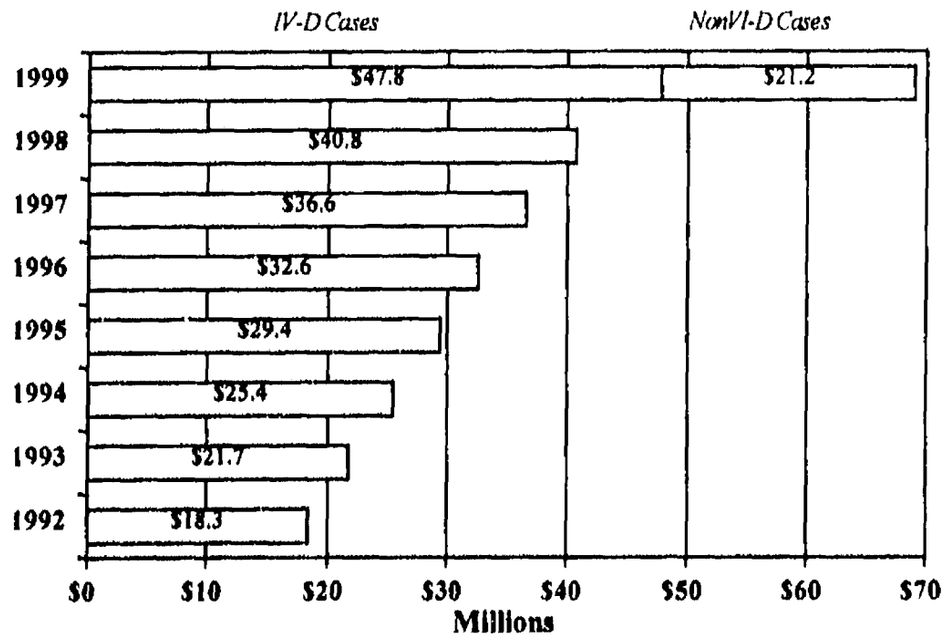
	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00
Non IV-D	7,533	7,881	8,053	8,205	8,412	8,591	8,784	8,987	9,165	9,354	9,518	9,741	9,956	10,166	10,438	10,638	10,856	11,071
IV-D	36,886	36,704	36,745	36,904	37,122	37,161	37,220	37,354	37,517	37,740	37,657	37,735	37,748	37,903	37,974	38,078	38,281	38,244

- There are a good number of nonIV-D cases that we hope to close on FACSES in the near future which should drop the workable caseload to about 48,000 total cases.
- Of the total cases, we have 32,148 Clerk of Court orders plus an additional 4,948 out of state and tribal court orders. That means we

have about 12,000 IV-D cases without court orders. These stem from a number of situations including referrals or applications where paternity has not been established, or where the noncustodial parent cannot be located or served so a court order can be entered.

- Our total receipts continue to climb. In calendar year 1999 the SDU processed $69 million; in 2000 we were on track to process about $77 million. The IV-D collections have grown from $18.3 million in 1992 to $47.8 million in calendar year 1999.

Child Support Receipts
Calendar Years 1992-1999



Since the last session, we have worked long and hard to achieve several milestones:

- FACSES received conditional certification at the FSA '88 level. That meant we were able to recover $310,186 which was 90% of the second year's penalty.
- We had the second FACSES certification visit last month to determine if we meet the PRWORA requirements. Based on the exit conference, we

expect to again receive conditional certification. There are some items where the Feds have not finished their instructions or delayed the completion deadline so we do not have those areas finished. We also need to complete a couple of items, none of which were considered showstoppers. The draft report will most likely not be available for three months and we do not expect a follow-up visit until late in the year.

- Court orders were entered into FACSES by the May 1999 deadline. This major task was completed only through the hard work of the Clerks of Court, the Regional Child Support Enforcement Unit (RCSEU) staffs and the central office staff. I am extremely proud of the efforts by these people.
- As court orders were converted, the SDU began processing payments. In 2000, during any given month, we received at least 20,000 checks, which represents about 30,000 payments to families totaling $6 million or more. This is only one of many areas that is ripe for further efficiencies.
- Customer service has responded to the changed payment handling. Depending on the issue, customer calls are addressed by the RCSEU staff and the Clerks. In addition, at the state office, we have one staff plus two temps assigned to handle payment related customer calls. They are further supported by the SDU payment specialists.
- The automated phone system installed to handle payment related customer inquiries has proved to be most valuable. On any given month, it will receive about 25,000 phone calls from custodial parents checking the status of their payments. Additionally, we will get about 1,300 calls from the noncustodial parents checking to see if we received their payments. We feel we can use this tool even more to improve customer service.
- The RCSEUs and SDU staff completed a major review of about 6,000 cases that had been entered without a balance as part of the court order

conversion. This review was necessary to provide some assurance that the amounts shown in the system are accurate so that we pay out funds appropriately. This major task took about six months of concentrated effort to complete.

Although we have managed to develop a program that is basically responsive to the customers, we have a significant ways to go. Some examples:

- We need to further verify the accuracy of the information we have in FACSES. With that, we will be in a better position to provide customer service. This project could take a couple of years to complete.
- Credit balances within FACSES need to be reviewed and corrected.
- We have collected about $200,000 that we cannot pay to families because the addresses we have are outdated. These folks need to be located.
- Arrearages of about $150 million need to be addressed. Some may never be collected. Some we will collect using the traditional methods. Some we will collect as new enforcement tools are brought to play.
- FACSES needs to be made more user friendly.
- Customer education needs to be expanded in just about all areas.
- Customer service is not at the level that we want it to be. We can see that in the letters we receive from Legislators, the congressional delegation and the Governor's office as well as direct contacts. The good news is the number of complaints/letters is down but there are still too many. Due to the nature of this business, we do not expect all our customers to be satisfied with our service; however, we need to meet their reasonable requests.

By law and agreement, many services are provided throughout the state by the eight RCSEUs. Their primary responsibilities are to:

- establish paternities

- establish and enforce child support and medical support orders
- review and adjust the amount of orders
- take local locate actions when customers need to be found.

RCSEU costs are a county responsibility under SWAP so we include only spending authority needed to transfer incentive funds back to the counties in our budget.

Also, by agreement, we reimburse Clerks of Court for their efforts in maintaining information in FACSES and for some enforcement actions on IV-D cases. With the imminent transfer of a significant portion of the Clerks to the Supreme Court, we will be reimbursing the Court as well as counties for the costs associated with Clerks supporting the program. Similarly, we reimburse the Supreme Court for the costs associated with referees who hold hearings on IV-D cases.

We are striving to better project the costs associated with the Clerks of Court. At this point, I'm not comfortable that the amount included in our budget is as accurate as it should be. We are waiting for computer programmer time so that we can get more accurate statistics from FACSES. Once we have that, we will inform the Committee.

At the state office, we manage the statewide program which includes a number of activities:

- Maintain the state plan with the federal government
- Provide financial and statistical information to the federal government
- Develop and issue policies, procedures and instructions as well as train RCSEU, Clerk of Court and state staff on their use
- Receipt and distribute all payments received through the SDU
- Manage the credit reporting program
- Manage the federal and state tax intercept program

- Manage the financial institution data match program
- Manage the passport denial program
- Locate noncustodial parents as well as parents for whom we have funds
- Manage the State Directory of New Hires program
- Develop and operate FACSES, our certified computer system
- Supervise the RCSEUs
- Manage the Central Registry of incoming interstate cases
- Perform program self assessment, and
- Manage the Federal Case Registry.

Because of our increased responsibilities and growth, the appropriation includes a request for seven more FTEs. These are in addition to the two slots authorized last session and the 11 from the 1997 session. These positions are essential to provide an adequate level of customer service and meet federal demands:

- 1 FTE to meet the Federal Independent Verification and Validation requirement
- 1 FTE to handle the nonIV-D income withholding orders for which we are to assume responsibility on January 16, 2001
- 2 FTEs to convert the existing temp customer service staff to permanent positions
- 1 FTE to handle the walk-in traffic of people paying their child support as well as answer the phone and take customer messages from the answering machine
- 1 FTE to operate the VIPRS equipment which is used to process payments
- 1 FTE to handle clerical tasks. These last three positions and the customer service positions are currently filled with temporary staff. We do not see the need declining; instead, the need will grow.

As a result of these requests, coupled with the Governor's compensation package, our salary budget shows a $352,964 increase consisting of $459,934 for the authorized FTEs, a decrease of $254,784 for temporary and overtime salaries plus $147,814 more for benefits.

We recently were involved in a performance audit in which the State Auditor in conjunction with TMR-Maximus looked at our operations. One of the recommendations stated that there should be nine new state office FTEs authorized regardless of any other recommended changes. (Justification and recommendation 2-23, PP 34 & 35)

Our Operating Expenses request increased from $2.5 million to $3.5 million, the bulk of which is in the operating fees and services. This increased portion of the budget would be used to transfer federal funds to:

- Clerks of Court and the States Attorneys ($221,549)
- Tribal operations ($447,970)
- Fort Totten/Belcourt ($357,399)
- General operations increased ($3,854)
- The study grant was eliminated ($25,000)
- We are aware of several financial institutions that are not happy with our limited ability to reimburse them for quarterly data matches. Right now, we will reimburse up to $25 per quarter for the match, based on the appropriation from last session. Most have not asked about reimbursement, some feel this is inadequate.

The Equipment budget decreased $19,000 to $6,000.

The Grants request decreased from $1.5 million to $989,206. This portion of the budget is used to transfer incentive payments from the federal to county government.

The General Fund portion of the budget increased $161,605 to $320,137 stemming from the compensation package and new staff included in the OARs.

The Federal Funds increased $1.2 million, primarily because of the growth in the operating line to transfer funds to counties and tribes.

Special Funds decreased $.5 million because of the anticipated reduced incentives to be earned and transferred to counties.

Overall, the $7.5 million Child Support Enforcement budget is a net increase of $.8 million, consisting of $352,964 for staff, $1 million for operations and a decrease of $533,661 in grants. These amounts are exclusive of the continuing appropriation for making disbursements to the families.

There are a couple more items you should know about. The federal government had issued regulations that may have a significant impact on future funding:

- Draft federal regulations issued in 1999 proposed a maintenance of effort as well as a requirement that incentive funds be reinvested in the Child Support Enforcement program. The regulations were finalized on December 27, 2000, and we are now working our way through them. We have kept the County Social Service Board Directors and the RCSEU Administrators apprised of the status and will continue to provide information as we get a better understanding of the voluminous documents.
- These regulations also provide for penalties if performance does not improve by certain amounts each year until we reach prescribed levels. The penalty would be 1% penalty ($260,000) of the TANF block grant. Data reported for FFY 2000 would be used as a base to determine

improvements in performance in FFY 2001. There would be a statutory one-year corrective action period before any penalty would be assessed.

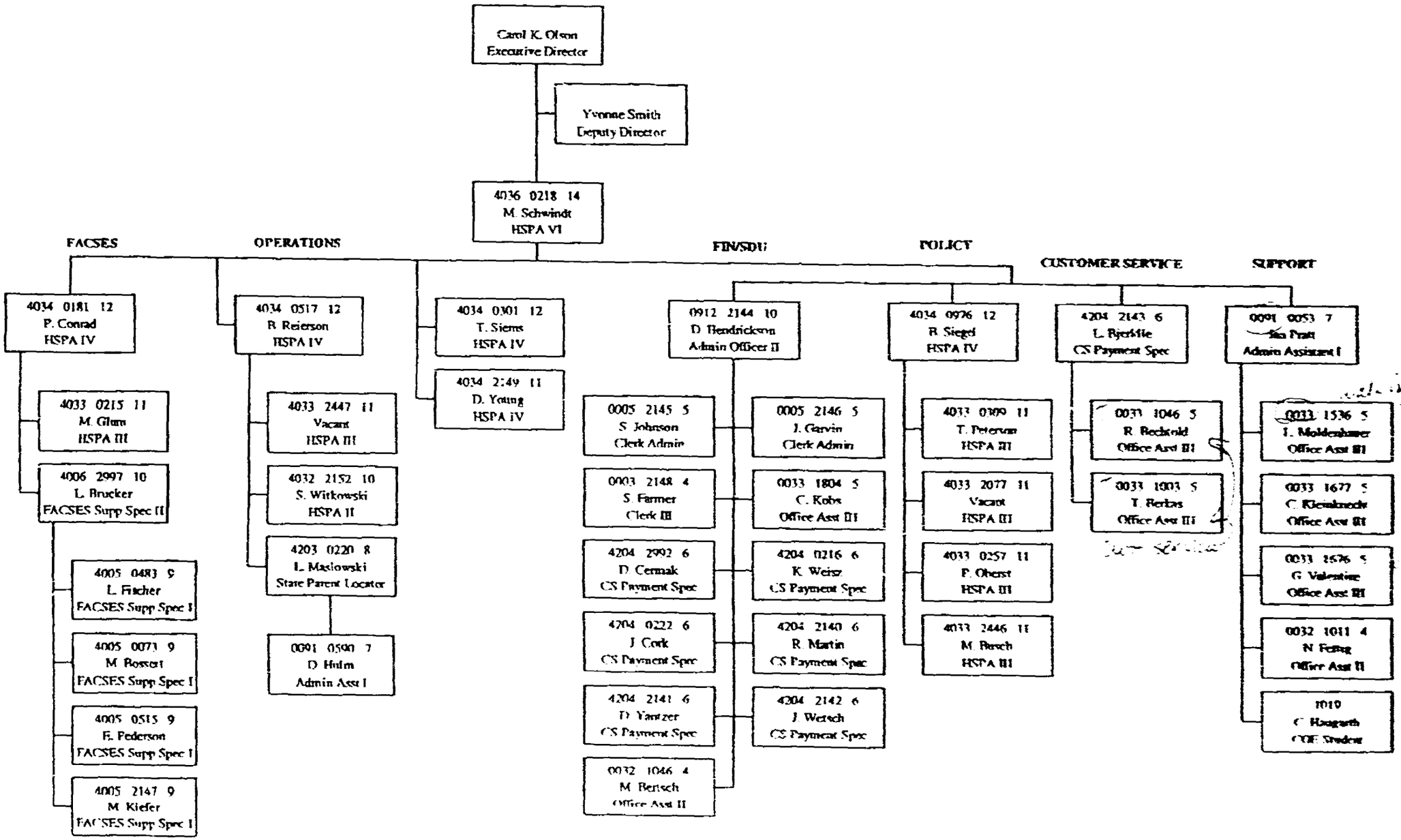
- I see our greatest exposure to be in the Paternity Establishment Percentage. Our preliminary numbers show that we are at 66% and need to increase that by 3% each year for the next several years. The goal is the 90% level. The numbers are subject to the federal data reliability audit which will most likely be performed this winter. (Number of children in IV-D cases who have been born out of wedlock and for whom paternity has been established or acknowledged (10,973) divided by the total number of children in the IV-D caseload as of the end of the preceding fiscal year (16,654) who were born out of wedlock)
- The other two potential penalty areas, (the percentage of cases open at the end of the fiscal year with support orders established (at 76%, need 50%) and the total amount of current support distributed (at 67%, need 40%) during the year compared to what is due) are well within the federal tolerance levels to avoid penalties.

Mr. Chairman, that concludes my overview of the Child Support Enforcement Division program and budget. If there are questions or customer service issues that arise later, please call me at 328-5493 or you can reach me at soschm@state.nd.us.

Mike Schwindt — 1-16-01

#6

North Dakota Department of Human Services
Economic Assistance Child Support Division



Revised
01/16/01

1-16-01

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Testimony - February 12, 2001
House Appropriations - Human Services Sub Committee

Regarding - HB-1012 - Child Support Funding for Belcourt & Ft. Totten Child Support

Chairman Svedjan, members of the committee, I am Edward Forde, I am the Director of Ramsey, Benson & Towner County Social Services. Ramsey County Social Services is the host county for the Lake Region Child Support Enforcement Unit which serves Benson, Cavalier, Eddy, Ramsey, Rolette, Towner and Wells Counties and includes the Spirit Lake reservation at Ft. Totten and the Turtle Mountain Reservation at Belcourt. We serve these all these entities out of our offices in Devils Lake. All of the Child Support staff are employees of Ramsey County Social Services and the funding all incorporated into the Ramsey County Social Services budget.

I am addressing you today with hopes of clarifying some of the issues related to your funding concerns related to the Ft Totten and Belcourt child support items in the DHS child support budget. Of the seven counties in the regional unit Belcourt and Rolette are the only counties that qualify for the special Indian county funding provision that was created under swap legislation. I am aware that your committee has expressed the concern about the level of Indian County funding and particularly these to reservation projects.

These projects have existed almost as long as the child support program itself that as I recall started in about 1974. Early in the existence of the unit it was recognized by the DHS and the participating counties that Benson and Rolette could not afford their share of the program costs which were allocated according to the AFDC caseloads and special funding was appropriated by DHS to provide some relief for the impact of serving these Indian counties. The other five counties also agreed to increase their participation in the costs to help relieve Benson and Rollette. This did not appear to be a problem at the time because until the advent of swap counties actually had a positive return on their Child Support investment.

This positive return was the result of a combination of things 100% state/federal funding of funding of the reservation projects, as I recall there was approximately 74% federal funding and 13% state funding for the remaining regional unit costs and the counties were allocated child support incentive monies which more than covered the remaining 13%. Approximately 1/3 of the regional units costs were covered by the reservation project funding. The directors had long recognized that the costs of the reservation portion to the total and the shares between the counties were in need of revision but we lacked for objective data on which to revise them. And since all counties were seeing a positive return on their child support investment resolving this problem did not seem to be a high priority.

With the advent of swap in 1997 providing that 100% of Child Support funding (less the reservation projects was to be borne by the counties) this funding issue was elevated to a priority status. Participating counties realized that there needed to be some shifting in the portion of the total units cost that were allocated to the reservation project as well as the costs shares to be borne by each on the participating counties. Still lacking substantial objective data the participating counties agreed that an initial response was to increase the portion of

overall expense allocated to the reservation project be increased from 1/3 to just under ½ of the total regional expense (recognizing at the same time that the reservation project share should actually be more than that).

We began in earnest to find an objective basis for recompiling these allocations. Actual case counts by tribal jurisdiction seemed to be the most logical but not easily attainable. The closest alternative seemed to be TANF and Child Foster Care caseloads by race. Our own analysis concluded that 80-90% of the total caseload in the regional unit was Native American. We also recognized that the caseloads had also shifted substantially amongst the counties since the initial base year (1974). When DHS requested data in preparation for the budget under consideration we included our projects for changes in the portion of child Support expense allocated to the reservation projects to increase gradually along with reallocation of county shares over a period of four years. The Department expressed concerns with the data supporting our recommendations (which we felt were conservative) so we asked the regional child support administrator to have the staff do a review of the entire caseload in relation to tribal affiliation. When this count was completed it more than supported our original estimates (showing that approximately 8[illegible]% of the Regional caseload had Native American ties).

In the interest of science the DHS Child Support Administration asked for a further data sample by their analyst which also supported our findings.

We need to find a solution to this funding issue. The reservation counties are unable to tax Indian land and have substantial Indian caseloads (approximately 96% in Benson County and 98% in Rolette County). It is unfair to expect the five other counties to fund this caseload (in fact some have explored alliance with other Child Support units to avoid the cost. Funding of Native American reservation service impacts has traditionally been the responsibility of the state and swap did not change that responsibility. The swap provision for Indian Counties needs to be honored. If you will not honor the current swap provisions counties in the unit may be forced to redistribute project shares to Indian counties based on full caseload (further burdening the Indian Counties) or we it then we must ask that you allow us to reduce our efforts in relation to servicing the reservation clients (which may create significant program and policy issues). Lacking either of these undesirable solutions we ask that you create a mechanism where these expenses are spread across all counties and not just the ones in our child support unit.

Thank you.

House Bill 1012
Senate Appropriations Committee
March 2, 2001

Mr. Chairman, members of the Committee, I am Mike Schwindt, Child Support Enforcement Director for the Department of Human Services. My testimony will address the Division's budget request contained in Subdivision 2 of Section 1.

The purpose of the Child Support Enforcement program is to secure financial support from legally responsible parents so that families and children receive that support, and so that the demand on public treasuries is reduced. Our Child Support Enforcement program affects about 140,000 people, mostly instate although a considerable number are in other states as well as in other countries.

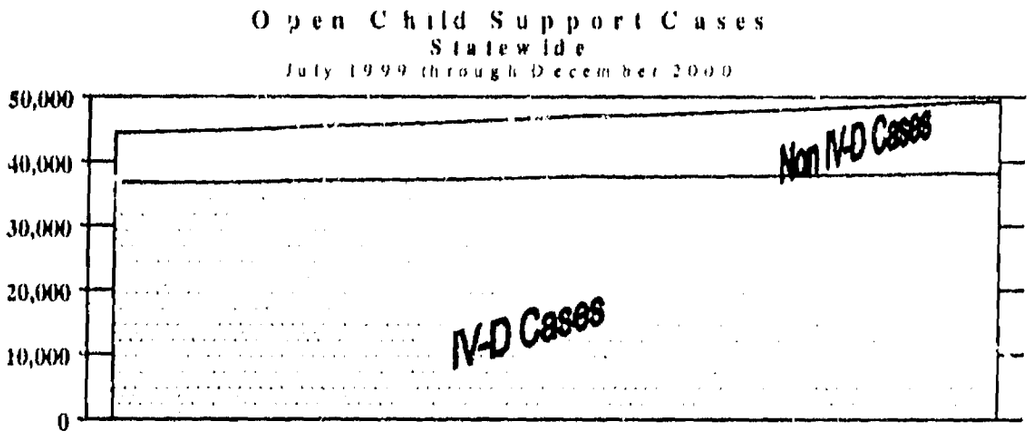
Our budget covers services on IV-D cases and some services on nonIV-D cases. The traditional Child Support Enforcement (IV-D) program establishes paternity, locates noncustodial parents, and establishes and enforces child support and medical support orders. These services are provided to individuals referred by public assistance programs and to those who request the services.

With the passage of welfare reform, our services were expanded to include a State Disbursement Unit (SDU) for handling all payments, a task that had been handled by the Clerks of Court. Additionally, we assumed responsibility from the Clerks for issuing income withholding orders on

nonIV-D cases on January 16, 2001. We are accomplishing this through contract with the Grand Forks RCSEU (Regional Child Support Enforcement Unit) staff. They were selected after we invited all Clerks of Court and Regional Child Support Enforcement Units to submit proposals to do the work.

The entire program continues in a growth mode, driven primarily by added federal requirements, which do not appear to be easing. The last Congress had about 35 bills pending that would impact us. Some would change things that we were just implementing from their earlier requirements.

The IV-D caseload continues to grow as does the nonIV-D portion of the caseload to where we are now approaching 50,000 cases:



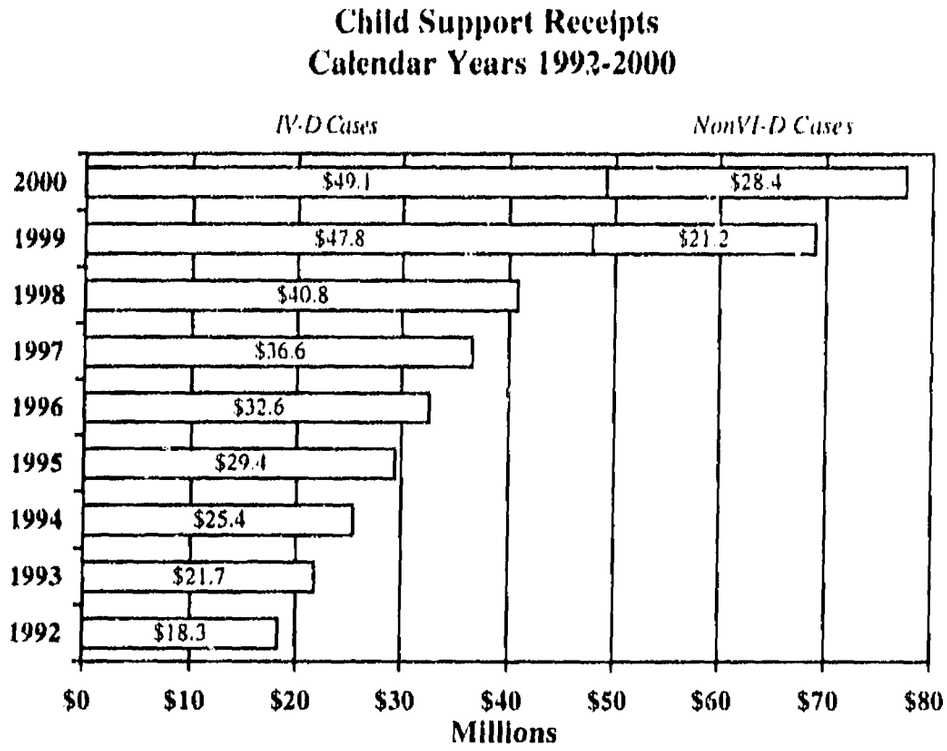
	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00
Non IV-D	7,533	7,881	8,053	8,205	8,412	8,591	8,784	8,987	9,165	9,354	9,518	9,741	9,956	10,166	10,438	10,638	10,856	11,071
IV-D	36,886	36,704	36,745	36,904	37,122	37,161	37,220	37,354	37,517	37,740	37,657	37,735	37,798	37,903	37,974	38,078	38,281	38,244

There are a good number of nonIV-D cases that we hope to close on FACSES in the near future which should drop the workable caseload to about 48,000 total cases.

Of these, we had 32,148 court orders plus an additional 4,948 out of state and tribal court orders. That means we had about 12,000 IV-D cases

without court orders. These stem from a number of situations including referrals or applications where paternity has not been established, or where the noncustodial parent cannot be located or served so a court order can be entered.

Our total receipts continue to climb. In calendar year 1999 the SDU processed $69 million; in 2000 we processed $77.5 million. The IV-D collections have grown from $18.3 million in 1992 to $49.1 million in calendar year 2000.



Since the last session, we have worked long and hard to achieve several milestones:

- FACSES received conditional certification at the FSA '88 level. That meant we were able to recover $310,186 which was 90% of the second year's penalty.

- We had the second FACSES certification visit last December to determine if we meet the PRWORA requirements. Based on the exit conference, we expect to again receive conditional certification. There are some items where the Feds have not finished their instructions or delayed the completion deadline so we do not have those areas finished. We also need to complete a couple of items, none of which were considered showstoppers. The draft report will most likely not be available for several months and we do not expect a follow-up visit until late in the year.
- Court orders were entered into FACSES by the May 1999 deadline. This major task was completed only through the hard work of the Clerks of Court, the RCSEU staffs and the central office staff. I am extremely proud of the efforts by these people.
- As court orders were converted, the SDU began processing payments. In 2000, during any given month, we received at least 20,000 checks, which represents about 30 000 payments to families totaling $6 million or more. This is only one of many areas that is ripe for further efficiencies.
- Customer service has responded to the changed payment handling. Depending on the issue, customer calls are addressed by the RCSEU staff and the Clerks. In addition, at the state office, we have one staff plus two temps assigned to handle payment related customer calls. They are further supported by the SDU payment specialists.
- The automated phone system installed to handle payment related customer inquiries has proved to be most valuable. On any given month, it will receive about 25,000 phone calls from custodial parents checking the status of their payments. Additionally, we will get about 1,300 calls from the noncustodial parents checking to see if we received their payments. We feel we can use this tool even more to improve customer service.

- The RCSEUs and SDU staff completed a major review of about 6,000 cases that had been entered without a balance as part of the court order conversion. This review was necessary to provide some assurance that the amounts shown in the system are accurate so that we pay out funds appropriately. This major task took about six months of concentrated effort to complete.

Although we have managed to develop a program that is basically responsive to the customers, we have a significant ways to go. Some examples:

- We need to further verify the accuracy of the information we have in FACSES. With that, we will be in a better position to provide customer service. This project could take a year or more to complete.
- Credit balances within FACSES need to be reviewed and corrected.
- We have collected about $200,000 that we cannot pay to families because the addresses we have are outdated. These folks need to be found.
- Arrearages of about $150 million need to be addressed. Some may never be collected. Some we will collect using the traditional methods. Some we will collect as new enforcement tools are brought to play.
- FACSES needs to be made more user friendly.
- Customer education needs to be expanded in just about all areas.
- Customer service is not at the level that we want it to be. We can see that in the letters we receive from Legislators, the congressional delegation and the Governor's office as well as direct contacts. The good news is the number of complaints/letters is down but there are still too many. Due to the nature of this business, we do not expect all our customers to be satisfied with our service; however, we need to meet their reasonable requests.

By law and agreement, many services are provided throughout the state by the eight RCSEUs. Their primary responsibilities are to:

- establish paternities
- establish and enforce child support and medical support orders
- review and adjust the amount of orders
- take local locate actions when customers need to be found.

RCSEU costs are a county responsibility under SWAP so we include only spending authority needed to transfer incentive funds back to the counties in our budget.

Also, by agreement, we reimburse Clerks of Court for their efforts in maintaining information in FACSES and for some enforcement actions on IV-D cases. With the imminent transfer of a significant portion of the Clerks to the Supreme Court, we will be reimbursing the Court as well as counties for the costs associated with Clerks supporting the program. Similarly, we reimburse the Supreme Court for the costs associated with referees who hold hearings on IV-D cases.

We are striving to better project the costs associated with the Clerks of Court. At this point, I'm not comfortable that the amount included in our budget is as accurate as it should be. We are waiting for computer programmer time so that we can get more accurate statistics from FACSES. Once we have that, we will inform the Committee.

At the state office, we manage the statewide program which includes a number of activities:

- Maintain the state plan with the federal government
- Provide financial and statistical information to the federal government
- Develop and issue policies, procedures and instructions as well as train RCSEU, Clerk of Court and state staff on their use

- Receipt and distribute all payments received through the SDU
- Manage the credit reporting program
- Manage the federal and state tax intercept program
- Manage the financial institution data match program
- Manage the passport denial program
- Locate noncustodial parents as well as parents for whom we have funds
- Manage the State Directory of New Hires program
- Develop and operate FACSES, our certified computer system
- Supervise the RCSEUs
- Manage the Central Registry of incoming interstate cases
- Perform program self-assessment
- Manage the Federal Case Registry, and
- Provide customer service.

Because of our increased responsibilities and growth, the appropriation includes a request for seven more FTEs. These are in addition to the two slots authorized last session and the 11 from the 1997 session. These positions are essential to provide an adequate level of customer service and meet workload demands.

Two of the seven positions are needed to meet federal and state requirements.

- 1 FTE to meet the Federal Independent Verification and Validation requirement (OAR # 206)
- 1 FTE to handle the nonIV-D income withholding orders for which we assumed responsibility on January 16, 2001. (OAR # 214) The House eliminated this position along with the $75,103 in General Funds for salary and operating.

The remaining five positions are currently filled with temporary staff. The need for these positions will not decline, but will continue to grow.

- 2 FTEs to convert the existing temp customer service staff to permanent positions
- 1 FTE to handle the walk-in traffic of people paying their child support as well as answer the phone and take customer messages from the answering machine
- 1 FTE to operate the VIPRS equipment which is used to process payments
- 1 FTE to handle clerical tasks. Again, we do not see the workload declining; instead, it continues to grow.

As a result of these requests, coupled with the Governor's compensation package, our salary budget showed a $352,964 increase consisting of $459,934 for the authorized FTEs, a decrease of $254,784 for temporary and overtime salaries plus $147,814 more for benefits. The net increase is now $286,961 after the House adjustments.

We recently were involved in a performance audit in which the State Auditor in conjunction with TMR-Maximus looked at our operations. One of the recommendations stated that there should be nine new state office FTEs authorized regardless of any other recommended changes. (Justification and recommendation 2-23, PP 34 & 35)

Our Operating Expenses request increased from $2.5 million to $3.5 million, the bulk of which is in the operating fees and services. This increased portion of the budget would be used to transfer federal funds to:

- Clerks of Court and the States Attorneys ($221,549)
- Tribal operations ($447,970)
- Fort Totten/Belcourt ($357,399). House action reduced this by $25,000 in General Funds
- General operations ($3,854)
- The study grant was eliminated ($25,000)

We are aware of several financial institutions that are not happy with our limited ability to reimburse them for quarterly data matches. Right now, we will reimburse up to $25 per quarter for the match, based on the appropriation from last session. Most have not asked about reimbursement, some feel this is inadequate.

The Equipment budget decreased $19,000 to $6,000.

The Grants request decreased from $1.5 million to $989,206. This portion of the budget is used to transfer incentive payments from the federal to county government.

The General Fund portion of the budget, as amended by the House, increases $61,502 to $220,034 stemming from the compensation package and new staff including the OARs.

The Federal Funds increased $1.2 million, primarily because of the growth in the operating line to transfer funds to counties and tribes.

Special Funds decreased $.5 million because of the anticipated reduced incentives to be earned and transferred to counties.

Overall, the $7.4 million Child Support Enforcement budget, after House adjustments, is a net increase of $.7 million consisting of $286,961 for staff, $1 million for operations and a decrease of $533,661 in grants. These amounts are exclusive of the continuing appropriation for making disbursements to the families.

There are a couple more items you should know about. The federal government had issued regulations that may have a significant impact on future funding:

- Draft federal regulations issued in 1999 proposed a maintenance of effort as well as a requirement that incentive funds be reinvested in the Child Support Enforcement program. The regulations were finalized on December 27, 2000, and we are now working our way through them. We have kept the County Social Service Board Directors and the RCSEU Administrators apprised of the status and will continue to provide information as we get a better understanding of the voluminous documents.
- These regulations also provide for penalties if performance does not improve by certain amounts each year until we reach prescribed levels. The penalty would be 1% penalty ($260,000) of the TANF block grant. Data reported for FFY 2000 would be used as a base to determine improvements in performance in FFY 2001. There would be a statutory one-year corrective action period before any penalty would be assessed.
- I see our greatest exposure to be in the Paternity Establishment Percentage. Our preliminary numbers show that we are at 66% and need to increase that by 3% each year for the next several years. The goal is the 90% level. The numbers are subject to the federal data reliability audit which began a couple of weeks ago but has stopped while the auditor deals with another state. (Number of children in IV-D cases who have been born out of wedlock and for whom paternity has been established or acknowledged (10,973) divided by the total number of children in the IV-D caseload as of the end of the preceding fiscal year (16,654) who were born out of wedlock)
- The other two potential penalty areas, (the percentage of cases open at the end of the fiscal year with support orders established (at 76%, need 50%) and the total amount of current support distributed (at 67%, need 40%) during the year compared to what is due) are well within the federal tolerance levels to avoid penalties.

I have attached a Fact Sheet that may be useful in dealing with constituent issues. It talks a little about the program, the roles of the state office, the Regional Units, the Clerks of Court as well as the court order. There are also contact points that may be useful as well.

Mr. Chairman, that concludes my overview of the Child Support Enforcement Division program and budget. If there are questions or customer service issues that arise later, please call me at 328-5493 or you can reach me at soschrn@state.nd.us.

Fact Sheet

Child Support Enforcement

***Child Support Enforcement** is a joint state, county, and federal partnership. Its purpose is to secure financial support from legally responsible parents so that families and children receive that support, and so that the demand on public treasuries is reduced.*

***Custody and visitation** are not part of the child support enforcement program.*

The Child Support Enforcement Division works with two types of cases:

- **IV-D cases** which stem from referrals from public assistance programs (TANF, foster care and Medical Assistance) or from either custodial or noncustodial parents applying for IV-D services.
- **NonIV-D cases** which stem from court orders where there is no application or referral to the IV-D program or where people choose to close their IV-D case.

Services Provided:

***By the eight Regional Child Support Enforcement Units** (county entities) through cooperative agreement:*

- IV-D cases: Paternity establishment, establishment and enforcement (including issuing income withholding orders) of child support and medical support orders, review and adjustment of court orders, local locate when customers need to be found, and customer services.
- NonIV-D cases: None

By the Clerks of Court:

- IV-D and NonIV-D cases: Initiate contempt proceedings, enter civil file information into the automated system, and customer services.

By the Child Support Enforcement Division:

- IV-D Cases: Manage a number of programs including Federal and State Tax Intercept, State Parent Locate Service, Credit Bureau Reporting, Financial Institution Data Match, Passport Denial, State Directory of New Hires, Central Registry, and Federal Case Registry. Also provide customer services and centralized receipting and distribution of payments.
- NonIV-D cases: Centralized receipting and distribution of payments, issuing income withholding orders, and customer services.

The court order:

- Is issued by the district court. District court judges or judicial referees may conduct hearings.
- Establishes medical support and the amount of child support due based upon the child support guidelines and the unique fact situations of each case.
- May be amended at the request of either party either through private legal counsel or pro se (self representation).
- Will be reviewed, on IV-D cases, by RCSEUs, generally no more frequently than 35 months since the order was entered or last reviewed.
- Is enforced by the courts. Requests for enforcement may come from Clerks of Court, private attorneys, either party or, in IV-D cases, the RCSEUs.
- Is also enforced, in IV-D cases, by the Child Support Enforcement Division and the RCSEUs through a variety of administrative actions.

- An **'ability to pay' order** may be issued out of a contempt proceeding. The court, as part of that proceeding, may determine that the noncustodial parent is unable to pay the full amount of ordered child support but has the ability to pay a lesser amount. This order does not modify the child support obligation, only what must be paid now. The difference becomes an **arrearage** that must still be paid.

Contacts/Information:

Web site: http://www.state.nd.us/humanservices (Human Services can also be accessed through www.discovernd.com)

Customer Service:
Email: socscs@state.nd.us — Ph: 800.755.8530, local: 328.3582

New Hire Reporting:
Email: sohire@state.nd.us — Fax: 701.328.5497

State Disbursement Unit:
Email: sosdu@state.nd.us — Ph: 800.231.4255

Mike Schwindt, Director
Email: soschm@state.nd.us — Ph: 701.328.3582

Prepared January 2001 for the North Dakota Department of Human Services, Child Support Enforcement Division, P.O. Box 7190, Bismarck ND 58507-7190, (701) 328-3582, TDD: (800) 366-6889 Email: dhscs@state.nd.us

1 Tape 1

Mike Schwindt

1-9-01

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
200-02 CHILD SUPPORT	10	1001	SALARIES	1,168,751	17	1,650,001	2,152,584
200-02 CHILD SUPPORT	10	1002	TEMP, OT & SHIFT DIFF	213,809	17	301,848	39,432
200-02 CHILD SUPPORT	10	1008	BENEFITS	387,313	17	546,795	759,640
	10 Total			**1,769,872**		**2,498,644**	**2,951,656**
200-02 CHILD SUPPORT	30	3003	IT-TELEPHONE *	4,780	15	7,648	8,292
200-02 CHILD SUPPORT	30	3004	TRAVEL	21,071	16	31,607	71,640
200-02 CHILD SUPPORT	30	3005	IT - SOFTWARE - SUPPLIES	9,394	16	14,091	11,676
200-02 CHILD SUPPORT	30	3007	POSTAGE	890	16	1,335	1,300
200-02 CHILD SUPPORT	30	3011	LEASE - RENT EQUIP MENT *	8,501	13	15,694	15,875
200-02 CHILD SUPPORT	30	3012	LEASE - RENT BLDG - LAND *	107,665	17	151,997	166,344
200-02 CHILD SUPPORT	30	3013	DUES & PROFESSIONAL DEV	6,126	16	9,190	9,177
200-02 CHILD SUPPORT	30	3014	OPERATING FEES & SRVC	968,442	16	1,452,663	3,111,530
200-02 CHILD SUPPORT	30	3016	REPAIRS	7,901	16	11,852	15,455
200-02 CHILD SUPPORT	30	3018	PROFESSIONAL SERVICES	-	16	-	500
200-02 CHILD SUPPORT	30	3019	INSURANCE	30	16	45	120
200-02 CHILD SUPPORT	30	3021	OFFICE SUPPLIES	12,934	16	19,401	25,855
200-02 CHILD SUPPORT	30	3024	PRINTING	18,242	16	27,364	31,522
200-02 CHILD SUPPORT	30	3025	PROF. SUPPLIES & MATERIALS	1,590	16	2,385	1,300
200-02 CHILD SUPPORT	30	3033	MISC SUPPLIES	12,810	16	19,216	23,000
200-02 CHILD SUPPORT	30	3900	OPERATING BUDGET ADJUSTMENT	-	16	-	18,800
	30 Total			**1,180,377**		**1,764,488**	**3,512,386**
200-02 CHILD SUPPORT	40	4002	OFFICE EQUIP & FURN	1,660	16	2,490	6,000
	40 Total			**1,660**		**2,490**	**6,000**
CHILD SUPPORT Total				**2,951,909**		**4,265,622**	**6,470,042**

* Budget Object Code 3003 - Most expenditures are paid quarterly with the last payment being made for the September 2000 quarter therefore, 15 months will be used in calculating the projection
Budget Object Code 3011 - Copy machine leases were paid out of multi-divisional cost center for 3 months, therefore, 13 months will be used in calculating the projection
Budget Object Code 3012 - Since rent is paid at the beginning of each month we will use 17 months of expenditures for the projection

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M. SCHWINDT 4A
1/9/01

STATE AUDITOR
ROBERT R. PETERSON

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STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVE. - DEPT [illegible]
BISMARCK, ND 58505

September 14, 2000

Honorable Edward T. Schafer, Governor
Members of the North Dakota Legislative Assembly

Transmitted herewith is the performance audit report on aspects of the North Dakota Child Support Enforcement Program of the Department of Human Services. This report contains the results of our study of the Child Support Enforcement Program, along with the results of a review performed by an independent consulting firm. We specifically reviewed the procedures used to enforce child support orders and the accuracy of information contained in the Fully Automated Child Support Enforcement System (FACSES). The independent consulting firm reviewed the organizational structure, policies, procedures, and the manual and automated processes of the program.

The audit was conducted under the authority of Chapter 54-10 of the North Dakota Century Code. Included in the report are the goals and scope, findings and recommendations, conclusions, and the Department of Human Services' responses.

We want to extend our appreciation to the management and staff of the Department of Human Services and the Child Support Enforcement Division, the Regional Child Support Enforcement Units, and the Clerks of Court for their excellent and timely cooperation during this audit.

Sincerely,

Bob Peterson

Robert R. Peterson
State Auditor

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Executive Summary

Purpose and Authority of the Audit

Based on the results of a risk analysis performed on all programs within the Department of Human Services (DHS) and through discussions with management of DHS, the North Dakota Child Support Enforcement Program was selected for a performance audit. The purpose of this report is to provide our analysis, findings, and recommendations regarding our review of the Child Support Enforcement Program.

Background Information

The Federal Child Support Enforcement Program, commonly referred to as the IV-D Program, was established in 1975 under Title IV-D of the Social Security Act. The Federal Child Support Enforcement Program was a response by Congress to reduce public expenditures on welfare through Aid to Families with Dependent Children (AFDC), Foster Care, and Medicaid. In North Dakota the Child Support Enforcement Program is a state supervised, county administered program. IV-D services are provided by eight Regional Child Support Enforcement Units located throughout the state.

Results and Findings

An independent consulting firm, TMR-MAXIMUS, was used to review the current structure of the Child Support Enforcement Program as well as the policies, procedures, staffing, and technology issues related to the program. We reviewed the current enforcement technique processes and procedures used to collect child support payments. We also performed a review to determine whether certain information contained within the Fully Automated Child Support Enforcement System (FACSES) is accurate. All recommendations are listed in Appendix A. Discussions relating to individual recommendations are included in Chapters 2 through 4 of this report.

Consultant's Review

The review performed by TMR-MAXIMUS identified that the Child Support Enforcement Program should be "statized" meaning the program should be state administered rather than county administered. The consultant determined that the State should universalize its caseload so almost all child support cases receive IV-D services. Also, the consultant determined that administrative processes should be utilized for certain child support processes. A need for additional staff and training was identified by TMR-MAXIMUS as well as improvements with policies and procedures. Finally, the consultant identified areas related to funding that could be improved.

Enforcement Techniques

Through a review of the enforcement techniques available and the enforcement processes and procedures utilized at four Regional Child Support Enforcement Units, we identified areas where improvements can be made to increase child support collections. In enforcing child support orders, a more administrative process is needed to improve the consistency, efficiency, and effectiveness of the judicial process currently used. To allow additional enforcement techniques to be utilized on nonIV-D cases, the Regional Child Support Enforcement Units and the

Child Support Enforcement Division rather than the Clerks of Court should enforce nonIV-D child support obligations. In addition, enforcement techniques that should be utilized include license suspension, assessing interest on child support accounts, and utilizing collection agencies. Also, policies and procedures should be modified in the enforcement area to provide additional guidance and improve consistency.

FACSES Information

Through a review of information on FACSES, we identified that inaccurate information was contained on the new system. The Child Support Enforcement Division should take appropriate action to ensure account balances are accurate. In addition, a policy should be developed that requires State Office involvement when the Regional Child Support Enforcement Units decide to disregard alerts generated by FACSES and when the Regional Child Support Enforcement Units decide not to follow established processes and procedures.

4-23-01 #2

MEMORANDUM

To: Sen. Solberg

From: Blaine L. Nordwall, DHS

Subject: Family Cap Assignments

>Current North Dakota law provides no increase in TANF benefits upon the birth of a child conceived while the mother is receiving cash assistance, and also requires the rights of all TANF cash assistance recipients to be assigned to the state.

>Indiana has a similar law. On December 5, 2000, a US District Court found the family cap lawful, but held that requiring the assignment constituted taking the child's property without due process of law.

>Between July 8. 1998, when the North Dakota family cap became effective, and December 30, 2000, DHS has collected and retained only $6959 in related child support in the 267 family cap cases. The child support collections are anticipated to remain very low as most cases involve persons living on Indian reservations, and jurisdictional issues limit the effectiveness of child support efforts.

>DHS recommends that North Dakota avoid litigation similar to the Indiana case by ending child support assignments for the affected children in family cap cases.

>Costs to eliminate the assignment in these family cap cases relate to changes in the TANF computer system and are estimated to be $99,687. DHS has not been asked to prepare a fiscal note. However, the entire cost would be absorbed by federal funds derived from the TANF block grant. The only related change would be an increase in line 30 to include the necessary amount in IMD appropriations.

c: Allen Knudson

Collected $ Will go to Custodial Parent

Family Cap Assignment

#1

19814

Prepared by the North Dakota Legislative Council
staff for Representative Svedjan
April 2001

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BENEFIT CAP AND ASSIGNMENT OF SUPPORT BENEFITS

The amendments to House Bill No. 1012 (attached as Appendix A) would preclude the Department of Human Services from assigning child support collections for any child that is subject to the benefit cap under the state's temporary assistance for needy families (TANF) program.

Under current law, the department may retain child support collections received for children of families receiving TANF benefits up to the total cost of the benefits provided to the families. These funds are deposited in the department's operating fund and used for funding the TANF program and to meet the federal maintenance of effort requirement for the TANF program.

Please refer to Appendix B which is an excerpt from the testimony provided by Mr. Blaine L. Nordwall, Economic Assistance Policy Director, Department of Human Services, to the Senate Human Services Committee on March 7, 2001, regarding Engrossed House Bill No. 1108 and the proposed amendment.

Based on Mr. Nordwall's testimony, it appears that the fiscal effect of this amendment on child support collections retained by the department will be less than $10,000 per biennium based on collections for the period July 1, 1998, through December 31, 2000, and the fiscal effect on expenditures for the 2001-03 biennium is estimated to be $99,687 for computer system changes.

ATTACH:2

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

Page 1, line 6, remove "and"

Page 1, line 7, after "Code" insert ", and section 50-09-06.1 of the North Dakota Century Code"

Page 1, line 8, after "reimbursements" insert "and assignment of support rights; and to provide an effective date"

Page 7, after line 30, insert:

SECTION 18. AMENDMENT. Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~

3. Terminates when eligibility ceases except with respect to any support obligation unpaid at that time; and

4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29."

Page 8, after line 5, insert:

SECTION 20. EFFECTIVE DATE. Section 18 of this Act becomes effective January 1, 2002."

Renumber accordingly

As you may recall from the hearing on Senate Bill 2414, we are concerned that child support assignments in benefit cap cases may be subject to effective challenge in court. If Senate Bill 2414 becomes effective, that concern disappears. If Senate Bill 2414 does not become effective, what then?

The benefit cap provision has been in effect since July 1, 1998, and has affected 267 families through December 2000. We have collected and retained $6,959 in assigned child support between July 1, 1998, and December 31, 2000. Only 59 of the 267 benefit cap children have established child support orders, and only 25 of those cases show any collections. However, one of those cases illustrates the concern. We collected $680 in child support over six months, retained it all, and provided no additional TANF benefits to the family. We have estimated the cost to change the TEEM system to eliminate the assignment in benefit cap cases is $99,687.

We have prepared an amendment to section 50-09-06.1 that would be effective only if Senate Bill 2414 does not become effective. Essentially, this amendment would add a new subsection to section 50-09-06.1 to prevent an assignment of child support for any child subject to a benefit cap. That amendment is Attachment A to my written testimony. We would appreciate this Committee's consideration of this amendment.

4-21-01 #1

19812

Prepared by the North Dakota Legislative Council
staff for Senator Solberg
April 2001

PHENYLKETONURIA FOOD AND FORMULA FUNDING

Senate Bill No. 2239 provides that the Department of Human Services provide medical food and low-protein modified food to individuals who are diagnosed with phenylketonuria (PKU) or maple syrup urine disease, regardless of income, with limitations based on age. Previously, the State Department of Health administered this food program.

The fiscal note on Senate Bill No. 2239 prepared by the Department of Human Services indicates the need to increase the department's 2001-03 biennium appropriation by $229,344, of which $89,152 is from the general fund and $140,192 is federal funds as a result of the provisions of this bill.

Conference committee amendments to the State Department of Health's appropriation bill (Senate Bill No. 2004) remove $213,997, of which $57,619 is from the general fund, $80,000 is from the community health trust fund (this $80,000 was added by the Senate), and $76,378 from federal maternal and child health block grant funds relating to the PKU food program. In addition, the conference committee amendments appropriate the $76,378 of federal funds for additional grants to public health units.

Additional funding has not been added to the Department of Human Services appropriation bill (House Bill No. 1012) for the PKU food program.

TESTIMONY BEFORE

THE HOUSE APPROPRIATIONS COMMITTEE

HOUSE BILL 1012

PRESENTED BY:
TAMARA GALLUP-MILLNER
DEPUTY DIRECTOR

CHILDREN'S SPECIAL HEALTH SERVICES
NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

Chairman Timm and members of the committee, I am Tamara Gallup-Millner, Deputy Director of the Children's Special Health Services Division in the Department of Human Services. I'd like to begin by telling you briefly about the work being done through the Division to improve children's health. After that, I'll provide an overview of the Division's budget.

I. Department Objective/Program Purpose Statements

Children's Special Health Services aligns with the Department of Human Services' objective to promote the health of people through preventive services and specialized care and ensure that necessary medical services can be accessed by eligible individuals.

The mission of the division to improve children's health is carried out through the following programs.

- Children's Special Health Services is probably best known for the Specialty Care Program. Its purpose is to provide payment for authorized services to qualified providers serving eligible children with special health care needs in order to increase access to pediatric specialty care.
- The Division serves the greatest number of children through its Multidisciplinary Clinic Program. This program's purpose is to provide comprehensive pediatric evaluations and coordinated care recommendations for children with special health care needs in order to help families effectively manage their child's chronic health condition in the most efficient manner.
- The newest program in the Division is the Care Coordination Program. Its purpose is to provide community-based case management services for children with special health care needs and their families in order to assure access to necessary, comprehensive services.
- Children's Special Health Services Division Administration provides leadership and support to state and local partners so they can implement health service system improvements. Families, county social service staff, health care providers, and related program

administrators are important partners in our efforts to improve children's health.

II. Services

Services provided through the four programs include:

- Authorizations for payment of care
- Maintenance of an approved provider list
- Medical and financial eligibility determinations
- Clinic administration
- On-site clinic management
- Contract administration
- County social service and public health care coordination
- Public information services
- Training, consultation, and technical assistance
- Planning and policy development
- Needs assessment, performance monitoring and quality assurance
- Coordination and collaboration

III. Accomplishments/Concerns

Children's Special Health Services was able to directly serve over 1,700 children in 1999. The number of children served has been consistent over the last several years (attachment A). Children served through the Division's three direct service programs are shown in attachment B.

- Slightly over one-fourth of the children are served through the Specialty Care Program. Recent changes in this program include the addition of diabetes type II and asthma to the list of eligible conditions and the expansion of financial eligibility to 185% of the federal poverty level. The eligibility process was also simplified by eliminating assets. Children's access to pediatric specialty care for services like physician visits, diagnostic tests and pharmacy services increased through this program.

- Eighty multidisciplinary clinics were held throughout the state for eight different types of chronic health conditions. For most clinics, a team approach is used to guide management of the child's condition. Families relay that clinics make a positive difference in their child's care by providing information, follow-up, coordinated care, and access to specialty providers.
- Care coordination services were provided through public health nurses in five eastern counties of the state. Additional children are expected to benefit from county social service care coordination during the next biennium. Many children and families need a comprehensive set of services and supports in addition to medical care to be healthy. We see care coordination as a service or process that assists families who may deal with multiple specialists, agencies, and funding sources. Results expected from this program are more children with a source of insurance coverage, medical home, and comprehensive, written service plan.

In addition to providing or paying for direct health care services to eligible children, Children's Special Health Services also provided a wide range of administrative services to improve the quality and responsiveness of the overall health care system for children with special health care needs and their families.

- The Division supported a family resource center and toll-free info-line as part of its public information service activities. Through these activities, many North Dakota families received health care information and were linked to available services.
- A comprehensive, statewide needs assessment, including a survey of families having children with special health care needs, was completed. This effort was supported through the State Systems Development Initiative. After taking the pulse of our state and communities, the Division is now able to direct funds to programs and services that are responsive to the specific needs of children and families in our state. Sharing the information we've compiled with others supports policies,

programs, and resources that are directed to achieve measurable improvements by all that serve this vulnerable population.

- The Division develops partnerships with agencies that serve families and children and provides leadership on children's health issues. An example of a successful partnership is the First Sounds Project. The division collaborated with the ND Center for Persons with Disabilities to obtain funding for First Sounds, a project to assure that all babies born in ND have their hearing checked before they leave the hospital.

Although there have been many accomplishments, concerns about unmet needs remain for this population.

- Children with special health care needs and their families often require services beyond those included in a basic insurance benefits package. Exclusions for pre-existing conditions, therapy limitations, access to dental/orthodontic services and the hardship of growing out-of-pocket costs are just a few of the problems families face. The Specialty Care Program can address the needs of some of this population by expanding medical conditions and covered services, including health-related transportation.
- Children with special health care needs and their families also need adequate access to pediatric specialty care. This is important for all children, but especially those in the rural or frontier areas of the state. Multidisciplinary clinics for additional conditions like asthma should be considered, as could specialty care provided via telemedicine.
- It is necessary to expand care coordination services for children with special health care needs provided through local public health nurses to additional areas of the state. Although service delivery increased from two to five counties during the biennium, additional public health units could be funded.
- We have strengthened the consumer voice through the Children's Special Health Services Family Advisory Council. This voice could be institutionalized through a family consultant to the Children's Special Health Services Division.

- In addition to focusing on needs assessment and performance measures through the State Systems Development Initiative, data capacity needs to be addressed, specifically capacity around data linkages and birth defects surveillance systems.

IV. Budget Highlights

- The majority of funding for the Division comes from the Maternal and Child Health Services Block Grant. In addition, the Division also cooperatively administers the State Systems Development Initiative Grant with the Maternal and Child Health Division in the Department of Health.
- The total Children's Special Health Services Budget is $2,269,430. In the 2001-2003 biennial budget, $822,904 in general funds and $1,446,526 in federal funds has been requested (attachment C).
- $896,203 (39.5%) of the Division's funding is in salary and benefits. State-level staff within Children's Special Health Services provide direct services for families through clinics and other client-related administrative activities. $177,202 (7.8%) is in the operating line and $1,196,025 (52.7%) of the Division's funding is in grants. The grant line includes claims payments and service contracts.
- General fund authority has remained constant while federal authority has been increased. The Division will attempt to obtain local match to expand care coordination and multidisciplinary clinic services during the next biennium.

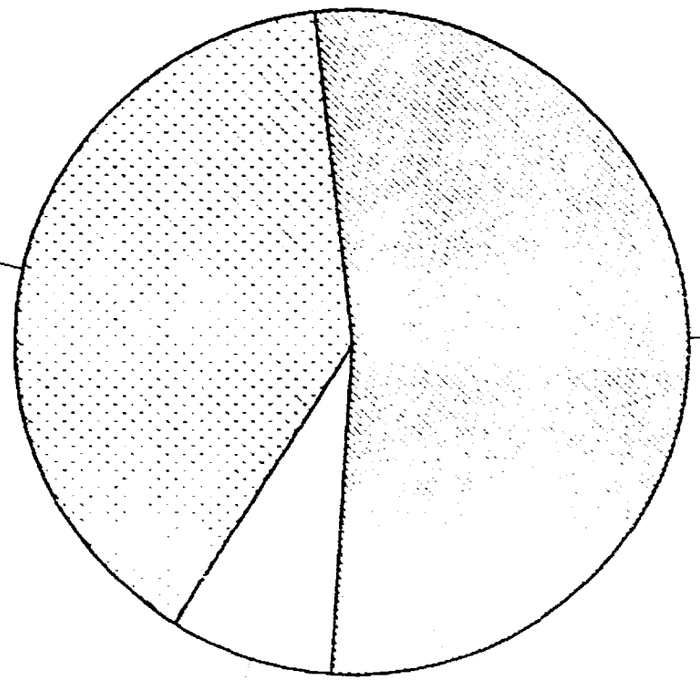
In summary, Children's Special Health Services' mission is to improve children's health.

- The children served through the Division are those with chronic health conditions who need more health and related services than most children generally require.
- Programs supported help by providing a critical health safety net for children with special health care needs. By paying for diagnostic and

treatment services that result in increased access to pediatric specialty care, the Division helps uninsured and underinsured children. By providing multidisciplinary clinics, the Division supports a coordinated, team approach to management of children's chronic health conditions. This method or model of service delivery has proven effective in our rural state. The Care Coordination Program supports service access and integrative planning for children with special health care needs and their families, many of which need a comprehensive set of services and supports to be healthy. Lastly, administrative staff within the Division provide leadership and support partnerships to address children's health issues.

This concludes my testimony. I would be happy to address any questions.

North Dakota Department of Human Services
Children's Special Health Services Budget
HB 1012 to House
2001 - 2003 Biennium



Funding		
	Amount	Percent
General	$822,904	36.3%
Federal	$1,446,526	63.7%
TOTAL	**$2,269,430**	**100.0%**

Attachment C

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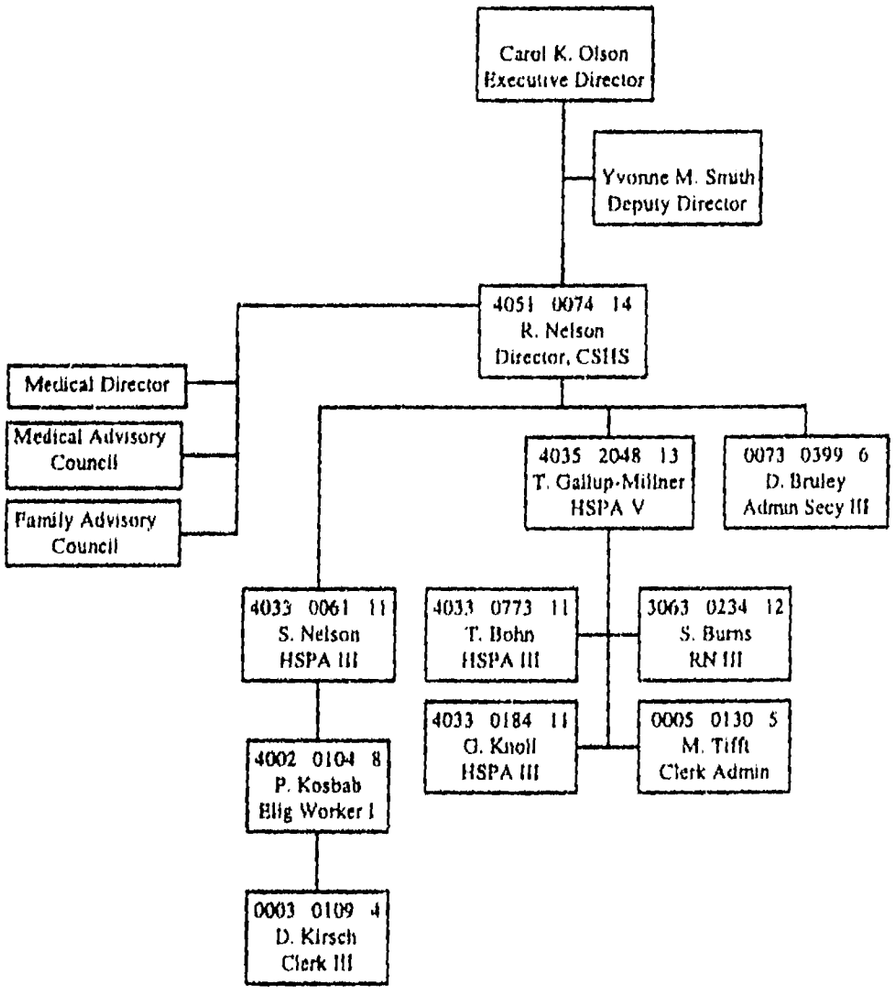
Tamera Millner 1-17-01 # 11

North Dakota Department of Human Services
Children's Special Health Services Division



Revised
12/20/00

Tamara Milner

1-17-01

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		LINE	Budget Object Code		1999 - 2001 Budget	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-45	CHILDRENS SPECIAL HEALTH SERVICES	10	1001	SALARIES	543 656	436 783	16	656 174	666 012
300-45	CHILDRENS SPECIAL HEALTH SERVICES	10	1002	TEMP OT & SHIFT DIFF	-	465	16	697	15 600
300-45	CHILDRENS SPECIAL HEALTH SERVICES	10	1008	BENEFITS	202 939	136 423	16	204 635	214 591
		10 Total			**846,597**	**575,671**		**863,506**	**896,203**
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3003	IT-TELEPHONE	50	64	16	126	50
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3004	TRAVEL	26 427	16 376	16	24 565	26 427
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3005	IT - SOFTWARE - SUPPLIES	950	1 056	16	1 567	950
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3007	POSTAGE	60	257	16	386	60
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3012	LEASE - RENT BLDG - LAND	1 500	950	16	1 425	1 500
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3013	DUES & PROFESSIONAL DEV	6 200	11 050	16	16 575	6 200
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3014	OPERATING FEES & SRVC	71 400	13 651	16	20 476	71 400
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3016	REPAIRS	575	275	16	413	575
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3018	PROFESSIONAL SERVICES	35 600	18 070	16	27 105	35 600
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3021	OFFICE SUPPLIES	4 500	1 910	16	2 865	4 500
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3024	PRINTING	8 000	11 414	16	17 120	8 000
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3025	PROF SUPPLIES & MATERIALS	7 400	3 062	16	4 593	7 400
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3029	MEDICAL DENTAL & OPTICAL	125	106	16	159	125
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3030	BLDG GRNDS & VEH MTCE SUPP	1 200	-	16		1 200
300-45	CHILDRENS SPECIAL HEALTH SERVICES	30	3033	MISC SUPPLIES	11 215	55	16	82	11 215
	CHILDRENS SPECIAL HEALTH SERVICES	**30 Total**			**177,202**	**78,308**		**117,462**	**177,202**

#14

Tamera Milner

North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		ACC	Grant Type	1999 - 2001 Budget	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-45	CHILDREN'S SPECIAL HEALTH SERVICES	4031	Children's Special Health Services	973,705	482,517	16	723,775	1,196,025
300-45 Total				973,705	482,517		723,775	1,196,025

1-17-01

#15

Tamera Millner

1-17-01

#16

North Dakota Department of Human Services
Children's Special Health Services
Maternal and Child Health Care Grant (MCH)
HB 1012 to House
2001-2003 Biennium

Actual FFY 2000 Grant	1,979,933.00
Dept. of Human Services share	659,318.00
number of years in biennium	2.00
Total DHS federal share	1,318,636.00
Federal share	0.57
Total funds involved	2,313,396.00
Match requirement	0.43
Total Match needed	994,760.00
General funds in DHS budget	966,776.00
Total over / (under) matched	(27,984.00)

- The Maternal and Child Health (MCH) block grant requires that for every $4 of federal money spent there must be a match of at least $3 in State and/or local money spent.
- The program also requires that a minimum of 30% of federal Block Grant funds be used to support services for Children with Special Health Care Needs (CSHCN).
- Allows for no more than 10% of the Maternal and Child Health block grant funds be spent on administrative costs statewide.

The ND Health Department provides to the Department of Human Services:

- The 30% allocation for direct care of Children with Special Health Care Needs.
- One-third of the administration allowance, 3.33%.
- In total, the Department receives 33.33% of the Maternal and Child Health block grant.

Tamara Millner

1-17-01

A13

North Dakota Department of Human Services
Children's Special Health Services
Salaries and Benefits
HB 1012 to House
2001-2003 Biennium

	Total	Percent of total	FTE's	General	Federal
MCH Block Grant (Funding 57% Federal & 43% General)					
Client Related Services (1)	280,539	31.30%	4.0	120,632	159,907
Nursing / Clinic Services (2)	253,589	28.30%	3.0	109,043	144,546
General Administration (3)	269,673	30.09%	2.0	115,959	153,714
State System Development Initiative (Funding 100% Federal)					
Programmatic	92,401	10.31%	1.0	0	92,401
Total Salaries & Benefits	896,203	100.00%	10.0	345,634	550,569

Note:
(1) FTE's for this category determine eligibility, process authorizations, and coordinate third-party benefits
(2) FTE's for this category manage clinics and provide public information services
(3) FTE's for this category include the Director, Deputy Director and funding for a temporary position

Tamera Millner

1-17-01

H 12

Number of Children Served by Children's Special Health Services
By Condition in FFY 1999

CONDITION	Total Number of Children Served by CSHS
Adenoid Hypertrophy causing Sleep Apnea	0
Alpha 1-Antitrypsin Deficiency	0
Amputation	0
Amyotonia Congenita requiring rehab	0
Anal Stenosis; Imperforate Anus	0
Anemias excluding minor anemias	0
Aplasia Cutis Congenita; Ectodermal Dysplasia	0
Argininosuccinic Acid Synthetase Deficiency	0
Arnold-Chiari Deformity	0
Arthrogryposis	1
Ataxias, Familial Degenerative Disease	0
Bile Duct Atresia	0
Birth Injury (Erb's Palsy, etc.)	0
Bone Cyst requiring surgery	0
Bone Tumors including Osteochondroma	3
Bony Deformities & Post-Traumatic Deformity	19
Bowed Legs, severe	0
Brain Tumors requiring surgery	5
Branchiogenic Cleft Cyst requiring surgery	2
Breast Hypoplasia	0
Burns, severe, acute, including residuals	1
Cancer, including Cancer of Eye	3
Cataracts	2
Cerebral Palsy, congenital or acquired	68
Choanal Atresia	0
Cleft Lip and/or Palate, including associated Hearing Loss and Malocclusion	205
Corneal Transplants	0
Craniostenosis (premature stenosis)	1
Crohn's Disease	0
Cystic Fibrosis	9
Cystic Hygroma	0
Cystinosis	0
Dental Disorders, congenital	6
Diabetes Insipidus	0
Diabetes Mellitus, Type I	42
Diaphragmatic Hernia	0
Dislocation of Hips or other Joints	4
Ear Deformity	3
Ehlers-Danlos Disease	0
Encephalitis, Poliomyelitis or Meningitis	0
Enucleation (removal of eyeball)	1
Epidermolysis Bullosa	0
Esophageal Varices	0
Eye Wounds, penetrating	1
Eyelid Deformity requiring surgery, congenital	1
Face Deformity	4
Femoral Capital Epiphysis, slipped	0
Fractures, complicated or malunited	0
Fructose Metabolism Disturbance	0
Galactosemia	4
Gastrointestinal Tract Anomalies, congenital	3
Gastroschisis	1
Genito-Urinary Tract Anomalies	4
Genu Recurvatum, severe	0
Glaucoma, congenital	0
Glycogen Storage Disease	0
Growth Hormone Deficiency	3
Guillain-Barre Disease	1
Hallervorden-Spatz Disease	0
Head Injuries, Subdural Hematomas	1
Hearing Loss	45
Heart Conditions, congenital or acquired	658

CONDITION	Total Number of Children Served by CSHS
Hemangioma, medically significant	1
Hemophilia including deformities	2
Histiocytosis X (eosinophilic granuloma)	0
Hydrocephalus requiring surgery	6
Hypercholesterolemia, congenital	1
Hypoparathyroidism	0
Hypophosphatemic Rickets	0
Hypothalamic Adrenal Insufficiency	2
Hypothyroidism, congenital	2
Ichthyosiform Erythroderma, congenital	0
Immunoglobulin Deficiency States	2
Intersex Disorders, congenital	2
Joint Deformity, Clubfeet & Clubhands	11
Knock-Knees, severe	0
Kyphosis, adolescent, requiring bracing or surgery	0
Laryngeal Papilloma	0
Leukemia excluding bone marrow transplant	3
Malocclusion, handicapping	67
Maple Syrup Urine D.; Methylmalonic Acidemia	1
Mastoiditis, chronic	1
Megacolon requiring surgery	1
Metachromatic Leukodystrophy	0
Microcephaly, diagnosis only	0
Nephrosis & Chronic Nephritis	0
Nerve Injuries, chronic	0
Neurofibromatosis	1
Nevi with malignant potential	2
Ocular Albinism, congenital	0
Osteochondritis of various bones	0
Osteogenesis Imperfecta	0
Osteomyelitis, residuals of	0
Paraplegia, traumatic & its direct complications	0
Pectus Carinatum/Pectus Excavatum	1
Perthes' Disease	3
Phenylketonuria (PKU)	13
Polycystic Kidney Disease	0
Precocious Puberty	0
Pseudohypoparathyroidism	0
Ptosis (drooping eyelids)	0
Pulmonary Lobar Emphysema	0
Retinal Detachment in Marfan's Syndrome	0
Retrolental Fibroplasia	0
Rheumatoid Arthritis	5
Scleroderma	0
Scoliosis requiring bracing or surgery	397
Spina Bifida, Meningocele, Myelocele	39
Strabismus (cross-eye) requiring surgery	17
Subluxated Eye Lens in Marfan's Syndrome	1
Supernumerary Parts, severe	0
Syndactyly	0
Thrombocytopenia, congenital	0
Thyroglossal Duct Cyst	0
T-Lymphocyte Immune Deficiency State	0
Torticollis (wryneck)	0
Tracheal Stenosis	0
Tracheoesophageal Fistula	0
Tuberculosis of Bones and Joints	0
Tuberous Sclerosis	0
Undescended Testes	2
TOTAL:	1690

Data Source: CSHS Database

Payments Made to Providers on Behalf of Eligible Children
By Condition in FFY 1999

CONDITION	Total Number of Children Receiving Claims Payment	Amount Billed	Amount Paid By Other Sources	Amount Paid By CSHS
Adenoid Hypertrophy causing Sleep Apnea				
Alpha 1-Antitrypsin Deficiency				
Amputation				
Amyotonia Congenita requiring rehab				
Anal Stenosis; Imperforate Anus				
Anemias excluding minor anemias				
Aplasia Cutis Congenita; Ectodermal Dysplasia				
Argininosuccinic Acid Synthetase Deficiency				
Arnold-Chiari Deformity				
Arthrogryposis	1	5,135.73	5,110.23	25.50
Ataxias, Familial Degenerative Disease				
Bile Duct Atresia				
Birth Injury (Erb's Palsy, etc.)				
Bone Cyst requiring surgery				
Bone Tumors including Osteochondromas	1	74.00	18.00	56.00
Bony Deformities & Post-Traumatic Deformity	4	2,929.25	1,098.66	1,830.59
Bowed Legs, severe				
Brain Tumors requiring surgery	3	22,307.88	15,956.80	6,351.08
Branchiogenic Cleft Cyst requiring surgery				
Breast Hypoplasia				
Burns, severe, acute, including residuals	1	1,025.77	1,025.77	0.00
Cancer, including Cancer of Eye	3	6,948.15	6,491.83	456.32
Cataracts				
Cerebral Palsy, congenital or acquired	15	35,175.04	28,128.37	7,046.67
Choanal Atresia				
Cleft Lip and/or Palate, including associated Hearing Loss and Malocclusion	35	128,307.35	96,857.28	31,450.07
Corneal Transplants				
Craniostenosis (premature stenosis)				
Crohn's Disease				
Cystic Fibrosis	9	19,855.16	17,005.94	2,849.22
Cystic Hygroma				
Cystinosis				
Dental Disorders, congenital	4	5,832.43	1,905.14	3,927.29
Diabetes Insipidus				
Diabetes Mellitus, Type I	14	28,360.24	17,893.66	10,466.58
Diaphragmatic Hernia				
Dislocation of Hips or other Joints	3	8,059.40	2,246.36	5,813.04
Ear Deformity				
Ehlers-Danlos Disease				
Encephalitis, Poliomyelitis or Meningitis				
Enucleation (removal of eyeball)				
Epidermolysis Bullosa				
Esophageal Varices				
Eye Wounds, penetrating	1	54.00	30.55	23.45
Eyelid Deformity requiring surgery, congenital				
Face Deformity	3	19,137.22	8,256.50	10,880.72
Femoral Capital Epiphysis, slipped				
Fractures, complicated or malunited				
Fructose Metabolism Disturbance				
Galactosemia				
Gastrointestinal Tract Anomalies, congenital				
Gastroschisis				
Genito-Urinary Tract Anomalies	2	2,270.50	1,190.91	1,079.59
Genu Recurvatum, severe				
Glaucoma, congenital				
Glycogen Storage Disease				
Growth Hormone Deficiency	3	48,920.52	36,905.64	12,014.88
Guillain-Barre Disease	1	387.68	124.84	262.84
Hallervorden-Spatz Disease				
Head Injuries, Subdural Hematomas	1	277.00	87.23	189.77
Hearing Loss	15	13,861.80	12,048.27	1,813.53
Heart Conditions, congenital or acquired	47	114,076.86	104,625.75	9,451.11

CONDITION	Total Number of Children Receiving Claims Payment	Amount Billed	Amount Paid By Other Sources	Amount Paid By CSHS
Hemangioma, medically significant	1	7,784.00	4,696.85	3,087.15
Hemophilia including deformities	2	697.50	697.50	0.00
Histiocytosis X (eosinophilic granuloma)				
Hydrocephalus requiring surgery	1	975.61	699.57	276.04
Hypercholesterolemia, congenital	1	2,446.58	1,953.11	493.47
Hypoparathyroidism				
Hypophosphatemic Rickets				
Hypothalamic Adrenal Insufficiency				
Hypothyroidism, congenital	2	6,941.89	5,568.91	1,372.98
Ichthyosiform Erythroderma, congenital				
Immunoglobulin Deficiency States	2	798.02	798.02	0.00
Intersex Disorders, congenital				
Joint Deformity, Clubfeet & Clubhands	2	1,197.00	807.95	389.05
Knock-Knees, severe				
Kyphosis, adolescent, requiring bracing or surgery				
Laryngeal Papilloma				
Leukemia excluding bone marrow transplant	2	21,353.08	6,269.67	15,083.41
Malocclusion, handicapping	31	32,362.68	4,378.81	27,983.87
Maple Syrup Urine D.; Methylmalonic Acidemia				
Mastoiditis, chronic	1	2,636.00	2,635.70	0.00
Megacolon requiring surgery	1	397.00	397.00	0.00
Metachromatic Leukodystrophy				
Microcephaly, diagnosis only				
Nephrosis & Chronic Nephritis	2	3,437.17	3,150.56	286.61
Nerve Injuries, chronic			0.00	
Neurofibromatosis	1	6,450.00	5,160.00	1,290.00
Nevi with malignant potential	1	170.00	83.24	86.76
Ocular Albinism, congenital				
Osteochondritis of various bones				
Osteogenesis Imperfecta				
Osteomyelitis, residuals of				
Paraplegia, traumatic & its direct complications				
Pectus Carinatum/Pectus Excavatum	1	294.00	155.30	138.70
Perthes' Disease	1	529.75	290.60	239.15
Phenylketonuria (PKU)	1	868.76	868.76	0.00
Polycystic Kidney Disease				
Precocious Puberty				
Pseudohypoparathyroidism				
Ptosis (drooping eyelids)				
Pulmonary Lobar Emphysema				
Retinal Detachment in Marfan's Syndrome				
Retrolental Fibroplasia				
Rheumatoid Arthritis	1	31.00	22.97	8.03
Scleroderma				
Scoliosis requiring bracing or surgery	45	16,021.62	11,100.63	4,920.99
Spina Bifida, Meningocele, Myelocele	3	13,234.78	11,774.28	1,460.50
Strabismus (cross-eye) requiring surgery	9	1,294.95	566.12	728.83
Subluxated Eye Lens in Marfan's Syndrome	1	76.00	32.29	43.71
Supernumerary Parts, severe				
Syndactyly				
Thrombocytopenia, congenital				
Thyroglossal Duct Cyst				
T-Lymphocyte Immune Deficiency State				
Torticollis (wryneck)				
Tracheal Stenosis				
Tracheoesophageal Fistula				
Tuberculosis of Bones and Joints				
Tuberous Sclerosis				
Undescended Testes	1	4,420.00	3,576.36	843.64
TOTAL	**279**	**$587,413.37**	**422,691.93**	**$164,721.14**

Data Source: CSHS Database

Payments Made to Providers for Multidisciplinary Clinics in FFY 1999

Program	Amount Paid
Cardiac Care for Children Program	$18,377.21
Cleft Palate and Scoliosis Clinics	$28,395.00
TOTAL	**$46,772.21**

Data Source: CSHS Database

Payments Made to Providers on Behalf of Eligible Children For Conditions Requiring Orthodontia in FFY 1999

Condition	Amount Paid
1. Malocclusion, handicapping	$27,983.87
2. Cleft Lip and/or Palate, including associated hearing loss and malocclusion	$31,450.07
TOTAL:	**$59,433.94**

NOTE: Payments for Cleft Lip and Palate include a variety of services, not just orthodontia

Data Source: CSHS Database

Children's Special Health Services Financial Eligibility

Currently, financial eligibility is determined only for children served through the Specialty Care Program who need treatment services. In 1999, this impacted 277 out of the 1,749 children who were served through CSHS. Financial eligibility is not required for diagnostic services through the Specialty Care Program or for Multidisciplinary Clinic or Care Coordination Program services. Changes in eligibility that went into effect May1, 2000 are displayed in the table below.

Prior to May 2000	May 2000
• Income eligibility 150% of the federal poverty level. • Income included Supplemental Security Income, Child Support, Social Security, Unemployment Compensation, Worker's Compensation, Veteran's Benefits or any other cash benefits. • Income could be determined monthly (current circumstances used to estimate annual income) or annually (eligibility was based on previous year's tax information). • Financial eligibility reevaluated every 2 years.	• Income eligibility 185% of the federal poverty level. • Income includes Supplemental Security Income, Child Support, Social Security, Unemployment Compensation, Worker's Compensation, Veteran's Benefits or any other cash benefits. • Income can be determined monthly (current circumstances used to estimate annual income) or annually (eligibility was based on previous year's tax information). • Financial eligibility reevaluated every year.
• Assets used to determine eligibility. • Real Property 1. The family home including land on which it was located was exempt. 2. Real property essential to earning a livelihood was exempt. 3. Land and buildings other than the home could not exceed a net equity of $2,500. 4. Liquidation of income producing real property, which would result in reducing annual income below the established income level, was considered "undue hardship" and not required. • Personal Property 1. Personal property such as RV's, boats, campers, and snowmobiles could not exceed a net equity of $2,500. 2. Personal property essential to earning a livelihood was exempt (e.g.) grain truck, truck used for construction etc. 3. Two cars per family were allowed. 4. Liquidation of excess personal property, which would result in reducing annual income below the established income level, was considered "undue hardship" and not required. 5. Checking accounts, savings accounts, CD's, and stocks/bonds were another category of personal property. The family was allowed $1,000 per dependent that was considered not available for medical expenses.	• Assets not used to determine eligibility.

Projected Number to be Served and Cost Of Diabetes Type II and Asthma

Diabetes

Projected Numbers

Method	Rate per 1000	Projected number
NHIS-D	2.6	484
Gortmaker	1.8	335

Projected Costs

Since CSHS already covered diabetes mellitus (type I) and diabetes insipidus, the addition of diabetes mellitus (type II) was considered a "housekeeping" item only. Impact to the division was expected to be minimal.

Asthma

Projected Numbers

Method	Rate per 1000	Projected number
NHIS-D	74.9	13,930 (all asthma)
Gortmaker	10.0	1,817 (moderate-severe asthma only)

Projected Costs

CSHS identified "the impact of chronic health conditions and congenital anomalies on children and their families" as a priority area through its five-year needs assessment process. This process involved extensive data collection and analysis and participation of a variety of stakeholders in a planning retreat where health issues were ranked and prioritized based on a number of factors including the size and seriousness of the problem, and effectiveness of interventions.

Based on review of ND hospital and outpatient claims data for five ambulatory sensitive conditions, asthma accounted for the highest percent of all pediatric hospitalizations among the five reviewed. In addition, in the 1999 CSHS Family Needs Assessment Survey, 10% of children were reported as having an asthma/respiratory diagnosis. Nationally, the prevalence of asthma is increasing in most age groups, especially in those younger than age 18.

Projected costs for claims:

- 10.0 children per 1,000 have moderate to severe asthma based on Gortmaker national prevalence estimates.
- In 1999, there were estimated to be 181,667 children birth through age 19 in ND.
- Based on Gortmaker national prevalence estimates and ND child population estimates, 1,817 children in ND have moderate to severe asthma.
- There are an estimated 14,663 uninsured children in ND.

- Of the 14,663 uninsured children, 6,649 are between 100 and 200% of the FPL.
- This represents 3.66% of all ND children.
- Based on this percentage and Gortmaker estimates for asthma, 67 children in ND are estimated to have moderate to severe asthma, be uninsured, and be between 100 and 200% of the FPL (0.0366 X 1,817 = 67).
- Average paid claims for all conditions treated under CSHS are $590/child/year.
- 67 kids X $590 in average paid claims per year = $39,530.
- Since this is a new condition, we expect claims payments for only 16 children during the biennium based on previous experience.
- 16 kids X $590 in average paid claims per year = $9,440

Projected costs for asthma clinics:

- Asthma clinic costs were estimated based on costs of a Diabetes Youth Outreach Program currently funded by CSHS. It was anticipated that the clinics would operate in the same manner and include team evaluations paid at honorarium rate, travel and per diem to outreach sites paid at the state rate, costs for diagnostic tests and a strong education/management component based on best practice guidelines. In 1999, 22 children were served through the Diabetes Youth Outreach Program at 3 outreach clinic sites for $34,979. It was projected that 22 children could be seen at 3 outreach asthma clinics for a similar cost of $34,979.

Total projected costs for asthma:

$9,440	**Claims payments**
$34,979	**Asthma clinics**
$44,419	**TOTAL COST PER YEAR**

Sources for estimates:

1. National Health Interview Survey on Disability (NHIS-D)
2. Gortmaker, S. and Sappenfield, W., "Chronic Childhood Disorders", Pediatric Clinics in North America, Vol. 31, No. 1., pp.3-18.
3. ND population estimates for children 0-19, US Census Bureau
4. The Robert Wood Johnson Foundation Family survey, 1998

1-15-01

#30

House Appropriations Committee January 15, 2001

Mr. Chair and members of the Committee, my name is Twyla Bohl; I reside and farm in Knox, North Dakota. We have six children in our family. My 10-year-old son was born with spina bifida. We receive services through CSHS. Our son attends the Spina Bifida clinics. These are a great opportunity for us, as it is specialized to our son's unique needs. Not only do they provide for his medical needs, but they also provide educational needs for us to continue to learn about new things happening which may assist in the improvement of his condition. We are able to see all the necessary providers for our son at one time.

Additionally, because of this, time on the road is decreased not having to go to several other appointments for his condition as it is all at one stop. Children's Special Health Services has provided a wealth of resources for parents. When children are newly diagnosed, it is often to difficult to find the resources that we need, or a new situation arises of which we have little knowledge, they can assist families in finding the resources they need.

We presently have an HMO for our insurance; however, it is very difficult to get out of the area referral. When you have a child with significant needs, this is vital. These children have many specialty physicians, and in the rural areas, this is most difficult to have access to. Another example of the clinics provided, is while we are there, we are able to see an orthopedist, as well as, other areas our son needs such as an urologist. Children' Special Health Services makes sure that all of the people needed are accessible, during the clinics.

Because farming is not the best business, providers such as Children's Special Health Services assist families to ensure quality service for our children. Please assure us as families, that funding will be maintained. Not just for my child but for all children across the state. CSHS is the only provider who addresses the **medical needs** of children with special health needs.

Thank you for your time.

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

HOUSE BILL 1012

FEBRUARY 28, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

CHILDREN'S SPECIAL HEALTH SERVICES DIVISION

Chairman Nething and members of the committee, I am Tamara Gallup-Millner, Deputy Director of the Children's Special Health Services Division in the Department of Human Services. I'd like to begin by telling you briefly about the work being done through the Division to improve children's health. After that, I'll provide an overview of the Division's budget.

I. Department Objective/Program Purpose Statements

Children's Special Health Services aligns with the Department of Human Services' objective to promote the health of people through preventive services and specialized care and ensure that necessary medical services can be accessed by eligible individuals.

The mission of the Division to improve children's health is carried out through the following programs.

- Children's Special Health Services is probably best known for the Specialty Care Program. Its purpose is to provide payment for authorized services to qualified providers serving eligible children with special health care needs in order to increase access to pediatric specialty care.
- The Division serves the greatest number of children through its Multidisciplinary Clinic Program. This program's purpose is to provide comprehensive pediatric evaluations and coordinated care recommendations for children with special health care needs in order to help families effectively manage their child's chronic health condition in the most efficient manner.

- The purpose of the Care Coordination Program is to provide community-based case management services for children with special health care needs and their families in order to assure access to necessary, comprehensive services.
- Children's Special Health Services Division Administration provides leadership and support to state and local partners so they can implement health service system improvements. Families, county social service staff, health care providers, and related program administrators are important partners in our efforts to improve children's health.

II. Services

Services provided through the four programs include:

- Authorizations for payment of care
- Maintenance of an approved provider list
- Medical and financial eligibility determinations
- Clinic administration
- On-site clinic management
- Contract administration
- County social service and public health care coordination
- Public information services
- Training, consultation, and technical assistance
- Planning and policy development
- Needs assessment, performance monitoring and quality assurance
- Coordination and collaboration

III. Accomplishments/Concerns

Children's Special Health Services was able to directly serve over 1,700 children in 1999. The number of children served has been consistent over the last several years (attachment A). Children served through the Division's three direct service programs are shown in attachment B.

- Slightly over one-fourth of the children are served through the Specialty Care Program. Medical eligibility for this program is based on a list of conditions selected with the help of the Division's Medical Advisory Council. Financial eligibility for treatment services is currently set at 185% of poverty. It is the intent of the House that financial eligibility be set in statute at the current level. Although the Division pays health care claims for eligible children, it is not a health insurance program. Only the care related to the child's eligible condition is covered. We usually fill gaps, paying for what the child's primary insurance does not cover. We are always a payment source of last resort. Through the Specialty Care Program, children's access to pediatric specialty care for services like physician visits, diagnostic tests and pharmacy services is increased.
- Eighty multidisciplinary clinics were held throughout the state for eight different types of chronic health conditions. For most clinics, a team approach is used to guide management of the child's condition. Families relay that clinics make a positive difference in their child's care by providing information, follow-up, coordinated care, and access to specialty providers.
- Care coordination services were provided through public health nurses in five eastern counties of the state. Many children and families need a comprehensive set of services and supports in addition to medical care to be healthy. We see care coordination as a service or process that assists families who may deal with multiple specialists, agencies, and funding sources. Results expected from

this program are more children with a source of insurance coverage, medical home, and comprehensive, written service plan.

In addition to providing or paying for direct health care services to eligible children, Children's Special Health Services also provided a wide range of administrative services to improve the quality and responsiveness of the overall health care system for children with special health care needs and their families.

- The Division supported a family resource center and toll-free info-line as part of its public information service activities. Through these activities, many North Dakota families received health care information and were linked to available services.
- A comprehensive, statewide needs assessment, including a survey of families having children with special health care needs, was completed. This effort was supported through the State Systems Development Initiative. After taking the pulse of our state and communities, the Division is now able to direct funds to programs and services that are responsive to the specific needs of children and families in our state. Sharing the information we've compiled with others supports policies, programs, and resources that are directed to achieve measurable improvements by all that serve this vulnerable population.
- The Division develops partnerships with agencies that serve families and children and provides leadership on children's health issues. An example of a successful partnership is the First Sounds Project. The Division collaborated with the ND Center for Persons with Disabilities to obtain funding for First Sounds, a project operated through Minot State University to assure that all babies born in ND have their hearing checked before they leave the hospital.

Although there have been many accomplishments, concerns about unmet needs remain for this population.

- Children with special health care needs and their families often require services beyond those included in a basic insurance benefits package. Exclusions for pre-existing conditions, therapy limitations, access to dental/orthodontic services, and the hardship of growing out-of-pocket costs including health-related transportation, are just a few of the problems families face. The Specialty Care Program can address some of these needs through continued evaluation of services provided for covered medical conditions.
- Children with special health care needs and their families also need adequate access to pediatric specialty care. This is important for all children, but especially those in the rural or frontier areas of the state. Multidisciplinary clinics for additional conditions like asthma should be considered, as could specialty care provided via telemedicine.
- It would be helpful to provide care coordination services for children with special health care needs through local public health nurses in other counties within the state.
- We have strengthened the consumer voice through the Children's Special Health Services Family Advisory Council. The likelihood of meeting a required federal performance measure that documents family participation could be increased through a family consultant to the Children's Special Health Services Division.
- In addition to focusing on needs assessment and performance measures through the State Systems Development Initiative, data capacity needs to be addressed, specifically capacity around data linkages and birth defects surveillance systems.

IV. Budget Highlights (attachment C)

- The majority of funding for the Division comes from the Maternal and Child Health Services (MCH) Block Grant. This grant requires that for every four dollars of federal money spent there must be a match of at least three dollars spent. It also requires that a minimum of 30% of federal MCH Block Grant funds be used to support services for children with special health care needs. It is the legislative intent of the House that a waiver be sought from the federal government allowing the state to spend less than 30% of this grant for children with special health care needs during the next biennium. There is currently an excellent working relationship between the Divisions within the Health Department and the Department of Human Services that manage the MCH Block Grant. Both departments agree that a waiver may be premature and would reduce state flexibility to manage this grant effectively.
- The Division also cooperatively administers the State Systems Development Initiative (SSDI) Grant with the Maternal and Child Health Division in the Department of Health. The SSDI grant requires no general fund match.
- The total Children's Special Health Services budget from the House is $2,219,430, a decrease of $50,000 from the Governor's budget.
- With the House amendments, the Division's budget includes $801,404 in general funds and $1,418,026 in federal funds for the 2001-2003 biennium.
- $896,203 of the Division's funding is in salary and benefits. While this may seem high, it should be noted that state-level staff within Children's Special Health Services actually provides direct services for families through clinics and other client-related activities.
- $127,202 is in the operating line. A House amendment reduced operating expenses by $50,000, $21,500 in general funds and $28,500 in federal funds. The biggest impact of this reduction is for operating service contracts funded through the MCH Block Grant

and for professional services of the CSHS Medical Director whose time will need to decrease from an average of five hours to three hours per week. We would like to see most of the operating authority restored in these two areas in order to fund a family consultant to the Division in compliance with federal expectations, as well as to maintain the services of our Medical Director at the level currently being provided.

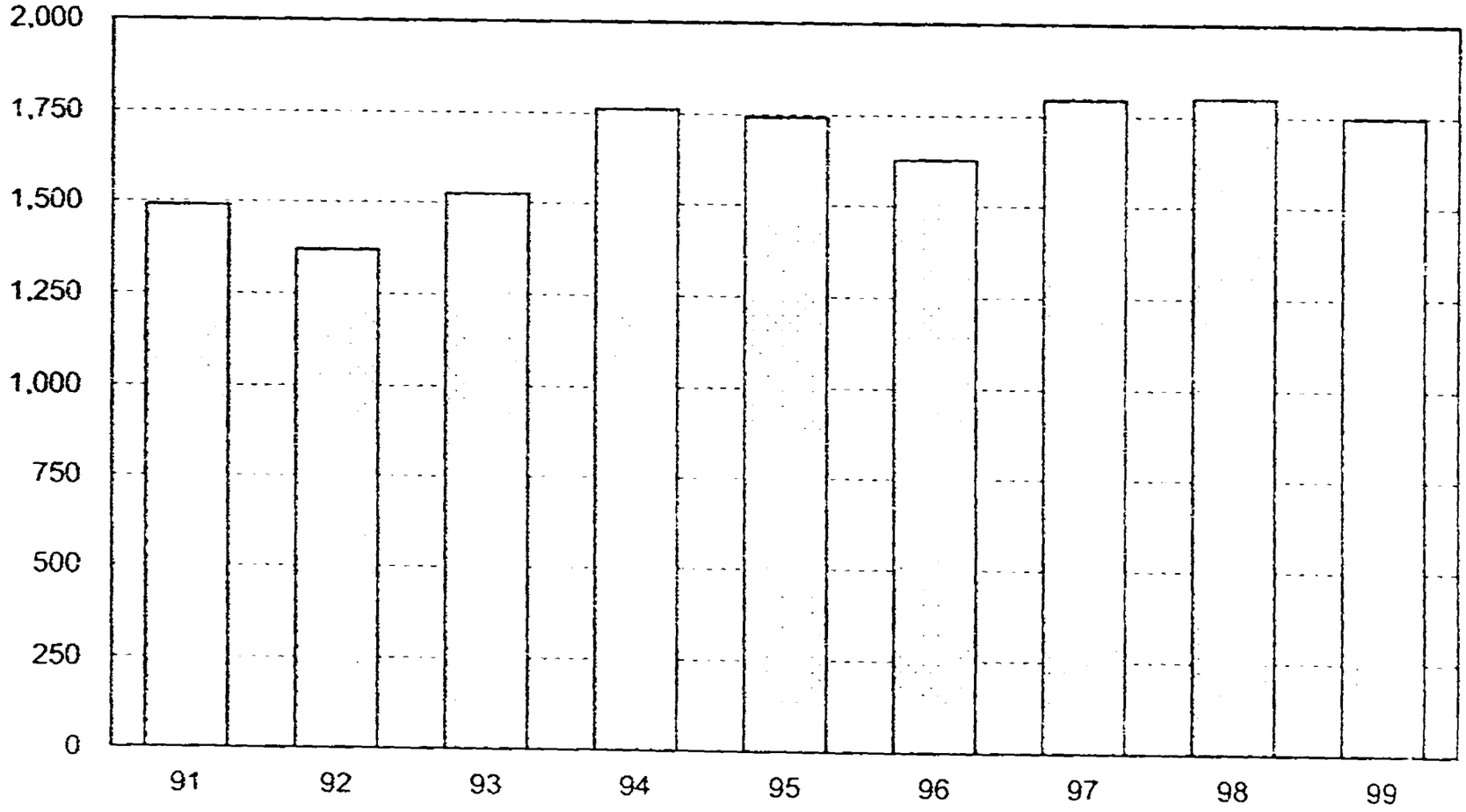
- $1,196,025 of the Division's funding is in grants. The grant line includes claims payments and service contracts. The Division will attempt to obtain local match to expand care coordination and multidisciplinary clinic services during the next biennium.

In summary, Children's Special Health Services' mission is to improve children's health.

- The children served through the Division are those with chronic health conditions who need more health and related services than most children generally require.
- Programs supported help by providing a critical health safety net for children with special health care needs. By paying for diagnostic and treatment services that result in increased access to pediatric specialty care, the Division helps uninsured and underinsured children. By providing multidisciplinary clinics, the Division supports a coordinated, team approach to management of children's chronic health conditions. This method or model of service delivery has proven effective in our rural state. The Care Coordination Program supports service access and integrative planning for children with special health care needs and their families, many of which need a comprehensive set of services and supports to be healthy. Lastly, administrative staff within the Division provide leadership and support partnerships to address children's health issues.

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

North Dakota Department of Human Services
Children's Special Health Services
Unduplicated Number of Children Served
Program Data By Federal Fiscal Year 1991 - 1999
HB 1012 to Senate
2001 - 2003 Biennium



Attachment A

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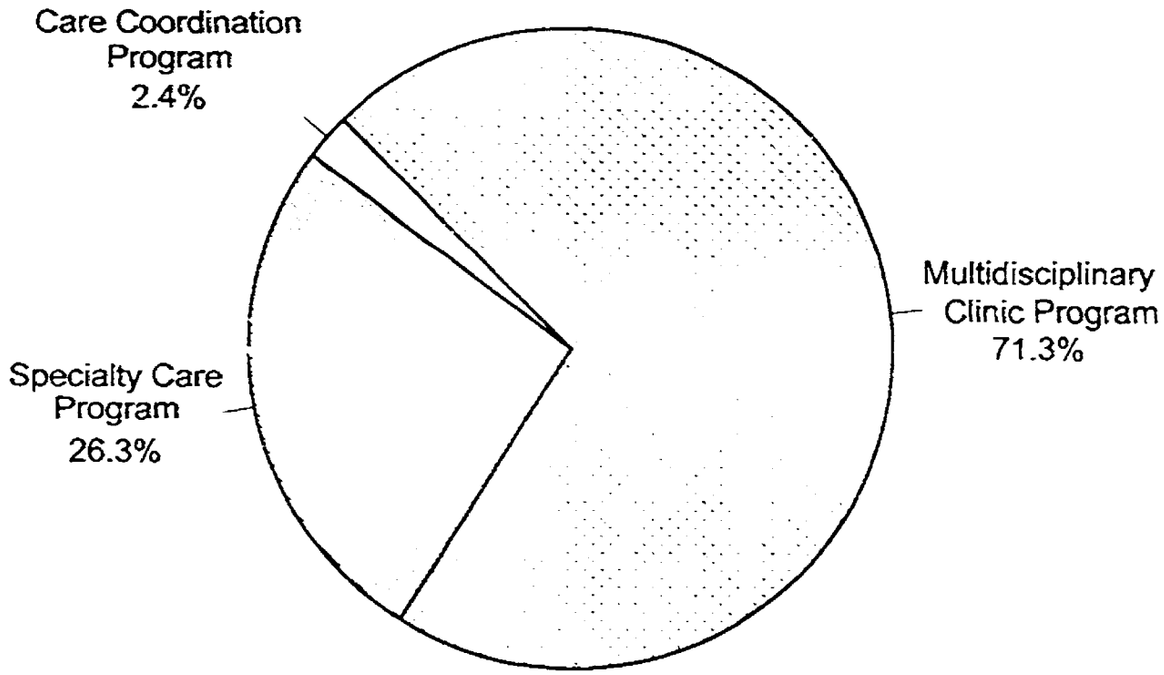
North Dakota Department of Human Services
Children's Special Health Services
Children Served By Program Type in 1999
HB 1012 to Senate
2001 - 2003 Biennium

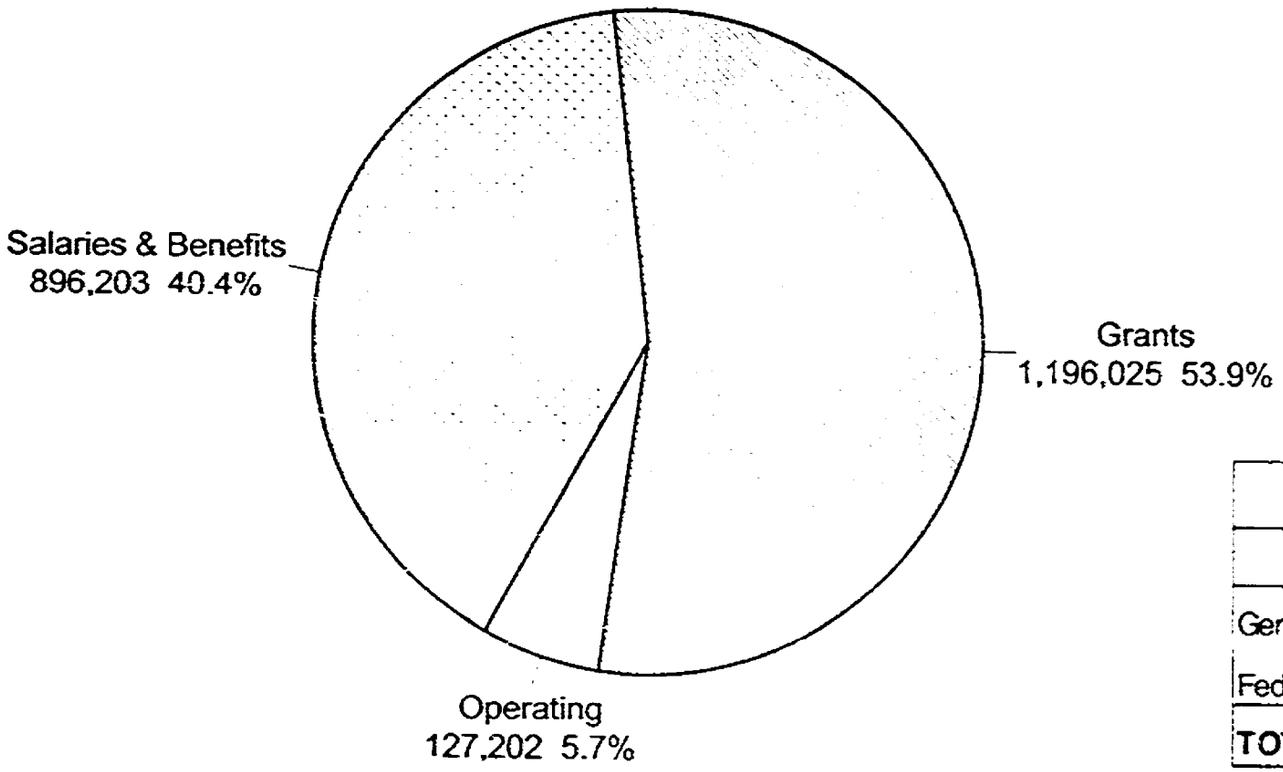


Program	Number of Children Served	Percent
Specialty Care Program	470	26.3%
Multidisciplinary Clinic Program	1,273	71.3%
Care Coordination Program	42	2.4%

Attachment B

FA-2/22/01-cj-\hgw\0103legis\cshsen

North Dakota Department of Human Services
Children's Special Health Services Budget
HB 1012 to Senate
2001 - 2003 Biennium



Funding		
	Amount	Percent
General	$801,404	36.1%
Federal	$1,418,026	63.9%
TOTAL	**$2,219,430**	**100.0%**

Attachment C

FA-2/22/01-cj-\hgw\0103legis\cshsen

1-15-01 Public Comment #19

Tape 2 side B

HB 1012

House Human Resource Subcommittee of the House Appropriations Committee

January 15, 2001

Good morning Chairman Svedjan and members of the House Human Resource Subcommittee. My name is Leanne Johnson and I am employed by Lutheran Social Services/ND and serve as the Adoption Director for A.A.S.K. (Adults Adopting Special Kids). I am providing this written testimony in regards to House Bill Number 1012.

The A.A.S.K. program is a collaborative effort between Lutheran Social Services/ND, The Village Family Services Center and the North Dakota Department of Human Services. Turtle Mountain Child Welfare & Family Services is affiliated with A.A.S.K. This program is responsible for the adoption of special needs children in North Dakota. These children have generally been in the custody of County Social Services or a Tribe prior to the termination of parental rights. Many times they have had multiple placements outside of their birth home. They may be older children, children placed along with a sibling for adoption, children with a mental, physical, emotional disability, or children of minority race which make them difficult to place. Often, many children meet several of these criteria. Parents adopting these children can be family members, grandparents or foster parents. In addition, parents wishing to start, add to, or complete their family open their hearts and homes to adopt these challenging children.

From 1993 until 1998, A.A.S.K. placed a total of 194 children and completed a total of 179 adoptive family assessments. In the year 1999, 55 children were placed for adoption and in 2000, 100 children were placed for adoption. Thus, in the past biennium, the program placed nearly as many children in two years as it had in the first five years of this collaboration. In 1999, 45 family assessments

were completed and in 2000, 79 family assessments were completed. Again, the past two years statistics illustrate dramatic increases.

Currently, the AASK program is actively working to place 101 waiting children for adoption. The program is aware of and involved with 109 additional children in various stages of permanency planning. This reflects a total number of 210 children receiving A.A.S.K. services. Furthermore, the program is actively working with 95 families, providing adoption preparation, assessment or placement supervision services. The program is aware of 45 additional families who are awaiting services. These number do not reflect the number of North Dakota families who have adopted in the past but would benefit from post-adoption services.

The growth experienced in the past two years are largely reflective of anticipated outcomes resulting from the Federal Adoption and Safe Families Act of 1997, also known as ASFA, and implemented in North Dakota through Senate Bill 2171 in 1999. This legislation promoted earlier permanency for children with due diligence and expedience. Not only was the time period shortened for when a county is required to pursue a termination of parental rights, this law encouraged early permanency planning, known as "concurrent planning". Thus, the point at which adoption information and resources are needed is earlier. These practices result in better outcomes for children and families and the increases described above.

Although increases in the state adoption budget over the past biennium have assisted AASK to serve more children and families, this increase still does not bring adoption caseloads within agency accreditation standards. Furthermore, the current funding level will not provide AASK the ability to administer quality adoption services to all the children and families of North Dakota. In an effort to ensure quality services and manageable caseload sizes, the AASK program is not accepting new referrals at this time. It is important to note, however, that the

state is still mandated to serve this population. The AASK program is in need of four additional staff positions based on current projections. More details will be forthcoming, including information from the President/CEO of the two agencies, regarding the specific budgetary impact of this request.

I'd like to take a few more minutes to introduce a few of North Dakota's waiting children. While these names have been changed, their stories are true. "Tommy" is a handsome fifteen-year-old with a great sense of humor. He has one sister and three brothers, with whom there is limited contact. Continued contact with his siblings is desired. He is in the 10th grade and does relatively well in school. He has experienced a history of abuse and has been involved in counseling services to assist him with these issues. He has been legally freed for adoption for approximately a year.

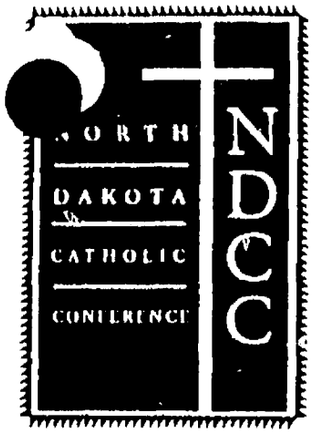
"Kelly" is a petite young lady, who is thirteen-years-old. She has blonde hair with big, beautiful blue eyes. Kelly was born the second oldest of five children. Two of her siblings remain with her birth mother and one is now an adult. Kelly was first placed in care when she was nine and has been legally freed for adoption for nearly eighteen months. She is a seventh grader under an Individual Education Plan. Kelly sees a therapist on a weekly basis and is under a doctor's care for medication to control her behaviors. Behavior modification, medication and consistency seem to work best with Kelly.

Finally, meet "Susie", a seven- year old, who was actually placed for adoption in 2000. She and her sister were adopted by their foster parents. She has another sibling with whom she has some contact. Susie's birth mother struggled with chemical dependency and mental illness. Susie and her siblings often experienced significant neglect and homelessness. Susie first entered the foster care system at age 2. Susie anxiously waited the day she would be adopted. On that day, she asked her adoption specialists many questions about what adoption meant. While explaining this, the specialist told Susie that she was no

longer a foster child. Susie took this in and went on with the other activities. When leaving, Susie asked her adoption worker one more time, saying, "you mean that I am not a foster child any more?" The worker replied, "no, you're not a foster child any more... you're an adopted child!" With a large smile on her face, Susie replied "I'm real!"

In order to provide quality services to the children and families of North Dakota, I ask that you fully consider the portion of the budget directly funding special needs adoption and ensure that all waiting children can "become real." Thank you for the opportunity to provide information to your committee regarding this important matter.

#32



Christopher T. Dodson
Executive Director

To: House Appropriations Committee, Human Resources Division
From: Christopher T. Dodson, Executive Director
Subject: HB 1012 Department of Human Services Appropriation
Date: January 15, 2001

My name is Christopher Dodson and I am the Executive Director of the North Dakota Catholic Conference.

We appreciate this opportunity to provide public comment on HB 1012. The work of the Department of Human Services is among the most important of our work as citizens of North Dakota, not only because it touches the lives of so many, but also because the work restores and enhances the life and dignity of those who should have the highest priority in our society - the poor, the aged, the infirm, the disabled, the mentally ill, the sick. Since these persons are often treated as the "least among us," they deserve our greatest attention and, ultimately, the state's budget must be judged according to whether it enhances or diminishes their life and dignity.

It is not possible to comment on all the important tasks of the Department and the various budget requests. We take this opportunity, therefore, to call attention to one particular issue -- the problem of crisis and out-of-wedlock pregnancies. The state's abortion rate -- the percentage of pregnancies ending in abortion -- is at a ten-year high. In 1999, 10.3 % of all North Dakota pregnancies ended in an abortion. That same year, 26.7% of all pregnancies for North Dakota women 15 to 17 years of age ended in abortion. That rate is probably higher for women age 20 to 25 since they have the highest incidence of abortion. This trend is particularly disturbing since most states are seeing dramatic declines in abortion rates and numbers.

We believe that the state, through its services, can help address this problem by working to reduce out-of-wedlock pregnancies for all ages, providing pregnant women with resources services to help them choose childbirth, and advancing adoption services. While we have many good programs, what we currently have is not enough and certainly helping these women is consistent with the purposes of welfare reform. Please give these matters serious consideration in HB 1012.

1-15-01 Tape 2 side B #18

Chairman Svedjan and Members of the Committee:

My name is Jodi Pelishek, and I am speaking in support of not only sustaining, but **increasing the budget allotted for special needs adoptions in this state.**

I'd like to introduce you to my son, Karl. We adopted Karl when he was only four weeks old. Although he had a variety of medical and developmental issues, Karl was able to bond and develop a strong attachment to us. We believe that much of the progress he has made over the past 13 years is reflective of his sense of trust, stability, and love, a result of early placement and positive supports provided by the adoption agency.

Next, meet Emily. Emily was nineteen months old when she joined our family. She had been transferred repeatedly between two homes before coming to us. Emily's transition to our home was much more difficult than Karl's. Her birthmother had placed her for adoption, and a foster family cared for her until another home was found. Visits ensued, and she became part of *that* family. Unfortunately, because of the risk that was discovered in that placement, Emily was again sent back to the foster home. Finally, she was placed with us. Emily was fortunate. Foster children often experience many more placements than Emily had. Although she warmed to our family, her nights were spent crying and screaming, for several years – unable to process the numerous changes she had been required to make at such a young age. She is still quite insecure and volatile, and sometimes has difficulty believing that our commitment to her is a lifelong one.

Finally, meet Mary. Mary was in a dysfunctional home until age 10, with temporary placements during that time. Although Mary asked two sets of foster parents, potential adoptive parents, teachers, and even camp counselors to take her home and keep her, none of them were able to do so. We adopted Mary when she was fourteen. It didn't take us long to discern that she had a severe attachment disorder. Our adoption social worker (through AASK – Adults Adopting Special Kids,) played an invaluable role. Although her workload was high, she continued to offer support and encouragement throughout the next couple of years. Many workers are not able to do this, because of lack of both funds and staff. There were many times when my husband and I could have disrupted the adoption and, in fact, were advised to do so by friends.

We were determined that we would be Mary's forever family. Everyone previous had let her down, and the people she'd loved had rejected her. We tried to establish a home in which she could feel safe and loved, but even after years of intensive therapy, she was unable to successfully attach. Mary continued to display extremely disruptive behavior. Sadly, last summer we moved her to an apartment with full time staff to keep the rest of our children safe. We continue to provide for her, and will always be her family.

Early intervention and early placement are **critical** in the success of adoptions for children who have special needs. In addition, **it is essential that families receive the supports they need before, during and after finalizing an adoption.** Parents who adopt children with special needs must be well screened, well trained, and well informed. Presently there are between 27 and 30 children in North Dakota who are waiting for families. Our experience has been that the longer a child must wait, the more difficult that transition will be.

Without adequate budgets, there cannot be adequate supports. Without appropriate and ongoing supports, families will be unable to meet the challenges of providing **forever homes** for these children.

HB 1012

ADULTS ADOPTING SPECIAL KIDS (AASK)
SENATE APPROPRIATIONS COMMITTEE
MARCH 1, 2001

Rev. Keith D. Ingle, MSW
President, Lutheran Social Services of North Dakota

Mr. Chairman, and Senators. Gary Wolsky, President of the Village, sends his regrets that he is not able to be here today to offer his comments. Gary asked that I speak on behalf of both The Village and Lutheran Social Services of North Dakota. Thank you for these few moments to share with you an important concern of both our agencies.

Adults Adopting Special Kids (AASK) was the first of its kind. It is a collaborative effort of the Division of Children and Family Services of the Department of Human Services and The Village and Lutheran Social Services of North Dakota.

This project began with the premise that if we worked together with no boundaries that we could serve children with special needs within our state more effectively and efficiently. Since its inception in 1993 it has worked extraordinarily well.

- From the year it became active in 1993 through 1998 AASK placed an average of 32 children per year.
- In 1999, AASK placed 55 children.
- In the calendar year 2000 AASK placed 100 children.
- At present, ASSK is providing services to 194 children with special needs. Some of these children have their parental rights terminated and are free for adoption. Others are in the process of having there parental rights terminated. Regrettably, there are 20 children waiting that we cannot serve.
- Our staff have served far more children at a given time than case load standards and common sense dictates.
- These caseload standards mandate that a staff person provide services at any given time for a maximum of 21 children and families in the process of adoption and 15 additional children who are engaged in the preparation process.
- As of January 4th Gary Wolsky and I sent a directive to Leanne Johnson, Director of AASK, directing that no new cases be accepted by any worker until they were within acceptable standards. We did this because we saw exhausted staff leaving, extraordinary pressure on a very gifted director, and our concern that the high quality of service that we had been providing was going to inevitably begin eroding.
- The present budget calls for a "hold even" position in regards to AASK. We fully respect the difficult dilemma that the legislator faces trying to balance the well being of our citizens within the state and the fiscal resources at your disposal.
- For AASK, a hold even budget is actually an erosion of effective dollars by the cost of inflation (approximately 3% per year). With these same dollars we will have only 96% of our purchasing power in two years.
- To meet the needs of the children with special needs and families now waiting for service will require four additional full time staff at a cost of approximately $223,000.

I would respectfully request that the members of this committee seriously consider not just holding the line, but adding the required funds so that we can serve these children who have such exceptional needs. The children will be better off, the state will save funds by these children not languishing in Foster Care and our society as a whole will benefit by having children that grow up in loving stable homes.

Thank you for your time and kind consideration.

HB 1012

Senate Appropriations Committee

March 1, 2001

Good morning Chairman Nething and members of the Senate Appropriations Committee. My name is Leanne Johnson and I am employed by Lutheran Social Services/ND and serve as the Adoption Director for A.A.S.K. (Adults Adopting Special Kids). I am providing this written testimony to support an increase in funding for the special needs adoption line item of House Bill Number 1012.

The A.A.S.K. program is a collaborative effort between Lutheran Social Services/ND, The Village Family Services Center and the North Dakota Department of Human Services. Turtle Mountain Child Welfare & Family Services is affiliated with A.A.S.K. This program is responsible for the adoption of special needs children in North Dakota. These children have generally been in the custody of County Social Services or a Tribe prior to the termination of parental rights. Many times they have had multiple placements outside of their birth home. They may be older children, children placed along with a sibling for adoption, children with a mental, physical, emotional disability, or children of minority race which make them difficult to place. Often, many children meet several of these criteria. Parents adopting these children can be family members, grandparents or foster parents. In addition, parents wishing to start, add to, or complete their family open their hearts and homes to adopt these challenging children.

I have included two attachments with my testimony for your review. These attachments highlight relevant statistical information for the AASK program. Over the past two years, the AASK program has grown in the number of clients, nearly doubling the number of adoptive placements within one year. To meet this demand, four additional adoption specialists and one assistant director were hired. While this staff increase has definitely helped, it is not enough. Currently,

there are at least 20 North Dakota children in need of AASK services and over 60 families ready for AASK services that must wait due to staffing constraints.

During Rev. Ingle's testimony, he referenced the fact that no new cases may be assigned to an AASK Specialist until their caseloads are within the caseload standards. AASK's caseload size standard is 17 – 21 children and family cases plus an additional 10 –15 "concurrent referrals." This caseload size is higher than nationally recognized caseload size recommendations. Caseload size standards are necessary to ensure that the quality services North Dakotans deserve can be provided. However, as a result of our current staffing levels, it also means that many children and families wait. They wait for services that the state is mandated to provide.

These very services and mandates are outlined in the Federal Adoption and Safe Families Act of 1997 and implemented in North Dakota through Senate Bill 2171 in 1999. This legislation promoted earlier permanency for children with due diligence and expedience. Not only was the time period shortened for when a county is required to pursue a termination of parental rights, this law encouraged early permanency planning, known as "concurrent planning". Thus, the point at which adoption information and resources are needed is earlier. These practices result in better outcomes for children and families and the increases described today. With the current funding level, the requirements of this legislation cannot be fully met.

I can talk at length regarding the statistics and the statutes that support my request today, the true message is that there are children in the state of North Dakota who need a forever family. It is their story, their lives that drive this program. I'd like to take this opportunity for you to hear a bit of "Susie's" story. "Susie" is a charming seven- year old, who was placed for adoption in 2000. She and her sister were adopted by their foster parents. She has another sibling with whom she has some contact. Susie's birth mother struggled with chemical

dependency and mental illness. Susie and her siblings often experienced significant neglect and homelessness. Susie first entered the foster care system at age 2. Susie anxiously waited the day she would be adopted. On that day, she asked her adoption specialists many questions about what adoption meant. While explaining this, the specialist told Susie that she was no longer a foster child. Susie took this in and went on with the other activities. When leaving, Susie asked her adoption worker one more time, saying, "you mean that I am not a foster child any more?" The worker replied, "no, you're not a foster child any more... you're an adopted child!" With a large smile on her face, Susie replied "I'm real!"

In order to provide quality adoption services to the children and families of North Dakota, I ask that you increase the special needs adoption line item of HB 1012 by $223,000 per year and ensure that all waiting children can "become real." Thank you for the opportunity to provide information to your committee regarding this important matter.

A.A.S.K. PROGRAM - CASELOAD SUMMARY

As of February 21, 2001

ADOPTION PREPARATION SERVICES

Children

Preliminary Planning Services *(Known as "Concurrent Referrals")*	=	**112**
Active Preparation Services *(Number of assigned child cases)*	=	**83**

Families

Families actively involved in the adoption assessment process	=	**45**
"Approved" families awaiting adoptive placement	=	**24**

ADOPTION PLACEMENT SERVICES

Families receiving post-placement supervision services	=	**32 families** *(involving **46** children)*

POST LEGAL FOLLOW-UP CONTACTS

Average of **25** contacts per month

CHILDREN AND FAMILIES UNABLE TO BE ADEQUATELY SERVED

Children in need of A.A.S.K. services on a waiting list	=	**20**
Preliminary Planning Services ***(Known as "Concurrent Referrals")***	=	**112***

**these children cannot receive full services until there is an opening on an AASK Adoption Specialist's caseload, thus they wait, too.

Families requesting A.A.S.K. services on waiting list	=	**63**

Lenore Johnson testimony Attachment HB 1012

2000 AASK Statistics

Adoptive placements for 2000: 100

Grand Forks:	18 (3 regular special needs, 9 foster-adopt, 1 relative, 5 grandparent)
Fargo:	32 (7 regular special needs, 21 foster-adopt, 3 relative, 1 ICPC)
Bismarck:	20 (2 regular special needs, 14 foster-adopt, 4 grandparent)
Minot:	10 (6 foster-adopt, 4 regular special needs)
Turtle Mountain:	20 (8 foster-adopt, 12 relative)

Placement Information:

21 sibling groups (involving 55 kids)
Turtle Mountain 4 sibling groups (involving 13 kids)
58 foster adopt (58 kids with 39 families)*relatives providing foster care were Considered foster adopt
16 regular special needs adoptions (involving 10 families)
1 kid referred through ICPC (MN)
1 placed through exceptions approved by the state
11 kids placed out of state (3 MN, 2 CA, 2 SD, 2 NC, 2 IL)
2 placed across **AASK** regions
Average length of time between referral and placement was 9.5 months
Turtle mountain average length of time between referral and placement was 35 month.
7 children disrupted from adoptive placement
(This includes sibling groups of 2 and 3 children and 2 other individual children).
Racial breakdown:

Kids:	56 Caucasian
	33 Native American
	2 Bosnian
	3 African American
	1 Hispanic
	5 Mixed
Families:	69 Caucasian
	8 Native American
	2 Mixed (Caucasian/Native American, Iranian/Caucasian)

Adoptive Assessments Completed:

79 (62 new, 5 updates, 3 second studies, 3 denials, 2 withdrawals, 2 addendums)

Fargo Region:	23 new, 3 updates, 3 second study, 3 addendums, 2 denials
Grand Forks Region:	9 new, 1 denial
Bismarck Region:	14 new, 1 addendum, 2 withdrawal
Minot Region:	9 new, 2 updates
Turtle Mountain:	7 new

Subsidy Applications Completed: 98
Number of Adoptions Finalized in 2000: 63
Post Finalization Subsidy Applications Submitted: 3

2000 AASK Statistics – *Page 2*

Inquiry Meetings	
Grand Forks:	2
Devils Lake:	2
Fargo:	2
Bismarck:	2
Dickinson:	1
Minot:	2
Valley City	1
Williston	2
Jamestown	0
Turtle Mountain	0

Pride Groups	
Grand Forks:	3
Devils Lake:	2
Fargo:	9
Valley City:	1
Bismarck:	3
Dickinson:	1
Minot:	2
Jamestown	1
Williston	2
Turtle Mountain	2

Compiled Stats:

YEAR	CHILDREN PLACED	ASSESSMENTS COMPLETED
1993	12	12
1994	34	36
1995	28	29
1996	24	24
1997	50	43
1998	46	45
1999	55	46
2000	100	79
TOTAL	**349**	**314**

HB 672

Adults Adopting Special Kids

Chairman Nething and Members of the Committee:

My name is Jodi Pelishek, and I am speaking in support of **increasing funding of** the line item of **special needs adoptions** in this state to **$223,000.**

I'd like to introduce you to my son, **Karl**. We adopted Karl when he was only **four weeks old**. Although he had a variety of intense medical and developmental issues, Karl was able to bond and develop a strong attachment to us. We believe that much of the progress he has made over the past 13 years is reflective of his sense of trust, stability, and love, a result of early placement and positive supports provided by the adoption agency.

Next, meet **Emily**. Emily was **nineteen months old** when she joined our family. She had been transferred repeatedly between two homes before coming to us. Emily's transition to our home was much more difficult than Karl's. Her birthmother had placed her for adoption, and a foster family cared for her until another home was found. Visits ensued, and she became part of *that* family. Unfortunately, because of the risk that was discovered in that placement, Emily was again sent back to the foster home. Finally, she was placed with us. Emily was fortunate. *Foster children often experience many more placements* than Emily had. Although she warmed to our family, her nights were spent crying and screaming, for several years – unable to process the numerous changes she had been required to make at such a young age. She is still quite insecure and volatile, and sometimes has difficulty believing that our commitment to her is a lifelong one.

Finally, meet **Mary**. Mary was in a dysfunctional home until age 10, with temporary placements during that time. Although Mary asked two sets of foster parents, potential adoptive parents, teachers, and even camp counselors to take her home and keep her, none of them were able to do so. We adopted Mary when she was **fourteen**. It didn't take us long to discern

that she had a severe **attachment disorder**. Our adoption social worker (through AASK – Adults Adopting Special Kids,) played an invaluable role. Although her workload was high, she continued to offer support and encouragement throughout the next couple of years. Many workers are not able to do this, because of lack of both funds and staff, and increased caseloads. There were many times when my husband and I could have disrupted the adoption and, in fact, were advised to do so by friends. It was the adoption support that kept us going.

We were determined that we would be Mary's forever family. Everyone previous had let her down, and the people she'd loved had rejected her. We tried to establish a home in which she could feel safe and loved, but even after years of intensive therapy, she was unable to successfully attach. Mary continued to display extremely disruptive behavior. Sadly, last summer we moved her to an apartment with full time staff to keep the rest of our children safe. We continue to provide for her, and will always be her family. Had there been staff available to pursue a placement for her at a younger age, with adequate supports, some of her own trauma could have been avoided, as well as the trauma that she inflicted on our other children and our family.

Early intervention and early placement are **critical** in the success of adoptions for children who have special needs. In addition, **it is essential that families receive the supports they need before, during and after finalizing an adoption.** If supports are not available for kids and parents at this crucial time, even more services will be necessary in the future.

Parents who adopt children with special needs must be well screened, well trained, well informed and well supported. Presently there are between 27 and 30 children in North Dakota who are waiting for families. Our experience has been that the longer a child must wait, the more difficult that transition will be.

It is a wise and worthy investment to provide enough budget and staff to place children early, decreasing the severity of problems that can develop, and the corresponding costs, and ensuring that adoptive families are supported as they provide homes and healing to these kids.

Without adequate budgets, there cannot be adequate supports. Without appropriate and ongoing supports, children will continue to wait for homes, losing valuable time, and families will be unable to meet the challenges of providing **forever homes** for these children.

2001-2003 SUBSIDIZED ADOPTION BUDGET

All Subsidized Adoption

July 2001 - June 2003

Estimated 5/2000

	Number of IV-E Elig. Children	Average Cost Per Child	Total Cost of IV-E Elig. Children	Federal	State Share	County Share	Number of Regular Match Children	Average Cost Per Child	Total Cost of Regular Match Children	Federal	State Share	County Share	Total Caseload	Average Cost Per Child	Total Expenditures: Total - All Types of Care	Federal	State Share	County Share
Jul-01	282	$501.71	$131,448	$92,000	$30,217	$9,231	110	$501.71	$55,188	$0	$41,391	$13,797	392	$501.71	$186,636	$92,000	$71,608	$23,028
Aug-01	283	$501.71	$131,950	$92,352	$30,332	$9,266	111	$501.71	$55,690	$0	$41,768	$13,922	394	$501.71	$187,640	$92,352	$72,100	$23,188
Sep-01	285	$501.71	$132,953	$93,054	$30,563	$9,336	112	$501.71	$56,192	$0	$42,144	$14,048	396	$502.42	$189,145	$93,054	$72,707	$23,384
Oct-01	286	$501.71	$133,455	$93,245	$30,801	$9,409	112	$501.71	$56,192	$0	$42,144	$14,048	398	$500.78	$189,647	$93,245	$72,945	$23,457
Nov-01	288	$501.71	$134,458	$93,946	$31,032	$9,480	113	$501.71	$56,690	$0	$42,520	$14,173	401	$501.78	$191,151	$93,946	$73,552	$23,653
Dec-01	289	$501.71	$134,960	$94,297	$31,148	$9,515	114	$501.71	$57,195	$0	$42,896	$14,299	403	$501.48	$192,156	$94,297	$74,044	$23,814
Jan-02	271	$501.71	$135,963	$94,997	$31,380	$9,586	115	$501.71	$57,687	$0	$43,273	$14,424	386	$502.47	$193,650	$94,997	$74,453	$24,200
Feb-02	272	$501.71	$136,465	$95,348	$31,496	$9,621	115	$501.71	$57,687	$0	$43,273	$14,424	388	$500.67	$194,152	$95,348	$74,788	$24,045
Mar-02	274	$501.71	$137,469	$96,050	$31,727	$9,692	116	$501.71	$58,188	$0	$43,649	$14,549	390	$501.88	$195,657	$96,050	$75,376	$24,241
Apr-02	275	$501.71	$137,970	$96,400	$31,843	$9,727	117	$501.71	$58,700	$0	$44,025	$14,675	392	$501.58	$196,670	$96,400	$75,868	$24,402
May-02	277	$501.71	$138,974	$97,101	$32,075	$9,798	118	$501.71	$59,202	$0	$44,402	$14,800	394	$502.53	$198,176	$97,101	$76,477	$24,598
Jun-02	278	$501.71	$139,475	$97,451	$32,190	$9,834	118	$501.71	$59,202	$0	$44,402	$14,800	397	$500.98	$198,677	$97,451	$76,692	$24,534
Jul-02	280	$512.75	$143,569	$100,312	$33,135	$10,122	119	$512.75	$61,017	$0	$45,763	$15,254	399	$512.97	$204,586	$100,312	$78,898	$25,376
Aug-02	281	$512.75	$144,082	$100,670	$33,254	$10,158	120	$512.75	$61,530	$0	$46,148	$15,382	401	$512.67	$205,612	$100,670	$79,402	$25,540
Sep-02	283	$512.75	$145,108	$101,387	$33,490	$10,231	121	$512.75	$62,042	$0	$46,532	$15,510	403	$513.64	$207,150	$101,387	$80,022	$25,741
Oct-02	284	$512.75	$145,620	$101,745	$33,608	$10,267	121	$512.75	$62,042	$0	$46,532	$15,510	405	$512.07	$207,662	$101,745	$80,140	$25,777
Nov-02	286	$512.75	$146,645	$102,462	$33,845	$10,339	122	$512.75	$62,555	$0	$46,916	$15,639	408	$513.04	$209,201	$102,462	$80,761	$25,978
Dec-02	287	$512.75	$147,159	$102,820	$33,964	$10,375	123	$512.75	$63,068	$0	$47,301	$15,767	410	$512.74	$210,227	$102,820	$81,295	$26,112
Jan-03	288	$512.75	$147,671	$103,178	$34,082	$10,411	124	$512.75	$63,581	$0	$47,686	$15,895	412	$512.45	$211,252	$103,178	$81,768	$26,306
Feb-03	290	$512.75	$148,697	$103,895	$34,318	$10,484	125	$512.75	$64,093	$0	$48,070	$16,023	414	$513.40	$212,790	$103,895	$82,388	$26,507
Mar-03	291	$512.75	$149,210	$104,253	$34,437	$10,520	125	$512.75	$64,093	$0	$48,070	$16,023	417	$511.87	$213,303	$104,253	$82,907	$26,543
Apr-03	293	$512.75	$150,235	$104,969	$34,674	$10,592	126	$512.75	$64,606	$0	$48,455	$16,151	419	$512.81	$214,841	$104,969	$83,129	$26,743
May-03	294	$512.75	$150,748	$105,328	$34,792	$10,628	127	$512.75	$65,119	$0	$48,839	$16,280	421	$512.53	$215,867	$105,328	$83,537	$26,908
Jun-03	296	$512.75	$151,773	$106,044	$35,028	$10,701	128	$512.75	$65,632	$0	$49,224	$16,408	423	$513.45	$217,405	$106,044	$84,252	$27,109
TOTAL	6,893	$507.23	$3,394,058	$2,371,304	$783,431	$239,323	2,852	$507.23	$1,447,224	$0	$1,085,423	$361,801	9,745	$507.23	$4,841,282	$2,371,304	$1,868,854	$601,128
1999-2001 Budget:			$3,204,529	$2,251,008	$750,985	$202,536	1999-2001 Budget:		$1,342,756	$0	$1,023,964	$339,588	1999-2001 Budget:		$4,547,285	$2,251,008	$1,774,951	$541,326
Difference:			($191,537)	($122,296)	($32,446)	($36,795)	Difference:		($84,468)	$0	($62,255)	($22,213)	Difference:		($276,005)	($122,296)	($94,097)	($59,802)

Match Code	Base Rate June 2001	Base Caseload	Factor
IV-E	$490.91	282	1.4590
Regular	$490.91	110	0.7665

Rate Increase July 2001	2.2%
Rate Increase July 2002	2.2%

FMAP Rates	
FY01	59.99%
FY02	59.87%
FY03	59.87%

IV-E State share of the Non-Federal Costs =	75.0%
IV-E County share of the Non-Federal Costs =	25.0%
Regular State share of the Non-Federal Costs =	75.0%
Regular County share of the Non-Federal Costs =	25.0%

Brenda

1-23-01

2001-2003 SUBSIDIZED ADOPTION BUDGET

All Subsidized Adoption

July 2001 - June 2003

Estimated 12/2000

	Number of IV-E Elig. Children	Average Cost Per Child	Total Cost of IV-E Elig. Children	Federal	State Share	County Share	Number of Regular Match Children	Average Cost Per Child	Total Cost of Regular Match Children	Federal	State Share	County Share	Total Caseload	Average Cost Per Child	Total All Types of Care	Federal	State Share	County Share
Jul-01	309	$501.71	$153,523	$107,451	$35,291	$10,781	110	$501.71	$55,188	$0	$41,39[illegible]	$13,797	419	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Aug-01	311	$501.71	$156,032	$109,207	$35,868	$10,957	111	$501.71	$55,690	$0	$41,768	$13,922	422	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Sep-01	316	$501.71	$158,540	$110,962	$36,445	$11,133	112	$501.71	$56,192	$0	$42,144	$14,048	428	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Oct-01	321	$501.71	$161,049	$112,525	$37,169	$11,355	113	$501.71	$56,693	$0	$42,520	$14,173	434	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Nov-01	326	$501.71	$163,557	$114,277	$37,746	$11,532	114	$501.71	$57,195	$0	$42,896	$14,299	440	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Dec-01	331	$501.71	$166,066	$116,030	$38,323	$11,708	115	$501.71	$57,697	$0	$43,273	$14,424	446	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Jan-02	336	$501.71	$168,575	$117,783	$38,907	$11,885	116	$501.71	$58,198	$0	$43,649	$14,549	452	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Feb-02	341	$501.71	$171,083	$119,536	$39,485	$12,062	117	$501.71	$58,700	$0	$44,025	$14,675	458	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Mar-02	346	$501.71	$173,592	$121,289	$40,064	$12,239	118	$501.71	$59,202	$0	$44,402	$14,800	464	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Apr-02	351	$501.71	$176,100	$123,041	$40,642	$12,418	119	$501.71	$59,703	$0	$44,777	$14,926	470	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
May-02	356	$501.71	$178,609	$124,794	$41,222	$12,593	120	$501.71	$60,205	$0	$45,154	$15,051	476	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Jun-02	361	$501.71	$181,117	$126,546	$41,801	$12,770	121	$501.71	$60,707	$0	$45,530	$15,177	482	$501.71	[illegible]	[illegible]	[illegible]	[illegible]
Jul-02	366	$512.75	$187,666	$131,122	$43,313	$13,231	122	$512.75	$62,555	$0	$46,916	$15,639	488	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Aug-02	371	$512.75	$190,229	$132,913	$43,904	$13,412	123	$512.75	$63,068	$0	$47,301	$15,767	494	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Sep-02	376	$512.75	$192,793	$134,704	$44,496	$13,593	124	$512.75	$63,581	$0	$47,686	$15,895	500	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Oct-02	381	$512.75	$195,357	$136,496	$45,088	$13,773	125	$512.75	$64,093	$0	$48,070	$16,023	506	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Nov-02	386	$512.75	$197,921	$138,287	$45,680	$13,954	126	$512.75	$64,606	$0	$48,455	$16,151	512	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Dec-02	391	$512.75	$200,484	$140,078	$46,271	$14,135	127	$512.75	$65,119	$0	$48,839	$16,280	518	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Jan-03	396	$512.75	$203,048	$141,870	$46,862	$14,316	128	$512.75	$65,632	$0	$49,224	$16,408	524	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Feb-03	401	$512.75	$205,612	$143,661	$47,454	$14,497	129	$512.75	$66,144	$0	$49,608	$16,536	530	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Mar-03	406	$512.75	$208,175	$145,453	$48,045	$14,677	130	$512.75	$66,657	$0	$49,993	$16,664	536	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Apr-03	411	$512.75	$210,739	$147,243	$48,636	$14,858	131	$512.75	$67,170	$0	$50,378	$16,792	542	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
May-03	416	$512.75	$213,302	$149,015	$49,229	$15,039	132	$512.75	$67,683	$0	$50,762	$16,921	548	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
Jun-03	421	$512.75	$215,867	$150,826	$49,821	$15,220	133	$512.75	$68,195	$0	$51,146	$17,049	554	$512.75	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL	8,724	$507.23	$4,429,038	$3,095,129	$1,021,773	$312,136	2,916	$507.23	$1,479,873	$0	$1,109,907	$369,966	11,640	$507.23	$5,908,911	$3,095,129	$2,131,680	$682,102
	1999-2001 Budget		$3,204,521	$2,251,008	$750,985	$202,528	1999-2001 Budget		$1,362,756	$0	$1,023,168	$339,588	1999-2001 Budget		$4,567,277	$2,251,008	$1,774,153	$542,116
	Difference		($1,224,517)	($844,121)	($270,788)	($109,608)	Difference		($117,117)	$0	($86,739)	($30,378)	Difference		($1,341,634)	($844,121)	($357,527)	($139,986)

Rate Increase July 2001

Rate Increase July 2002

FMAP Rates	
FY01	69.99%
FY02	69.87%
FY03	69.87%

IV-E State share of the Non-Federal Costs =	76.0%
IV-E County share of the Non-Federal Costs =	23.0%
Regular State share of the Non-Federal Costs =	75.0%
Regular County share of the Non-Federal Costs =	25.0%

*Note

Reprojection 12/2000

Projected a 27% increase in IV-E eligible children over the biennium which results in a increase of 5 children per month

Projected a 17% increase in Regular Match children over the biennium which results in a increase of about 1child per month

This projection results in a 28% increase in IV-E costs from the previous biennium

This projection results in a 8% increase in Regular Match costs from the previous biennium

Paul Ronnigan

1-23-01

1999-2001 SUBSIDIZED ADOPTION BUDGET

All Subsidized Adoption

Actual Through December 2000

			ACC 4268 (FM)						ACC 4269 (Regular)						Total Expenditures			
	Number of IV-E Elig. Children	Average Cost Per Child	Total Cost of IV-E Elig. Children	Federal	State Share	County Share	Number of Regular Match Children	Average Cost Per Child	Total Cost of Regular Match Children	Federal	State Share	County Share	Total Caseload	Average Cost Per Child	Total - All Types of Care	Federal	State Share	County Share
Jul 99	0		$0	$0	$0	$0	0		$0	$0	$0	$0	0	$0.00	$0	$0	$0	$0
Aug-99	219	$462.25	$101,242	$70,809	$23,203	$7,230	95	$494.98	$47,023	$0	$35,267	$11,756	314	$472.18	$148,265	$70,809	$58,470	$18,986
Sep-99	454	$475.09	$215,690	$150,854	$49,282	$15,554	193	$506.35	$97,726	$0	$73,295	$24,431	647	$484.41	$313,416	$150,854	$122,577	$39,985
Oct-99	228	$453.26	$103,344	$72,775	$23,627	$6,942	94	$512.90	$48,213	$0	$36,160	$12,053	322	$470.67	$151,557	$72,775	$59,787	$18,995
Nov-99	232	$444.70	$103,170	$72,652	$23,588	$6,930	94	$513.01	$48,223	$0	$36,167	$12,056	326	$464.40	$151,393	$72,652	$59,756	$18,985
Dec-99	231	$463.41	$107,047	$75,382	$24,428	$7,237	96	$499.33	$47,936	$0	$35,952	$11,984	327	$473.95	$154,983	$75,382	$60,380	$19,221
Jan-00	234	$504.77	$118,117	$83,178	$26,923	$8,016	95	$502.54	$47,741	$0	$35,806	$11,935	329	$504.13	$165,858	$83,178	$62,729	$19,951
Feb-00	233	$446.91	$104,129	$73,328	$23,336	$7,465	96	$479.27	$46,010	$0	$34,508	$11,502	329	$456.35	$150,139	$73,328	$57,844	$18,967
Mar-00	236	$479.11	$113,070	$79,624	$25,320	$8,126	97	$511.87	$49,651	$0	$37,238	$12,413	333	$488.65	$162,721	$79,624	$62,558	$20,539
Apr-00	239	$465.48	$111,326	$78,396	$25,007	$7,923	97	$516.55	$50,105	$0	$37,579	$12,526	336	$480.21	$161,431	$78,396	$62,586	$20,449
May-00	237	$455.76	$108,014	$76,063	$24,230	$7,721	97	$501.53	$48,648	$0	$36,486	$12,162	334	$469.05	$156,662	$76,063	$60,716	$19,883
Jun-00	246	$497.10	$122,287	$86,115	$27,396	$8,776	101	$518.37	$52,355	$0	$39,266	$13,089	347	$503.29	$174,642	$86,115	$66,662	$21,865
Jul-00	264	$494.59	$130,572	$91,943	$29,425	$9,203	101	$505.13	$51,018	$0	$38,264	$12,755	365	$497.51	$181,590	$91,943	$67,689	$21,958
Aug-00	275	$515.67	$141,810	$99,863	$31,855	$10,092	103	$520.60	$53,622	$0	$40,217	$13,406	378	$517.02	$195,432	$99,863	$72,072	$23,498
Sep-00	277	$476.76	$132,062	$92,998	$29,693	$9,371	103	$501.46	$51,650	$0	$38,738	$12,913	380	$493.45	$183,712	$92,998	$68,431	$22,284
Oct-00	280	$479.30	$134,205	$93,930	$30,851	$9,424	103	$503.79	$51,890	$0	$38,918	$12,972	383	$495.89	$186,095	$93,930	$69,769	$22,396
Nov-00	284	$500.97	$142,275	$99,578	$32,431	$10,266	103	$510.37	$52,568	$0	$39,426	$13,142	387	$503.47	$194,843	$99,578	$71,857	$23,408
Dec-00	284	$520.55	$147,749	$103,410	$33,666	$10,673	105	$548.70	$57,614	$0	$43,211	[illegible]	389	$514.69	$205,363	$103,410	$76,877	$25,076
Jan-01	295	$502.55	$148,753	$104,112	$34,195	$10,446	106	$548.70	$58,163	$0	$43,622	$14,541	402	$514.98	$206,876	$104,112	$77,817	$24,947
Feb-01	296	$507.57	$149,758	$104,816	$34,426	$10,516	107	$548.70	$58,711	$0	$44,033	$14,678	405	$515.26	$208,469	$104,816	$78,459	$25,194
Mar-01	300	$502.55	$150,763	$105,519	$34,657	$10,587	108	$548.70	$59,260	$0	$44,445	$14,815	408	$515.25	$210,023	$105,519	$79,102	$25,402
Apr-01	302	$502.55	$151,766	$106,222	$34,888	$10,658	108	$548.70	$59,260	$0	$44,445	$14,815	410	$514.39	$211,026	$106,222	$79,333	$25,471
May-01	304	$502.55	$152,773	$106,926	$35,119	$10,728	109	$548.70	$59,809	$0	$44,857	$14,952	413	$514.29	$212,582	$106,926	$79,976	$25,680
Jun-01	306	$502.55	$153,780	$107,631	$35,350	$10,799	110	$548.70	$60,358	$0	$45,269	$15,089	416	$514.47	$214,138	$107,631	$80,619	$25,888
TAL	6,269	$484.04	$3,043,704	$2,136,124	$692,896	$214,683	2,421	$519.08	$1,257,554	$0	$943,169	$314,385	8,690	$493.60	$4,301,258	$2,136,124	$1,636,065	$529,079

Match Code	Base Rate June 1999	Base Caseload	Factor
IV-E	$470.00	231	1.6081
Regular	$470.00	96	0.8722

Rate Increase July 1999	2.2%
Rate Increase July 2000	2.2%

FMAP Rates	
FY99	69.94%
FY00	70.42%
FY01	69.99%

IV-E State share of the non-Federal Costs (Estimates) =	76.0%
IV-E County share of the non-Federal Costs (Estimates) =	23.0%
Regular State share of the non-Federal Costs (Estimates) =	75.0%
Regular County share of the non-Federal Costs (Estimates) =	25.0%

#24

1-15-01
Tape 2 side B

#17

House Appropriations Committee Testimony January 15, 2001

Mr. Chair and members of the Committee, I am Donene Feist, member of the steering committee for Voices in Partnership for Healthcare Reform. Voices in Partnership for Healthcare Reform Coalition began in April 1998 and is comprised of individuals across the state representing varieties of professional and personal life experience, including family members and consumers. Our mission is: To secure the availability of comprehensive health benefits for all persons in North Dakota. We are here to support an increase in the poverty level of the Children's Health Insurance Program from 140% to 175% of poverty. Children under CHIP will not begin their lives dependent. They will instead benefit from a quality health insurance plan that will help their families achieve economic independence. Additionally, our VIP/HR Coalition supports the removal of the asset test for Medicaid eligibility. We are one of few states who still utilize this method for eligibility. We feel this is one way to expand access, which can assist families currently receiving Medicaid who get jobs or take a slight pay increase as well as families who have not previously qualified for Medicaid.

CHIPS

We thank you for your consideration to assure the uninsured children of this state are able to live healthy productive lives.

Thank you for this opportunity.

1-15-01 Public Comments #17

Tape 2 - side B

House Appropriations Committee Testimony January 15, 2001

Mr Chair and members of the Committee, my name is Donene Feist I'm a parent of three children, two with a disability and one with a chronic health illness I would like to discuss children with special health needs and my experience as it relates to HB 1012 **Children with special health needs are children at risk of disabilities, chronic illness and conditions and health related education and behavioral problems that require health and related services beyond the need by most children.** In North Dakota that estimate stands at approximately 35,000 children This bill HB 1012, will affect many of these children, as well as , the adult with disabilities population

One thing I would like to mention first of all, is I feel it is important to understand that although CHIP is a wonderful program, many of the families with special health needs do not have CHIP. For some families, without health insurance CHIP is a godsend For us who do have health insurance, services we receive through the department are **survival**. Many of the families of children with special health needs have difficulty due to being **underinsured. CHIP additionally, is geared towards children for preventive health, not the complex needs that these children have, nor has there been any identification in CHIP of these children.** I had a NDPERS policy, which covered a lot for my children. However with their significant needs, NDPERS did not cover all the necessary health care needed. CHIP is modeled after the NDPERS plan, with the exception that CHIP includes dental and vision. Some of the health related services that were not covered were: hearing aides, therapy services of which have capitation rates of $3,000 per calendar year, and equipment utilized to assist my daughter to breathe. Additionally, some of the medications were not covered. Therapy for the other two was quite extensive, over and beyond the $3,000, of which for my children lasted, at best, 2 ½- 3 months. When therapy is needed 3-4 times per week, whether it is physical therapy, speech, occupational, respiratory, behavioral, etc. $3,000 does not begin to break the surface for what the child may need. Because of this, and the costs incurred, we were pennies away from bankruptcy. Many times because of health costs, and additionally expenditures with loss of work, travel to and from appointments we did worry about providing food on the table, shoes on their feet or what was needed for their health. Some relief is available for families in situations like mine through the programs in HB 1012.

For this reason Children's Special Health Services, Developmental Disabilities, and Vocational Rehabilitation and Mental Health are especially important.

Children's Special Health Services assists families in many ways The needs of these children are very complex CSHS assists families to utilize resources to assure the necessary services for our children In a sense, they help families pull all the pieces together, working with them to meet the needs of the child and the family.
One analogy I want to leave with you today is this; in my family with the needs of my children, it is often like taking kangaroos for a walk in the park Not that my children are kangaroos, by any means; but the point is our lives are from minute to minute, day to day. When you have children with these types of unique needs, unlike the general population, life changes in every way imaginable I never know from day to day, because each day

#17

we are up or down. Hence, I provided the analogy of the kangaroos, as much of the time that is exactly what our life can be like.
I spent a good portion of my professional nursing life, working with children with special needs in a facility in North Dakota. I used to think, "thank goodness I don't have to deal with these issues". Well, my children were diagnosed, and nothing, work experience, nursing background, could have prepared me for the changes that were about to take place.

Children's Special Health Services does provide needed direct service for families upon diagnosis that need, care coordination, assistance with therapies, treatments, diagnosis to extend and improve the health related services for these children. Placing the needs of the family as a team, and looking at the family dynamics as well as the child's needs. Additionally, the ongoing information and resources provided are vital to families.

Developmental Disabilities begins as early as birth, understanding and assisting families throughout the life span into adulthood, at many levels. Providing community services, day programs, family support, supported living, respite care, case management. Each necessary and vital individualized services for families and adults.

Vocational Rehabilitation will assist my child and other children make that transition from youth to adulthood so that they may become and integral part of the workforce. Assisting other adults with disabilities do the same. Additionally, providing a unique service through the Independent Living Centers throughout the state who assist individuals do just that become independent. Assisting in increasing skills to reach their highest potential and dream.

When you looking at this bill, please consider funding these needed programs at their current level. This would allow these programs to provide necessary services families need. What we want for our children is to be able to keep our children at home, to grow, live and become contributing members of society.

Through the departments in this bill Children Special Health Services, Developmental Disabilities, Voc. Rehab, Independent Living Centers and Mental Health Services our children and adults are doing just that. These departments partner with families for the children with special needs and adults with disabilities. Assisting them in reaching their dreams and goals. After all, my children and the many other families of children with special needs are not so much unlike yours, they live, breathe, have hopes and dreams. The difference is their health issue or disability places additional challenges in their life. These departments provide a road map to be successful and to be all that they can be, with the abilities that they have. You may not know someone with a disability or chronic health illness, I never thought I would have to deal with these issues, but it happens.

As a family member, and one who assists other families and adults with disabilities, I hold these departments in the highest regard, as should this legislature.

Thank you

HB 1012

Mr. Chair and members of the Committee, my name is Donene Feist, I am a parent of three children, two with a disability and one with a chronic health illness. My concern is for **HB 1012. Children with special health needs are children at risk of disabilities, chronic illness and conditions and health related education and behavioral problems that require health and related services beyond the need by most children.** In North Dakota that estimate stands at approximately 35,000 children. This bill HB 1012, will affect many of these children, as well as, the adult with disabilities population.

It is important to understand that although CHIP is a wonderful program, many of the families with special health needs do not have CHIP. For some families, without health insurance CHIP is a godsend. For us who do have health insurance, services we receive through the department are **survival**. Many of the families of children with special health needs have difficulty due to being **underinsured. CHIP additionally, is geared towards children for preventive health, not the complex needs that these children have, nor has there been any identification in CHIP of these children.** I had a NDPERS policy, which covered a lot for my children. However with their significant needs, NDPERS did not cover all the necessary health care needed. CHIP is modeled after the NDPERS plan, with the exception that CHIP includes dental and vision. Some of the health related services that were not covered were: hearing aides, therapy services of which have capitation rates of $3,000 per calendar year, and equipment utilized to assist my daughter to breathe. Additionally, some of the medications were not covered. Therapy for the other two was quite extensive, over and beyond the $3,000, of which for my children lasted, at best, 2 ½- 3 months. When therapy is needed 3-4 times per week, whether it is physical therapy, speech, occupational, respiratory, behavioral, etc. $3,000 does not begin to break the surface for what the child may need. Because of this, and the costs incurred, we were pennies away from bankruptcy. Many times because of health costs, and additionally expenditures with loss of work, travel to and from appointments we did worry about providing food on the table, shoes on their feet or what was needed for their health. Some relief was available for families in situations like mine through the programs in HB 1012. Let us not forget the importance of Medicaid in this process. Eliminating the asset test will help a great deal. It would help even further if there were no asset eligibility to consider including the disabled/blind category as well as the children and family category. Asset eligibility would then be removed for our most vulnerable populations.

Children's Special Health Services, Developmental Disabilities, Vocational Rehabilitation and Mental Health are especially important.

Children's Special Health Services assists families in many ways. The needs of these children are very complex. CSHS assists families to utilize resources to assure the necessary services for our children. In a sense, they help families pull all the pieces together, working with them to meet the needs of the child and the family.

One analogy I want to leave with you today is this; in my family with the needs of my children, it is often like taking kangaroos for a walk in the park. Not that my children are kangaroos, by any means; but the point is our lives are from minute to minute, day to day. When you have children with these types of unique needs, unlike the general population, life changes in every way imaginable. I never know from day to day, because each day we are up or down. Hence, I provided the analogy of the kangaroos, as much of the time that is exactly what our life can be like.
I spent a good portion of my professional nursing life, working with children with special needs in a facility in North Dakota. I used to think, "thank goodness I don't have to deal with these issues". Well, my children were diagnosed, and nothing, work experience, nursing background, could have prepared me for the changes that were about to take place.
Children's Special Health Services does provide needed direct service for families upon diagnosis that need, care coordination, assistance with therapies, treatments, diagnosis to extend and improve the health related services for these children. Placing the needs of the family as a team, and looking at the family dynamics as well as the child's needs. Additionally, the ongoing information and resources provided are vital to families. Some funding has been removed from their budget. Families cannot afford this loss, please reconsider.

Developmental Disabilities begins as early as birth, understanding and assisting families throughout the life span into adulthood, at many levels. Providing community services, day programs, family support, supported living, respite care, case management. Each necessary and vital individualized services for families and adults.

Vocational Rehabilitation will assist my child and other children make that transition from youth to adulthood so that they may become and integral part of the workforce. Assisting other adults with disabilities do the same. Additionally, providing a unique service through the Independent Living Centers throughout the state who assist individuals do just that become independent. The governor had proposed $300,000 to the Independent Living Centers. Please place that amount into the budget, these centers save the state many over the long-haul and are there for people with disabilities like no other agency.

When you looking at this bill, please consider funding these needed programs at their current level. This would allow these programs to provide necessary services families and adults with disabilities need. What we want for our children is to be able to keep our children at home, to grow, live and become contributing members of society.

Through the departments in this bill Children Special Health Services, Developmental Disabilities, Voc. Rehab, and Mental Health Services our children and adults are doing just that. These departments partner with families for the children with special needs and adults with disabilities. Assisting them in reaching their dreams and goals. After all, my children and the many other families of children with special needs are not so much

unlike yours, they live, breathe, have hopes and dreams. The difference is their health issue or disability places additional challenges in their life. These departments provide a road map to be successful and to be all that they can be, with the abilities that they have. You may not know someone with a disability or chronic health illness, I never thought I would have to deal with these issues, but it happens. We are a state who takes pride in taking care of our own. These programs take care of our own yet, they are the most scrutinized and hardest hit often when it comes to cuts. Those cuts not only affect the Departments themselves but the people who use those services. Meet them, get to know them and be proud, that through these programs we are doing a great job.

As a family member, and one who assists other families and adults with disabilities, I hold these departments in the highest regard, as should this legislature.

Thank you for this opportunity.

Donene Feist
PO box 163
Edgeley, ND 58433
701-493-2333

HB 1012

Chairman Nething and Senate Appropriations Committee.

I am Kathy Pfeifle and am speaking to you on behalf of the North Dakota Conference of Social Welfare and to provide testimony on HB 1012.

Our mission is to support citizens in NEED in North Dakota. We are the umbrella agency for 30 plus agencies/organizations and a membership of over 500 interested people recognize the need of the children and families on North Dakota.

The children of North Dakota are our future TODAY. They deserve appropriate and adequate health care coverage to become responsible healthy adult North Dakota citizens for tomorrow.

The NDCSW supports CHIPS in HB 1012. We support further expansion of the Children's Health Insurance Program. Expanding this program will provide greater coverage to more children. Families are tested and stressed trying to juggle the immediate financial needs for their family to live. Because of the cost, health insurance becomes an untouchable option available only if there are resources left.

Please consider supporting and expanding CHIPS coverage in HB 1012 an important bill for today's children - Our Future.

Thank you for your time and I would be happy to answer any questions you may have.

www.ndcsw.com 3/5/01

2

Amy-

BlueCross BlueShield of North Dakota

NORIDIAN®
Mutual Insurance Company

4510 13th Avenue S.W.
Fargo, North Dakota 58121-0001

ROD ST. AUBYN
Director
Government Relations

Phone 701-282-1847
FAX 701-282-1554
rod.st.aubyn@noridian.com

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November 15, 2000

Rep. Amy Kliniske
P.O. Box 12982
Grand Forks, ND 58208-2982

Dear Rep. ~~Kliniske~~ Amy,

We recently discussed the Caring Program for Children during our legislative candidate visits in Grand Forks. You had requested further information concerning this program. I am enclosing information concerning this program. The costs included in the brochure are last year's costs. However, I think that the cost per year has increased just slightly (around $25.58/month instead of $24.80).

Best wishes for the upcoming session. I know it will be challenging 3 ½ months. Let me know if you need further information.

Sincerely,

Rod

Rod St. Aubyn
Director of Government Relations

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® Registered mark of Noridian Mutual Insurance Company

CARING PROGRAM FOR CHILDREN

North Dakota Caring Foundation, Inc.
4510 - 13th Avenue Southwest, Fargo, North Dakota 58121-0001

FACT SHEET

PURPOSE: The Caring Program for Children is North Dakota's only private health benefit program for children of low income working parents who cannot afford health care. The program offers free primary and preventive medical, mental health, dental services, and limited inpatient care for eligible children.

HISTORY: Blue Cross Blue Shield of North Dakota initiated the program in 1988 to respond to the needs of the thousands of children in our state without health care coverage.

OPERATION: Children who are residents of North Dakota are eligible from birth through age 18, provided those of school age remain full time students through grade 12. The child's parent or guardian must meet income requirements and the child cannot be covered by other health insurance or be eligible for Medicaid or Healthy Steps.

Beginning January 1, 2000, maximum income (pretax) limits by household size are:

Family Size	Eligible Annual Income Range	
2	$22,500	(Amounts assume pretax non-
3	28,300	farm income from all sources.
4	34,100	Call for self-employed/farm
5	39,900	income eligibility.)

The Caring Program is supported entirely by community and church groups, businesses, associations, and individual contributors to the not-for-profit, tax exempt North Dakota Caring Foundation. Contributions are used in their entirety to pay for Caring Program services for enrolled children. Blue Cross Blue Shield of North Dakota, in cooperation with the Dental Service Corporation, donates all administrative costs. Medical, mental health, and dental care providers throughout the state who participate in the program agree to accept reduced fees as payment in full for services to the children.

BENEFITS: Benefits include physician office visits, emergency care, diagnostic tests, outpatient surgery, well child care and immunizations, mental health and chemical dependency treatment, and limited inpatient services. **The coverage is provided at no cost to the children or their families.** Dental care services include checkups and preventive care. Restorative dental services are provided subject to a small copayment.

The number of children helped is limited only by contributions received by the Foundation. A 2001 contribution of $306.96 sponsors one year of care for one child. Contributions to the North Dakota Caring Foundation may be sent to: 4510 13th Avenue Southwest, Fargo, North Dakota 58121-0001.

For information about the North Dakota Caring Foundation, Inc., the Caring Program for Children, or to enroll a child in the program please write, or call toll-free 1-800-342-4718, or in Fargo 701-277-2227.

10/30/00

A United Way Member Agency

Administered by Blue Cross Blue Shield of North Dakota, an independent licensee of the Blue Cross and Blue Shield Association

CARING PROGRAM FOR CHILDREN

Caring Program for Children

4510 13th Avenue S.W., Fargo, ND 58121-0001

Membership Application

Please type or print in black ink. Press firmly.

SAMPLE 4

27000774 Rev. 11-99

Effective Date _____ - -

GROUP ROLL NO. 20050-01

1. CHILD'S INFORMATION

Child's Last Name | First | M.I. | Child's Social Security No. ☐ None - -

Street Address | Home Phone ( ) -

City | State | Zip Code | Work Phone ( ) -

County | Sex ☐Male ☐Female | Birthdate mm-dd-yyyy - -

2. ADDITIONAL INFORMATION

Parents' or Guardians' Names:	First Name	M.I.	Last
	First Name	M.I.	Last

Number of adults (19 years or older) in household. _____ Number of children (under 19 years) in household. _____

What is your household's gross annual income? $_____

Please attach your latest **complete** federal tax return.

If any of this income is from self-employment, be sure to include Schedule C or F.

Is child currently covered by any other health care coverage? ☐ Yes ☐ No

If yes, name of coverage _____

How did you learn about the Caring Program? _____

3. ELIGIBILITY REQUIREMENTS

To be eligible for enrollment, the following eligibility requirements must be met:

1. Child (Applicant) is an unmarried son or daughter, stepchild, legally adopted child, or a child for whom you or your living spouse are legally appointed guardian.
2. Child (Applicant) must be a resident of the state of North Dakota for at least six (6) months as defined in N.D. Cent. Code § 54-01-26.
3. Child (Applicant) must be between the ages of 0 and 19.
4. Child (Applicant) must be a student if of school age.
5. Child (Applicant) cannot be eligible for any other health insurance coverage, including Medicaid, Medicare, Healthy Steps or any other government sponsored program.
6. Household income must be within North Dakota Caring Foundation, Inc. guidelines.
7. All eligible children in family must apply. A separate application must be completed for each child.

4. AUTHORIZATION FOR RELEASE OF MEDICAL INFORMATION AND SIGNATURE(S) *(This form must be signed and dated)*

I authorize any Health Care Provider that has advised, treated, attended or provided care or service to the child listed herein, or is in possession of any medical information and records relating thereto, including medical information and records of DRUG AND ALCOHOL TREATMENT, MENTAL HEALTH TREATMENT AND COUNSELING AND HIV/AIDS TESTING, to furnish such medical information and records as requested to Noridian Mutual Insurance Company, d/b/a Blue Cross Blue Shield of North Dakota ("Noridian"). I further authorize Noridian to release such medical information and records to my Network Organization, if applicable, if the child listed herein is advised, treated, attended or provided care or service outside my Network Organization. I understand that this medical information and records will be used by my Network Organization for the management of our care.

In addition, I authorize the Medical Information Bureau, Inc., Consumer Reporting Agency, Insurance or Reinsuring Company or employer having certain information about the child listed herein to furnish any such information as requested. I understand that I may revoke this authorization at any time, except to the extent that action has already been taken in reliance on it. I further understand that this authorization remains in effect until specifically revoked by me through written notice to Noridian. This authorization includes both medical information and records prepared prior to and after the date of signing. **I agree that a photocopy of this authorization shall be as valid as the original.**

I understand that the Caring Program reserves the right to accept or decline this application in whole or in part. If a benefit plan is issued, I understand and agree that all notices, including Explanation of Benefits (EOBs) required to be sent under the terms of the benefit plan will be sent to the Subscriber. I have read this application in its entirety and certify the information is accurate and complete. I understand and agree that any false statements or omissions may void any benefit plans issued based on this application. I further understand a person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

For office use only

X _____ - -

Parent's or Guardian's Signature **Date Signed**

WHITE ORIGINAL - Office Copy YELLOW COPY - Foundation Copy WHITE COPY - Enrollee Copy

Guide to North Dakota Department of Human Services

CONTACT HUMAN SERVICE DEPARTMENT FOR
COPY OR SEE LEGISLATIVE COUNCIL LIBRARY
FOR COPY

January 2001

John Hoeven,
Governor

Jack Dalrymple,
Lt. Governor

North Dakota Department of Human Services
Glossary of Terms

Abuse - Any willful act or omission of a caregiver or any other person which results in physical injury, mental anguish, unreasonable confinement, sexual abuse or exploitation, or financial exploitation of a vulnerable adult.

Access Services - Services such as transportation, escort/shopping assistance, outreach, and information and assistance which helps people to identify, obtain, and use existing services.

Acute Care Unit - Service unit in the Human Service Centers providing general out–patient mental health services.

ADA - Americans with Disabilities Act

ADLs - Activities of Daily Living are usually identified as self–care activities performed daily which would include: bathing, dressing, toileting, transferring to and from a bed or chair, continence, eating/feeding.

Adult Day Care – a program of non-residential activities for individuals age 18 and older provided on a regular scheduled basis one or more days per week, which encompasses activities needed to insure the optimal functioning of the individual.

Adult Family (Foster) Care - Provision of a 24–hour room, board, supervision, and extra care to adults who are unable to function independently or who may benefit from a family home environment. Care is provided by a licensed home.

ASFA - The Adoption and Safe Families Act of 1997 is federal legislation to shorten the length of time in foster care, and to ensure safety and permanency for children.

Assisted Living - An environment which helps people maintain as much independence as possible by providing apartment–like units and 24 hour services which accommodate individual needs and abilities.

Assistive Technology Device - Any item or piece of equipment that is used to maintain or improve the functional capabilities of individuals with disabilities

Basic Care Facility - A licensed basic care facility for aged, blind or disabled individuals who do not require extensive medical care.

BEST - Basic Employment and Skills Training program provides motivation and job–seeking skills to Food Stamp recipients who are required to register for work.

CA/N - Child Abuse and Neglect program provides protection to children and offers services to strengthen and preserve the family structure whenever possible. Investigations are conducted by County Social Service Boards and are assisted by the eight Regional Human Service Centers.

Care Coordinator – Describes the comprehensive case manager in a child and family case involving severe emotional disturbance.

CARF- Commission for Accreditation for Rehabilitation Facilities

Case Management - A process in which a professional case manager assesses the needs of the client and arranges, coordinates, monitors and evaluates services and advocates to meet the specific client's needs in the least restrictive environment.

CCAP - Child Care Assistance Program increases the availability, affordability, and quality of child care services by providing partial payment for child care for children from qualifying families.

CCWIPS – The Comprehensive Child Welfare, Information, and Payment System is a computerized case management and payment system.

CFS - Children and Family Services

Client Assistance Program (CAP) - Designed to inform and advise all Vocational Rehabilitation clients and applicants regarding the benefits available under the Federal Rehabilitation Act of 1973, and to assist clients in securing those services.

CMHS Block Grant - Community Mental Health Service Block Grant

Congregate Care – Refers to a specialized group residential facility that provides programming for elderly individuals with mental retardation to help them maintain their current level of functioning. The health and medical conditions of the individuals served are stable and do not require continued nursing or medical care.

Continuum of Care - A functional philosophy that seeks to assure that clients receive the right service in the right place, at the right time.

Corporate Guardianship – A service purchased on behalf of individuals eligible for developmental disabilities case management services when a district court has determined that the individual requires a guardian and no one else is available to serve as guardian.

The Council - This organization accredits providers of services for mentally retarded/ developmentally disabled persons.

CSCC - Children Services Coordinating Committee

CSHCNs - Children with Special Health Care Needs. As defined at the federal level, this population of children has or is at increased risk for chronic physical, developmental, behavioral, or emotional conditions requiring health and related services of a type or amount beyond that required by children generally.

CSHS - Children's Special Health Services (formerly Crippled Children's Services)

Day Supports – This is a single day program, which encompasses services previously known as Developmental Day Activity, Developmental Work Activity, Prevocational Work Activity and Adult Day Care. Day supports may include assistance with acquisition, retention or improvement in self-help, socialization and adaptive skills; provision of social, recreational, and therapeutic activities to maintain physical, recreational, personal care, and community integration skills; development of non-job task oriented prevocational skills such as compliance, attendance, task completion, problem solving and safety; and supervision for health and safety. Services are provided in settings appropriate to an individual's needs.

Day Supports (AETS) – This refers to Day Supports Adult Education Transition Services, which are available to students age 18-21 years of age. This is a joint initiative between the Department of Public Instruction and the Department of Human Services. Individuals must meet eligibility requirements. Funding is provided by education agencies and Medicaid.

Developmental Disability – Refers to a severe chronic condition that constitutes a lifelong mental or physical impairment which became apparent during childhood and has hampered an individual's ability to participate in mainstream society, either socially or vocationally.

EAP - Economic Assistance Policy is a division of the department that administers policy for and includes the following: Medicaid Eligibility, Energy & Nutrition, Systems Support & Management, TANF/JOBS, Child Care Assistance Program, Basic Care Assistance Program, and Quality Control.

Emergency Services – Intended to assist with the needs of eligible individuals who have mental retardation/developmental disabilities, emergency service funds are primarily used to support guardianship establishment and ISLA/SLA startup costs

Expanded SPED Program – This is a companion program to the Basic Care Assistance Program. It pays for services that can be provided in the home and community so that institutionalization in a basic care facility is avoided. The Expanded SPED Program is funded with state general funds.

Extended Services – This refers to long-term supports provided by a job coach for individuals with disabilities employed in the community.

FACSES – The Fully Automated Child Support Enforcement System is a computer systems that manages 50,000+ child support cases in North Dakota and supports the State Disbursement Unit (SDU) in processing child support payments.

Family Home Care – the provision of room, board, supervisory care, and personal service to an eligible elderly or disabled individual by the spouse or by one the following relatives, or the current or former spouse of one of the following relatives of the elderly or disabled person: parent, grandparent, adult child, adult sibling, adult grandchild, adult niece, or adult nephew. The family home care provider does not need to be present in the home on a 24-hour basis if the welfare and safety of the client is maintained.

Family Support Services – Refers to services, which are provided for eligible individuals with developmental disabilities to enable them to remain in appropriate home environments. Services are based on the primary caregiver's need for support in meeting the health, safety, developmental and personal care needs of their family member. Personal care needs include eating, bathing, dressing, personal hygiene and activities of daily living. When the eligible client is a minor, out-of-home support may also be provided in a licensed family home. This Family Care Option may be appropriate for children who cannot remain in their family home on a full-time basis. It is available only if the child is not considered deprived within the definition of NDCC 27-20-02 (5), and is not considered boarding care according to the definition of the North Dakota Department of Public Instruction.

Family Subsidy – A program that may reimburse a family for excess expenses related to their child's disability. This offers support to enable families to keep their children in their homes when lack of financial support would make it very difficult for families to care for their children at home. A child may be eligible for this through age 21.

GA - General Assistance is a county administered program designed to cover emergency needs of low-income individuals or families. The covered needs may include rent, fuel and utilities, medical, and burial expenses.

Health Tracks - See North Dakota Health Tracks.

Healthy Steps - Is North Dakota's children's health insurance program that offers affordable, comprehensive health coverage for children 18 years of age and younger To qualify, a child's family must have a net income that is greater than the Medicaid eligibility level, but not exceeding 140% of poverty level. (Deductions for child care, child support, and taxes are allowed when determining eligible income.)

Health Care Trust Fund – This trust fund was established by the 1999 North Dakota Legislature as a source of funding for grants and loans to pay for approved projects that create alternatives to nursing homes.

HIPAA – Federal Health Insurance Portability and Accountability Act that among other things standardizes the format of certain health care information that is transmitted electronically. This impacts entities that handle individual health care information. In most cases, computer systems must be in compliance by 2002.

Home and Community–Based Services - An array of services that are essential and appropriate to sustain individuals in their homes and communities, and to delay or prevent institutional care.

Homemaker Service - Provides non–personal care tasks such as housekeeping, laundry, and shopping. This allows an individual to maintain or develop the independence needed to remain in the home.

IADL - Instrumental Activities of Daily Living are considered more complex tasks than those comprised by activities of daily living (ADLs). Performance of tasks such as these requires mental/cognitive (memory, judgement, intellectual ability) and/or physical ability. IADL are usually identified as preparing meals, shopping, managing money, doing housework and laundry, taking medication, self–transportation, and using the telephone

ICF–MR - Intermediate Care Facility for the Mentally Retarded. A residential facility operated pursuant to federal regulations and serving people with mental retardation and related conditions. The programming provided in this type of residence is for individuals with extensive needs. Each client must receive a continuous active treatment program, which includes an aggressive and consistent program of training, health services, and related services so that the client acquires the ability to function with as much self determination and independence as possible.

IEP/IOP - Intensive Evening Program/Intensive Outpatient Program - an intensive six–week program serving people with severe addictions. Programs provide a minimum of eight hours per week of program contact time.

Indian Child Welfare Act (ICWA) – Passed by Congress in 1978, this law recognizes the importance of allowing tribal courts to assume full responsibility for the placement of Indian children in foster care and adoptive homes, by granting Indian tribes exclusive jurisdiction over such proceedings.

Individualized Supported Living Arrangement (ISLA) – This residential service is provided to people with disabilities in their own homes or apartments. These individuals typically need a higher level of support (i.e. training and assistance with personal care, laundry, etc.) than people in Supported Living Arrangements (SLA).

Infant Development - a home-based, family focused service that provides information, support and training for families to assist them in meeting their eligible child's needs. A child may receive Infant Development until he or she is three years of age.

Intensive In-Home Services - Services provided through a limited number of county social service boards under contract with a private agency to families from which at least one child is about to be placed into foster care. The program's purpose is to preserve the family and prevent foster care.

Intergovernmental Transfer (IGT) – A complex funding process used by North Dakota and about 20 other states to access extra federal Medicaid dollars. The Health Care Financing Administration has approved the IGT as part of North Dakota's Medicaid State Plan Amendment. 1999 SB 2168 earmarked this money to develop alternatives to nursing home care. Funds generated by the IGT are deposited into the Health Care Trust Fund. In a compromise worked out in Congress, this source of extra federal Medicaid funding will be phased out in the coming years.

IPAT – Refers to the Interagency Program for Assistive Technology, which provides education, consultation and referral to people with disabilities so they can access assistive technology devices and services.

IV-D - (Refers to Section IV-D of Social Security Act) Child Support Enforcement program that provides services in the following ways: to establish paternity, establish child support obligation, to enforce existing child support, and to locate absent parents for all TANF recipients and others who apply for the services.

IPE – Is an Individualized Plan for Employment. It describes the nature and scope of rehabilitation, employment and training services provided to an individual with a disability to help that individual reach his or her employment goal. A Vocational Rehabilitation counselor and the client write the client's IPE.

JCAHO - Joint Commission on Accreditation of Healthcare Organizations

JOBS - Job Opportunities and Basic Skills program provides vocational training and employment for eligible individuals through TANF for the purpose of entering or reentering the job market. The program was created in 1988 as part if the Federal Welfare Reform Act.

LIHEAP - Low Income Home Energy Assistance Program. Commonly referred to as the fuel assistance program, LIHEAP provides heating assistance grants and services for qualifying low income households. Benefits equal each household's estimated cost of heat minus a percentage of the household's income and are usually paid directly to a heating fuel supplier.

Long-Term Care Facility - (As defined by North Dakota law) A nursing facility, basic care facility or swing bed hospital unit.

Long-Term Care Ombudsman - A person who identifies, investigates, and resolves complaints made by or on behalf of residents of long-term care facilities and works in other ways to protect the health, safety, welfare, and rights of residents.

MA - Medical Assistance, commonly referred to as "Medicaid," provides medical assistance to certain specified groups of needy individuals as defined by federal law.

Medicaid Waiver for Aged and Disabled - A program authorized by federal law that funds in-home and community-based services to individuals who meet Medicaid eligibility standards and require the level of care provided in a nursing facility.

Medicaid Waiver for Traumatic Brain Injury - A program authorized by federal law that funds in-home and community-based services for individuals with traumatic brain injury

who meet Medicaid eligibility standards and require the level of care provided in a nursing facility.

Medicare Savings Programs - Medicaid coverages that pay all or part of the Medicare premiums, deductibles, and co-insurance for Qualified Medicare Beneficiaries, Specified Low-Income Medicare Beneficiaries and Qualifying Individuals.

MMIS - Medicaid Management Information System is the computer system that processes all Medicaid claims. Developed in 1978, it is also used to monitor utilization and to manage the Medicaid program.

MSLA - Minimally Supervised Living Arrangement is a community waiver group home or community complex setting, which provides training in community integration, social, leisure, and daily living skills.

Neglect - The failure of a caregiver to provide essential services necessary to maintain the physical and mental health of another person in the caregiver's care.

New Hire Reporting - Under this reporting process mandated by federal and state law, employers must submit new hire information within 20 days of hiring to the State Directory of New Hires, a component of the Child Support Enforcement Division.

North Dakota Health Tracks - Also known as EPSDT, this program provides preventive health care to Medicaid–eligible youth up to age 21. Services include physical exams and screenings, immunizations, and referrals.

Older Americans Act - The Older Americans Act provides federal funding for services to older persons, especially those who are low–income, socially needy, frail, or minority persons. Among the services offered are nutrition services, support services, Long–Term Care Ombudsman program, and information and referral.

Outreach - Actions and communication initiated by an agency or organization for the purpose of identifying potential clients and encouraging their use of existing services and benefits.

PAAP - Pre–admission Assessment Program is a state program applied to any individual planning to enter a nursing facility. It is intended to identify and explain community alternatives to inpatient nursing facility care.

PAC - Partnership Advisory Committee

Parent Aides - Individuals who, through training and support, work with parents who are at risk of abusing or neglecting their children. County social service boards employ parent aides.

Partnerships Program – Integrated comprehensive services for children with serious emotional disorders.

PASARR - Pre–admission Screening and Annual Resident Review is a federal law requiring that every person who seeks admission to a nursing facility be screened by the state for evidence of mental retardation or mental illness. If either exists, the screening is intended to determine if nursing facility care is necessary, and if so, to determine if specialized services are needed.

Personal Attendant Care - Care provided to individuals who live in their homes. The purpose of this care is to help individuals with activities of daily living so they can remain living at home.

Personal Care Service - A service which provides assistance with bathing, dressing, toileting, continence, transferring, mobility in the home, eating, and personal hygiene, passive range of motion exercises and simple bandage changes. When specified within the plan of care, this service may also include supervision, cueing or prompting; housekeeping tasks such as bed making, dusting and vacuuming, which are incidental to the care furnished, or which are essential to the health and welfare of the individual, rather than the individual's family.

Pharmacy Point of Sale – This is a computerized point of sale (POS) system that allows pharmacists to enter claims on a real time basis into the payment system. Within a matter of seconds, providers receive confirmation that the claim has been processed for payment or denied. If the claim is denied, providers receive immediate information regarding the reason for the denial. The system also prevents payment of duplicate claims, audits claims to ensure that the health of our recipients is maintained by preventing inappropriate drug dispensing, reduces administrative costs and streamlines identification of recipient liability for pharmacy providers.

Prime Time Day Care - A prevention program designed to provide temporary day care to families at risk of neglecting or abusing their children.

PRWORA - The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is the federal welfare reform act. Titles in the act provide block grants for temporary assistance to needy families and child care; changes to supplemental security income, child support, child protection, child nutrition, and food stamp program requirements; and restriction of welfare and public assistance benefits for aliens. PRWORA replaced AFDC programs with a stable block grant for six years. The replacement block grant program is Temporary Assistance for Needy Families, which provides states greater flexibility in designing eligibility, benefit calculation and other criteria.

QMB - Qualified Medicare Beneficiaries are persons for whom Medicaid pays the Medicare premiums, deductibles, and co-insurance. Income cannot exceed 100% of the poverty level. See Medicare Savings Programs.

QI - Qualifying Individuals consists of two groups whose participants cannot be on other Medicaid to receive benefits. Qualifying Individuals 1 is a group for whom Medicaid pays the Medicare Part B premium. Income must be between 120% and 135% of poverty level. Qualifying Individuals 2 is a group for which Medicaid pays a portion of the Medicare Part B premium. Income must be between 135% and 175% of poverty level See Medicare Savings Programs.

Qualified Service Provider – an agency or independent contractor that agrees to meet standards for services and operations established by the Department of Human Services.

RCCF - Residential Child Care Facility (foster care facility).

Refugee Cash Assistance – A benefit program available for the first eight months refugees are in the United States.

Recipient liability – This is the amount an individual participating in the Medically Needy Medicaid program is expected to contribute toward his or her monthly medical expenses.

Rehabilitation Services - Medical, psychological, social, and vocational services, including physical items, which are necessary to assist persons with disabilities to engage in gainful activity.

Respite Care - Provides temporary relief to a primary caregiver for a specified period of time. The caregiver is relieved of the stress and demands associated with continuous daily care.

RIS - Regional Intervention Services provides community–based intervention for individuals to determine appropriate level of care.

RTC – Refers to a Residential Treatment Center for children and adolescents with serious emotional disorders.

SAPT - Substance Abuse Prevention and Treatment block grant

SCHIP - State Children's Health Insurance Program. See Healthy Steps.

SDU – The State Disbursement Unit is the unit within the Department of Human Services' Child Support Enforcement Division that receives, records, and distributes all child support payments in North Dakota.

SED - Serious Emotional Disorder

SLA – Supported Living Arrangement is a residential service that provides support to people living in their own homes or apartments. Supportive services include help with budgeting, shopping, laundry, etc. and are provided on an intermittent basis, generally less than 20 hours per month. There is a fixed staff to client ratio. People receiving this service generally need less support than people receiving services through an Individualized Supported Living Arrangement.

SLMB - Specified Low-Income Medicare Beneficiaries are persons for whom Medicaid pays the Medicare Part B premium. Income must be between 100% and 120% of poverty level. See Medicare Savings Programs.

SMI - Seriously Mentally Ill

Special Needs Adoption - The classification of adoption for children who have physical, emotional, and/or psychological disabilities, are part of a sibling group, or are children whose race/ethnicity is a barrier to placement.

Specialized Placement – Refers to a residence for people who are diagnosed as mentally retarded AND mentally ill and whose individualized programs address residential, psychosocial and psychiatric development prior to entry into less restrictive settings.

SPED - Service Payments for Elderly and Disabled is a program authorized by state law that provides a number of in–home and community–based services to functionally impaired older individuals and people with physical disabilities who require assistance to continue to live in a home-like setting.

SSA - Social Security Administration

SSI - Supplemental Security Income

Supported Employment - Competitive work, in an integrated work environment, with on–going support services for individuals with the most severe disabilities such as chronic mental illness, traumatic brain injury, mental retardation and developmental disabilities, or severe physical disabilities.

TANF - Temporary Assistance for Needy Families refers to Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. TANF provides assistance primarily to facilitate the return to or preparation for the world of work

TBI - Traumatic Brain Injury

TCC - Transitional Child Care provides partial payment of child care to families who lose TANF assistance eligibility.

TCLF - Transitional Community Living Facility is a community waiver group home that provides training for individuals in community integration, social, leisure, and daily living skills in a group living environment. It is preliminary to entry into a lesser restrictive setting.

TECS - Technical Eligibility Computer System is the computer system currently used by county social service boards to manage Food Stamps and Medicaid cases.

TEEM - Training, Employment, Education, and Management (TEEM) was the name given to North Dakota's 1995 welfare reform demonstration project established under N.D.C.C. 50-06-01.8, and also the electronic data management system designed to support that project. North Dakota's welfare reform demonstration project was largely superseded by federal welfare reform legislation passed in 1996, but the TEEM computer system is still used to administer the Temporary Assistance for Needy Families (TANF) program. The TEEM system is being modified to allow it to administer Medicaid eligibility for children and families.

TPL - Third–Party Liability describes potential resources that may be available to offset claims against the Medicaid program. They include health insurance, accident insurance, court settlements, and decrees stemming from accidents of various kinds.

Transitional Medicaid Benefits - Provides up to 12 months of Medicaid coverage for families who lose eligibility under the Family Coverage group due to earnings.

Tribal NEW – Tribal Native Employment Works program is the tribal equivalent of the former Job Opportunities and Basic Skills (JOBS) program. The job placement and education program is available to Native American TANF recipients.

Tribal TANF – Tribal governments have the option of direct administration of TANF programs.

Vocational Development - A program of vocational preparation prior to competitive or extended employment. The program is administered through rehabilitation facility.

VIPRS –The Very Intelligent Payment Recognition System is a computerized check processing system used by state's Child Support Enforcement Division to process child support payments quickly and accurately. It interfaces with the FACSES system.

VR - Vocational Rehabilitation provides training and employment services to individuals with disabilities so they can become and/or remain employed.

Vulnerable Adult Services – Refers to remedial social, legal, health, mental health, and referral services provided for prevention, correction, or discontinuation of abuse or neglect which are necessary and appropriate under the circumstances to protect an abused or neglected vulnerable adult, and ensures that the least restrictive alternatives provided, prevent further abuse or neglect, and promotes self care and independent living. (Reference: North Dakota Century Code Chapter 50-25)

WIA - Workforce Investment Act provides vocational training and employment-related services to individuals for the purpose of helping enter or reenter the labor market. Administration of this program is through North Dakota Job Service.

Prepared by the Legislative Council
Staff for House Appropriations
January 2[illegible], 2001

Department 325 - Department of Human Services
House Bill No. 1012

	FTE Positions	General Fund	Other Funds	Total
2001-03 Executive Budget	2,252.57	$340,5[illegible],370	$1,016,554,663	$1,357,101,033
1999-2001 Legislative Appropriations[1]	2,286.05	348,505,717	882,492,667	1,230,9[illegible],384
Increase (Decrease)	(33.48)	(7,959,347)	$134,061,996	$126,102,649

[1] The 1999-2001 legislatively authorized FTE positions of 2,262.80 have been increased by 23.25 FTE pursuant to Section 6 of 1999 Senate Bill No. 2012 which authorized the department to add FTEs at the human service centers, State Hospital, and Developmental Center.

[2] The 1999-2001 appropriation amounts include $1,900,000 ($1,349,544 of which is from the general fund), for the agency's share of the $5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and $192,206, $129,632 of which is from the general fund, for the agency's share of the $1.4 million funding pool appropriated to OMB for assisting agencies in paying the $35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include $27,021,187 of additional spending authority resulting from Emergency Commission action during the 1999-2001 biennium.

Major Items Affecting Department of Human Services 2001-03 Budget

Departmentwide	General Fund	Other Funds	Total
1. Changes the source of funding for salaries and wages from the general fund to special funds by a total of $1,195,013 for all divisions to recognize anticipated savings from vacant employee positions and employee turnover. This represents a two percent reduction of general fund salaries for the human service centers and a one percent reduction of general fund salaries for the remainder of the department, including the State Hospital and Developmental Center. In addition, the executive budget changes the funding source from the general fund to special funds for 10.65 FTE vacant positions at the State Hospital for the hospital has no immediate plans to fill totaling $853,908.	($2,048,921)	$2,048,921	$0
2. Uses health care trust fund moneys for the following:	([illegible])	$37,878,849	$12,878,849

Grants and loans	$4,020,220
Health Insurance Portability and Accountability Act (HIPAA) state matching funds	3,870,794
Medical assistance state matching funds	25,000,000
Statewide long-term care needs assessment	241,093
Service payments for elderly and disabled (SPED)	4,262,410
State Hospital landfill closure	413,255
Administrative costs	71,158
Total	37,878,849

3. Provides funding based on the following federal matching assistance percentage (FMAP):

Federal Fiscal Year	FMAP
1998	70.43%
1999	69.94%
2000	70.42%
2001	69.99%
2002 (estimate)	69.87%
2003 (estimate)	69.87%

4. Increases funding provided from retained federal funds received by the state for county administrative costs to a total of $31,940,419.		$2,494,569	$2,494,569

Management

1. Adds funding from federal funds ($5,055,347) and the health care trust fund ($3,870,794) for the HIPAA computer system project		$8,926,141	$8,926,141
2. Eliminates one vacant FTE position in research and statistics not requested by the agency	($45,850)	($37,513)	($83,[illegible])
3. Adds funding from the general fund to replace special funds from the developmentally disabled facility loan fund No. 1 due to the anticipated reduction in funding available from that fund during the 2001-03 biennium	$325,570	($325,570)	$0
4. Transfers one FTE to the Children and Family Services Division	($66,800)	($54,655)	($121,455)
5. Adds funding for the ATM network.	$412,225		$412,225
6. Adds funding for computer system enhancements (OAR 205).	$1,287,681	$1,874,033	$3,161,714
7. Adds funding for converting to Windows 2000 operating system (OAR 209).	$249,326	$203,994	$453,320
8. Adds funding for child support computer system changes (OAR 210)	$481,589	$934,851	$1,416,440
9. Adds funding for development of an electronic documents management system (OAR 224)	$137,024	$112,976	$250,000
10. Adds funding for integrating the remaining children and family services systems into the Comprehensive Child Welfare Information and Payment System (CCWIPS) (OAR 225).	$750,000	$750,000	$1,500,000
11. Adds funding for temporary salaries (OAR 211).	$97,274	$79,591	$176,865
12. Adds funding for recruiting and retaining information technology staff (OAR 298).	$31,350	$25,650	$57,000

Economic Assistance

1. Increases funding for Indian county allocation pursuant to Section 9 of 1999 Senate Bill No. 2012. A total of $2,771,979 is provided, $703,972 of which is from the general fund.	$582,206	$413,353	$995,[illegible]
2. Converts three temporary positions in Child Support to three FTE positions.		$57,967	$57,967
3. Adds one FTE human service program administrator position to provide independent verification and validation services for the child support program as required by the federal government.	$29,709	$57,669	$87,378
4. Adds one FTE support specialist position to issue non-IV-D income withholding orders in the child support program. These duties are being transferred from the clerks of court to the State Disbursement Unit pursuant to 1999 House Bill No. 1121.	$75,103		$75,103
5. Converts two customer service temporary positions in Child Support to two FTE positions.	$71,817	$11,287	$83,104
6. Transfers one FTE administrative position ($96,687) from the intergovernmental transfer program to Healthy Steps and adds one FTE ($76,279) to Healthy Steps.		$172,966	$172,966
7. Removes contingent funding provided by the 1999 Legislative Assembly for making medical assistance payments to the newly established traumatic brain injury facility in western North Dakota.	($60,000)	($140,000)	($200,000)
8. Reduces funding for nursing facility alternative grants and loans from the health care trust fund. The executive budget provides for nursing facility grants and loans of $4,020,226.		($4,695,053)	($4,695,053)
9. Reduces funding for making government nursing facility funding pool payments to Dunseith and McVille (the 1999-2001 amounts used for this comparison include the 1998 and 1999 pool payments). The executive budget includes total payments of $26,480,813 for the 2001-03 biennium. Of this total, $7,946,165 is the required state	($3,618,391)	($31,365,471)	($34,983,8[illegible]

	matching funds that will be provided from the health care trust fund During the 1999-2001 biennium, the state matching funds were provided from the general fund and from Bank of North Dakota loans			
10	Requires the department to seek a Medicaid personal care waiver to allow Medicaid to pay a portion of basic care costs	($5,391,869)	$5,391,869	$0
11	Provides $562,365,199, $129,815,101 of which is from the general fund, $25 million from the health care trust fund, and the remainder from federal and other funds for medical assistance. Without the $25 million provided from the health care trust fund, the general fund share would show an increase of $9,310,352. Major funding increases within medical assistance relate to prescription drugs that are estimated to increase by $28.7 million or 57 percent and funding for nursing facilities which is increasing by $12.2 million or 4.8 percent	($15,689,648)	$63,775,436	$48,085,788
12	Requires prior authorization of medical services and drugs under the medical assistance program (House Bill No. 1116)	($180,300)	($419,700)	($600,000)
13	Increases funding for developmental disabilities grants. Total funding provided is $156,870,722, $51,383,465 of which is from the general fund. The major funding increase for developmental disabilities (DD) grants is funding for community intermediate care facilities for the mentally retarded (ICF/MR) care which is increasing by $4.4 million or 7.7 percent.	$2,080,746	$5,867,287	$7,948,033
14	Increases funding for Healthy Steps (children's health insurance program). The executive recommendation provides funding for continuing eligibility requirements at 140 percent of poverty, an average caseload of 2,885 children per month, and an annual inflation rate on the insurance premiums of 16.4 percent. Funding totals $8,917,719, $1,886,714 of which is from the general fund	$1,068,924	$3,961,957	$5,030,881
Program and Policy				
1.	Increases funding for the senior citizen mill levy match. A total of $1,662,945 is provided from the general fund.	$400,000		$400,000
2.	Increases funding for SPED. The executive budget provides a total of $13,967,295 for SPED, $8,561,099 of which is from the general fund, $4,262,410 from the health care trust fund, $445,432 of federal funds, and $698,354 from the counties. The executive budget requires the department to include targeted case management for SPED in its state Medicaid plan, which allows this service to receive federal Medicaid funding. This change results in the general fund being reduced by $445,432 and federal funds increasing by $445,432.	$649,931	$503,074	$1,153,005
3.	Increases funding for expanded SPED. The executive budget provides a total of $1,421,080 from the general fund for expanded SPED.	$523,036		$523,036
4.	Eliminates the contingent general fund appropriation provided by the 1999 Legislative Assembly for SPED to use during the 1999-2001 biennium if funding appropriated for SPED from the health care trust fund was not available.	($4,262,410)		($4,262,410)
5.	Removed one FTE in Children's Special Health Services. Funding of $15,600 was transferred to temporary salaries.			
6.	Adds a .5 FTE HSPA V position transferred from management.	$35,444	$28,999	$64,443
7.	Removes a .5 FTE in family preservation.	($23,425)	($48,931)	($72,356)
8.	Reduces funding for family preservation services grants	($100,000)		($100,000)
9.	Provides funding for a 2.2 percent annual inflation factor for foster care and adoption programs (OARs 254-257).	$329,194	$1,153,027	$1,482,221
10.	Provides funding for increasing residential child care facility rates by $50 per month (OAR 258).	$90,779	$251,571	$342,350
11	Reduces federal funding received during the 1999-2001 biennium relating to disaster crisis counseling.		($1,006,000)	($1,006,000)

12	Reduces federal funding relating to the partnership project		[illegible]	[illegible]
13	Adds a .5 FTE position in mental health transferred from management	$[illegible]279	$41,[illegible]	$[illegible]922
14	Adds funding in mental health and substance abuse from carryover funds from the federal substance abuse block grant		$400,000	$400,000
15	Transfers federal funding for the DD infants and toddlers program to the human service centers		($243,000)	($[illegible])
16	Reduces general fund support in vocational rehabilitation for the older blind program	($60,791)		($60,791)
17	Increases funding from the general fund for independent living centers. A total of $1,221,699 is provided, $643,992 from the general fund	$300,000		$300,000
18	Reduces funding in vocational rehabilitation to the minimum maintenance of effort level	($250,000)	($1,000,000)	($1,250,000)
State Hospital				
1	Removes one FTE collections officer	($62,839)		($62,839)
2	Removes one FTE reimbursement officer	($78,932)		($78,932)
3	Removes a .5 FTE clerk	($32,708)		($32,708)
4	Adds funding from the health care trust fund for costs of closing the State Hospital landfill		$413,255	$413,255
5	Adds funding for State Hospital capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the State Hospital and were previously appropriated to the Industrial Commission.	$566,500		$566,500
6	Reduces funding for capital improvements. 1999-2001 biennium funding of $1,050,000 for the boiler replacement project is removed. The 2001-03 executive budget provides $703,676 from the general fund for extraordinary repairs.	($995,989)		($995,989)
7	Removes the following 3.6 FTE vacant positions: Cook (1 FTE) - $51,058 Plumber (1 FTE) - $74,209 Electrician (1 FTE) - $74,209 Duplicating center supervisor (.6 FTE) - $61,002	($260,478)		($260[illegible]
8	Increases funding for client medications.	$97,669		$97,669
9	Removes the following six FTE vacant positions: Physician (1 FTE) - $313,848 Psychologist (1 FTE) - $125,713 Registered nurse (1 FTE) - $83,335 Licensed practical nurse (1 FTE) - $66,425 Mental health care specialist (2 FTE) - $105,078	($692,399)		($692,399)
10	Changes the funding source for 10.65 FTE positions in treatment services from the general fund to special funds. This amount is also included in the total amount of underfunding of the pay plan that is shown under departmentwide changes above.	($853,908)	$853,908	$0
11	Provides that funding be received from the Department of Corrections and Rehabilitation for DUI offender treatment services provided to corrections inmates at the State Hospital.	($2,139,284)	$2,139,284	$0
Developmental Center				
1	Removes the following 3.70 FTE health services positions: Nurse practitioner (.5 FTE) - $68,925 Licensed practical nurse (1 FTE) - $69,489 Registered nurse (.25 FTE) - $19,018 Physical therapist (.20 FTE) - $21,823 Occupational therapist (.20 FTE) - $21,582	($111,844)	($260,968)	($372,812)

Psychologist (.5 FTE) - $104,299
Speech therapist (.5 FTE) - $67,679

2. Removes one FTE superintendent position. The Developmental Center and the State Hospital will be sharing a superintendent	($53,342)	($124,466)	($177,808)
3. Adds funding for Developmental Center capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the Developmental Center and were previously appropriated to the Industrial Commission	$649,234		$649,234
4. Reduces funding for capital improvements to $285,129, of which $210,844 is from the general fund	$45,454	($183,935)	($138,481)
5. Removes the following two FTE resident living program positions Unit director (1 FTE) - $112,285 Resident unit program coordinator (1 FTE) - $113,801	($67,826)	($158,260)	($226,086)
6. Removes 1.46 FTE nursing positions and transfers funding of $92,784 to temporary salaries.			
Northwest Human Service Center			
1. Removes one FTE business manager position. The Northwest and North Central Human Service Centers will be sharing a business manager.	($71,857)	($8,061)	($79,918)
2. Removes a .32 FTE vacant psychiatrist position.	($179,002)		($179,002)
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
North Central Human Service Center			
1. Removes a .15 vacant psychiatrist position.	($26,562)	($27,437)	($53,999)
2. Reduces mental health partnership program grants.		($332,500)	($332,500)
3. Eliminates the seriously mentally ill (SMI) Rhinelander program	($70,000)		($70,000)
4. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Lake Region Human Service Center			
1. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Northeast Human Service Center			
1. The executive budget restored $484,000 of the general fund budget reductions made by the Northeast Human Service Center to comply with the 1999 Legislative Assembly directive that the department identify budget savings totaling $500,000 for the 2001-03 biennium relating to the efficiencies and the collocation of service delivery that has resulted from being located in the city/county building in Grand Forks.	($16,000)		($16,000)
2. Removes 16.75 FTE positions by: Converting the SMI work activity program to a contracted service (1 FTE). Converting the Rhinelander program to a contracted service (.5 FTE). Converting the hospital alternative program and the chemical dependency adolescent residential facilities program to a contracted service (15.25 FTE).			
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0

Southeast Human Service Center			
1. Adds funding for Southeast Human Service Center capital construction lease payments. These funds will be paid to the Industrial Commission for payment on bonds issued on behalf of the center and were previously appropriated to the Industrial Commission	$441,[illegible]		$441,[illegible]
2. Adds one FTE child welfare position.	$[illegible]	$23,790	$[illegible]
3. Increases funding for adult protective services	$53,300	$27,500	$80,800
4. Removes one FTE mental health partnership position	($56,193)		($56,193)
5. Reduces mental health partnership intensive in-home services grants		($342,000)	($342,000)
6. Eliminates funding for the seriously mentally ill (SMI) Rhinelander program	($16,044)		($16,044)
7. Reduces federal funding for alcohol treatment contract services to $36,973 of federal funds		($72,000)	($72,000)
8. Adds one FTE adult psychologist position (OAR 212)	$[illegible]	$79,528	$132,668
9. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
South Central Human Service Center			
1. Increases funding for the center's transitional living facility, which began operations during the second year of the 1999-2001 biennium. It will be operating for two full years during the 2001-03 biennium. The executive budget includes funding of $584,879, $186,879 of which is from the general fund for this program for the 2001-03 biennium.	($12,874)	$279,048	$266,174
2. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
West Central Human Service Center			
1. Adds one FTE county supervisor position.	$56,562	$26,618	$8[illegible]
2. Adds a .5 FTE DD case manager.	$26,839	$17,892	$44,731
3. Increases funding for the adult protective services grant	$58,100	($21,800)	$36,300
4. Increases rent for the Manchester House, which expanded its bed capacity from 10 to 12 in May 2000. The executive budget includes $340,648, $102,194 of which is from the general fund for renting this facility	$20,621	$48,117	$68,738
5. Adds one FTE SMI case manager.	$23,642	$55,165	$78,807
6. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Badlands Human Service Center			
1. Eliminates DD residential services including four FTE positions. Funding was transferred to the central office during the 1999-2001 biennium to contract for these services.			$0
2. Increases funding for psychiatric services (OAR 261)	$15,000		$15,000
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program	($75,000)	$75,000	$0

Major Legislation Affecting the Department of Human Services

House Bill No. 1036 changes the income review period from monthly to quarterly for determining Medicaid eligibility for children and pregnant women.

House Bill No. 1089 requires the Department of Human Services [illegible] development and implementation of gambling prevention, awareness, crisis intervention, rehabilitation, [illegible] and mental health treatment programs.

House Bill No. 1109 expands the definition of a basic care facility to include an Alzheimer's, dementia, or special memory care facility and requires assisted living facilities to register with the Department of Human Services and pay an annual registration fee of at least $100 but no more than $750. Basic care facilities would continue to be licensed by the State Department of Health.

House Bill No. 1111 eliminates references to basic care facilities and provides for licensing by the State Department of Health of assisted living facilities which would include both assisted living and basic care facilities. The bill also removes the moratorium on the expansion of basic care bed capacity.

House Bill No. 1112 authorizes the Department of Human Services to establish per diem rates and limits on actual allowable historical costs for basic care facilities participating in the basic care assistance program.

House Bill No. 1113 repeals the moratorium on the expansion of basic care bed capacity.

House Bill No. 1114 authorizes the Department of Human Services to sell certain State Hospital land to the city of Jamestown.

House Bill No. 1115 requires the Department of Human Services to implement a personal care option benefit program for qualified individuals residing in basic care facilities. This is expected to allow the department to access an estimated $5,609,666 of federal Medicaid funds for the 2001-03 biennium. This provision is reflected in the executive budget. Total basic care funding recommended in the executive budget is $8,025,120. The bill also requires the department to provide an income supplement for eligible individuals residing in assisted living facilities limited in total to the estimated amount of state funds that would have been spent on basic care assistance that will now be provided by federal funds ($5,609,666 for the 2001-03 biennium) and subject to legislative appropriations. This provision is not included in the executive budget.

House Bill No. 1116 allows the Department of Human Services to require prior authorization of medical services and drugs under the medical assistance program. The executive budget recognizes an estimated $600,000 of cost savings, $180,300 of which is from the general fund, resulting from provisions of this bill.

House Bill No. 1117 requires the Department of Human Services to establish targeted case management services for eligible elderly and disabled individuals who are at risk of requiring long-term care services. This will allow the department to access an estimated $445,432 of federal Medicaid funds in the SPED program for the 2001-03 biennium. This is reflected in the executive budget. Total SPED funding recommended in the executive budget is $13,967,295.

House Bill No. 1179, recommended as part of the executive budget, continues the intergovernmental transfer program that allows the state to claim additional federal Medicaid funds by making government nursing facility funding pool payments to two government nursing facilities in the state--Dunseith and McVille, having these facilities return the funding to the state, less a $100,000 transaction fee, and depositing the federal funds in the health care trust fund. The bill authorizes the department to transfer funds from the health care trust fund to the long-term care loan fund for providing the funds needed for nursing facility-related projects that have received final or pending final approval from the department as of November 30, 2000.

Senate Bill No. 2095 changes the method of determining eligibility for the children's health insurance program (Healthy Steps) for self-employed applicants. Eligibility will be determined based on the applicant's previous year's adjusted gross income rather than average adjusted gross income for the previous three years.

Senate Bill No. 2098 provides that the moratoriums on the expansion of long-term care bed capacity and on basic care bed capacity do not apply to beds that would be established in tribal facilities.

Senate Bill No. 2174 excludes a spouse's income from consideration when determining whether a disabled individual is eligible for medical assistance.

Prepared by the North Dakota Legislative Council
staff for Senate Appropriations
February 27, 2001

Department 325 - Department of Human Services
House Bill No. 1012

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	2,252.57	$340,546,370	$1,016,554,663	$1,357,101,033
1999-2001 Legislative Appropriations	2,286.05[1]	348,505,717	882,492,667	1,230,998,384[2]
Increase (Decrease)	(33.48)	($7,959,347)	$134,061,996	$126,102,649
2001-03 Hoeven Executive Budget	2,252.57	$340,546,370	$1,016,554,663	$1,357,101,033
Hoeven Increase (Decrease) to Schafer	0.00	$0	$0	$0

[1] The 1999-2001 legislatively authorized FTE positions of 2,262.80 have been increased by 23.25 FTE pursuant to Section 6 of 1999 Senate Bill No. 2012 which authorized the department to add FTEs at the human service centers, State Hospital, and Developmental Center.

[2] The 1999-2001 appropriation amounts include $1,900,800, $1,349,544 of which is from the general fund, for the agency's share of the $5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and $192,206, $129,632 of which is from the general fund, for the agency's share of the $1.4 million funding pool appropriated to OMB for assisting agencies in providing the $35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include $27,021,187 of additional spending authority resulting from Emergency Commission action during the 1999-2001 biennium.

Major Schafer Recommendations Affecting Department of Human Services 2001-03 Budget

Departmentwide	General Fund	Other Funds	Total
1. Changes the source of funding for salaries and wages from the general fund to special funds by a total of $1,195,013 for all divisions to recognize anticipated savings from vacant employee positions and employee turnover. This represents a two percent reduction of general fund salaries for the human service centers and a one percent reduction of general fund salaries for the remainder of the department, including the State Hospital and Developmental Center. In addition, the executive budget changes the funding source from the general fund to special funds for 10.65 FTE vacant positions at the State Hospital that the hospital has no immediate plans to fill totaling $853,908.	($2,048,921)	$2,048,921	$0

2. Uses health care trust fund moneys for Department of Human Services programs including:

	Executive Budget	House Version
Grants and loans	$4,020,226	$9,000,000
Health Insurance Portability and Accountability Act (HIPAA) state matching funds	3,870,794	3,000,000
Medical assistance state matching funds	25,000,000	
Statewide long-term care needs assessment	241,006	241,006
Service payments for elderly and disabled (SPED)	4,262,410	6,898,302
State Hospital landfill closure	413,255	
Administrative costs	71,158	71,158

Nursing home bed reduction incentive		4,100,000
Nursing facility employee compensation enhancement		8,189,054
Basic care employee compensation enhancement		202,080
Nursing facility rate limit increases resulting from rebasing		681,846
Nursing facility personal care allowance increase		266,400
Basic care facility personal care allowance increase		180,000
Qualified service provider (QSP) training grants		140,000
Senior citizen mill levy match		150,000
Medical assistance - Targeted case management		338,530
Independent living center grants		100,000
Total	$37,878,849	$33,558,376
See the attached memorandum for additional information on recommendations affecting the health care trust fund.		

3. Provides funding based on the following federal matching assistance percentage (FMAP):

Federal Fiscal Year	FMAP
1998	70.43%
1999	69.94%
2000	70.42%
2001	69.99%
2002 (estimate)	69.87%
2003 (estimate)	69.87%

4. Increases funding provided from retained federal funds received by the state for county administrative costs to a total of $31,940,419.		$2,494,569	$2,494,569
Management			
1. Adds funding from federal funds ($5,055,347) and the health care trust fund ($3,870,794) for the HIPAA computer system project. The House removed this funding from this bill and included $8,055,347, of which $3,000,000 is from the health care trust fund for HIPAA and other technology projects in House Bill No. 1196.		$8,926,141	$8,926,141
2. Eliminates one vacant FTE position in research and statistics not requested by the agency.	($45,850)	($37,513)	($83,363)
3. Adds funding from the general fund to replace special funds from the developmentally disabled facility loan fund No. 1 due to the anticipated reduction in funding available from that fund during the 2001-03 biennium.	$325,570	($325,570)	$0
4. Transfers 1 FTE to the Children and Family Services Division.	($66,800)	($54,655)	($121,455)
5. Adds funding for the ATM network.	$412,225		$412,225
6. Adds funding for computer system enhancements (OAR 205). The House reduced this funding by $637,000 from the general fund.	$1,287,681	$1,874,033	$3,161,714
7. Adds funding for converting to Windows 2000 operating system (OAR 209). The House removed this funding.	$249,326	$203,994	$453,320

8. Adds funding for child support computer system changes (OAR 210).	$481,589	$934,851	$1,416,440
9. Adds funding for development of an electronic documents management system (OAR 224).	$137,024	$112,976	$250,000
10. Adds funding for integrating the remaining children and family services systems into the comprehensive child welfare information and payment system (CCWIPS) (OAR 225). The House reduced this funding by $250,000 from the general fund.	$750,000	$750,000	$1,500,000
11. Adds funding for temporary salaries (OAR 211).	$97,274	$79,591	$176,865
12. Adds funding for recruiting and retaining information technology staff (OAR 298).	$31,350	$25,650	$57,000
Economic Assistance			
1. Increases funding for Indian county allocation pursuant to Section 9 of 1999 Senate Bill No. 2012. A total of $2,771,979 is provided, $703,972 of which is from the general fund. The House reduced this funding by $387,095 from the general fund to reflect the calculation at 85 percent rather than 100 percent of formula.	$582,206	$413,353	$995,559
2. Converts three temporary positions in Child Support to 3 FTE positions.		$57,967	$57,967
3. Adds 1 FTE human service program administrator position to provide independent verification and validation services for the child support program as required by the federal government.	$29,709	$57,669	$87,378
4. Adds 1 FTE support specialist position to issue non-IV-D income withholding orders in the child support program. These duties are being transferred from the clerks of court to the State Disbursement Unit pursuant to 1999 House Bill No. 1121 (OAR 214). The House removed this funding and position.	$75,103		$75,103
5. Converts two customer service temporary positions in Child Support to 2 FTE positions.	$11,281	$21,898	$33,179
6. Transfers 1 FTE administrative position ($96,687) from the intergovernmental transfer program to Healthy Steps and adds 1 FTE ($76,279) to Healthy Steps. The House removed this funding and these positions.		$172,966	$172,966
7. Removes contingent funding provided by the 1999 Legislative Assembly for making medical assistance payments to the newly established traumatic brain injury facility in western North Dakota.	($60,000)	($140,000)	($200,000)
8. Reduces funding for nursing facility alternative grants and loans from the health care trust fund from the original 1999-2001 legislative appropriation. The executive budget provides for nursing facility grants and loans of $4,020,226, the amount committed during the 1999-2001 biennium but which is not anticipated to be paid out until the 2001-03 biennium. The House removed this funding from this bill and included $9,000,000 for grants and loans from the health care trust fund in House Bill No. 1196. The $9,000,000 includes $4,020,226 for the grants and loans committed during the 1999-2001 biennium and an additional $4,979,774 for new renovation loans.		($242,184)	($242,184)
9. Reduces funding for making government nursing facility funding pool payments to Dunseith and McVille (the 1999-2001 amounts used for this comparison include the 1998 and 1999 pool payments). The executive budget includes total payments of $26,440,813 for the 2001-03 biennium. Of this total, $7,946,165 is the required state matching funds that will be provided from the health care trust fund. During the 1999-2001 biennium, the state matching funds were provided from the general fund and from Bank of North Dakota loans. The House removed this funding from this bill and included $38,750,000, of which $11,650,000 is from the general fund in House	($3,618,391)	($31,365,471)	($34,983,862)

Bill No. 1196 for making these pool payments during the 2001-03 biennium.			
10. Requires the department to seek a Medicaid personal care waiver to allow Medicaid to pay a portion of basic care costs.	($5,391,869)	$5,391,869	$0
11. Provides $562,365,199, $129,815,101 of which is from the general fund, $25,000,000 from the health care trust fund, and the remainder from federal and other funds for medical assistance. Without the $25,000,000 provided from the health care trust fund, the general fund share would show an increase of $9,310,352. Major funding increases within medical assistance relate to prescription drugs that are estimated to increase by $28,700,000 or 57 percent and funding for nursing facilities which is increasing by $12,200,000 or 4.8 percent. The House removed the $25,000,000 from the health care trust fund and replaced a portion of it with $21,000,000 from the general fund. These changes result in a $13,300,000 reduction for medical assistance, of which $9,300,000 is from federal funds and $4,000,000 of state matching funds.	($15,689,648)	$63,775,436	$48,085,788
12. Requires prior authorization of medical services and drugs under the medical assistance program (House Bill No. 1116). The House defeated this bill, but no change was made relating to the funding that was removed in the executive budget relating to this recommendation.	($180,300)	($419,700)	($600,000)
13. Increases funding for developmental disabilities grants. Total funding provided is $156,870,722, $51,383,465 of which is from the general fund. The major funding increase for developmental disabilities (DD) grants is funding for community intermediate care facilities for the mentally retarded (ICF/MR) care which is increasing by $4,400,000 or 7.7 percent. The House added $1,498,512, of which $484,547 is from the general fund, for DD grants to increase the average wage for community provider direct care workers by 10 cents per hour.	$2,080,746	$5,867,287	$7,948,033
14. Increases funding for Healthy Steps (children's health insurance program). Funding included in the executive recommendation provides for continuing eligibility requirements at 140 percent of poverty, a caseload beginning the biennium at 2,885 children per month and increasing to 2,995 per month by the end of the biennium, and an annual inflation rate on the insurance premiums of 16.4 percent. Funding totals $8,917,719, $1,886,714 of which is from the general fund.	$1,068,924	$3,961,957	$5,030,881
Program and Policy			
1. Increases funding for the senior citizen mill levy match. A total of $1,662,945 is provided from the general fund. The House reduced this funding by $350,000 in this bill and provided $150,000 from the health care trust fund for senior citizen mill levy matching grants in House Bill No. 1196.	$400,000		$400,000
2. Increases funding for SPED. The executive budget provides a total of $13,967,295 for SPED, $8,561,099 of which is from the general fund, $4,262,410 from the health care trust fund, $445,432 of federal funds, and $698,354 from the counties. The executive budget requires the department to include targeted case management for SPED in its state Medicaid plan, which allows this service to receive federal Medicaid funding. This change results in the general fund being reduced by $445,432 and federal funds increasing by $445,432. The House reduced funding for SPED by $551,700, of which $90,065 is from the general fund to reflect targeted case management costs being paid in medical assistance. In addition, the House removed the $4,262,410 of funding from the health care trust fund in this bill, reduced the general fund by $2,635,892 and provided the sum of these two reductions ($6,898,302) from the health care trust fund for SPED in House Bill No. 1196.	$649,931	$503,074	$1,153,005

3. Increases funding for expanded SPED. The executive budget provides a total of $1,421,080 from the general fund for expanded SPED. The House reduced funding for expanded SPED by $217,800 to reflect targeted case management costs being paid in medical assistance.	$523,036		$523,036
4. Eliminates the contingent general fund appropriation provided by the 1999 Legislative Assembly for SPED to use during the 1999-2001 biennium if funding appropriated for SPED from the health care trust fund was not available.	($4,262,410)		($4,262,410)
5. Removed 1 FTE in Children's Special Health Services. Funding of $15,600 was transferred to temporary salaries.			
6. Adds a .5 FTE HSPA V position transferred from management.	$35,444	$28,999	$64,443
7. Removes a .5 FTE in family preservation.	($23,425)	($48,931)	($72,356)
8. Reduces funding for intensive in-home family preservation services grants (OAR 231). The House reduced these grants by an additional $50,000.	($100,000)		($100,000)
9. Provides funding for a 2.2 percent annual inflation factor for foster care and adoption programs (OARs 254-257)	$329,194	$1,153,027	$1,482,221
10. Provides funding for increasing residential child care facility rates by $50 per month (OAR 258).	$90,779	$251,571	$342,350
11. Reduces federal funding received during the 1999-2001 biennium relating to disaster crisis counseling.		($1,006,000)	($1,006,000)
12. Reduces federal funding relating to the partnership project		($328,716)	($328,716)
13. Adds a .5 FTE position in mental health transferred from management.	$56,279	$4,643	$60,922
14. Adds funding in mental health and substance abuse from carryover funds from the federal substance abuse block grant.		$400,000	$400,000
15. Transfers federal funding for the DD infants and toddlers program to the human service centers.		($243,000)	($243,000)
16. Reduces general fund support in vocational rehabilitation for the older blind program.	($60,791)		($60,791)
17. Increases funding from the general fund for independent living centers. A total of $1,221,699 is provided, $643,992 from the general fund. The House reduced this funding by $300,000 from the general fund in this bill and provided $100,000 from the health care trust fund for these grants in House Bill No. 1196.	$300,000		$300,000
State Hospital			
1. Removes 1 FTE collections officer	($62,839)		($62,839)
2. Removes 1 FTE reimbursement officer.	($78,932)		($78,932)
3. Removes a .5 FTE clerk.	($32,708)		($32,708)
4. Adds funding from the health care trust fund for costs of closing the State Hospital landfill. The House removed this funding and added a section of legislative intent that the State Hospital seek the assistance of the National Guard to complete the closure of this landfill.		$413,255	$413,255
5. Adds funding for State Hospital capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the State Hospital and were previously appropriated to the Industrial Commission.	$566,500		$566,500
6. Reduces funding for capital improvements. 1999-2001 biennium funding of $1,050,000 for the boiler replacement project is removed. The 2001-03 executive budget provides $703,676 from the general	($995,989)		($995,989)

fund for extraordinary repairs. The House reduced this funding by $300,000 from the general fund.			
7. Removes the following 3.6 FTE vacant positions: Cook (1 FTE) - $51,058 Plumber (1 FTE) - $74,209 Electrician (1 FTE) - $74,209 Duplicating center supervisor (.6 FTE) - $61,002	($260,478)		($260,478)
8. Increases funding for client medications.	$97,669		$97,669
9. Removes the following 6 FTE vacant positions: Physician (1 FTE) - $313,848 Psychologist (1 FTE) - $123,713 Registered nurse (1 FTE) - $83,335 Licensed practical nurse (1 FTE) - $66,425 Mental health care specialist (2 FTE) - $105,078	($692,399)		($692,399)
10. Changes the funding source for 10.65 FTE positions in treatment services from the general fund to special funds. This amount is also included in the total amount of underfunding of the pay plan that is shown under departmentwide changes above.	($853,908)	$853,908	$0
11. Provides that funding be received from the Department of Corrections and Rehabilitation for DUI offender treatment services provided to corrections inmates at the State Hospital.	($2,139,284)	$2,139,284	$0
Developmental Center			
1. Removes the following 3.70 FTE health services positions: Nurse practitioner (.5 FTE) - $68,925 Licensed practical nurse (1 FTE) - $69,489 Registered nurse (.25 FTE) - $19,018 Physical therapist (.20 FTE) - $21,823 Occupational therapist (.20 FTE) - $21,582 Psychologist (1 FTE) - $104,296 Speech therapist (.55 FTE) - $67,679	($111,844)	($260,968)	($372,812)
2. Removes one FTE superintendent position. The Developmental Center and the State Hospital will be sharing a superintendent.	($53,342)	($124,466)	($177,808)
3. Adds funding for Developmental Center capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the Developmental Center and were previously appropriated to the Industrial Commission.	$649,234		$649,234
4. Reduces funding for capital improvements to $285,129, of which $210,844 is from the general fund. The House reduced this funding by $70,000, of which $42,000 is from the general fund.	$45,454	($183,935)	($138,481)
5. Removes the following two FTE resident living program positions. Unit director (1 FTE) - $112,285 Resident unit program coordinator (1 FTE) - $113,801	($67,826)	($158,260)	($226,086)
6. Removes 1.46 FTE nursing positions and transfers funding of $92,784 to temporary salaries.			
Northwest Human Service Center			
1. Removes 1 FTE business manager position. The Northwest and North Central Human Service Centers will be sharing a business manager.	($71,857)	($8,061)	($79,918)
2. Removes a .32 FTE vacant psychiatrist position.	($179,002)		($179,002)
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0

North Central Human Service Center			
1. Removes a .15 vacant psychiatrist position.	($26,562)	($27,437)	($53,999)
2. Reduces mental health partnership program grants.		($332,500)	($332,500)
3. Eliminates the seriously mentally ill (SMI) Rhinelander program.	($70,000)		($70,000)
4. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Lake Region Human Service Center			
1. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Northeast Human Service Center			
1. The executive budget restored the $500,000 of general fund budget reductions made by the Northeast Human Service Center to comply with the 1999 Legislative Assembly directive that the department identify budget savings totaling $500,000 for the 2001-03 biennium relating to the efficiencies and the collocation of service delivery that has resulted from being located in the city/county building in Grand Forks.			
2. Removes 16.75 FTE positions by:			
Converting the SMI work activity program to a contracted service (1 FTE).			
Converting the Rhinelander program to a contracted service (.5 FTE).			
Converting the hospital alternative program and the chemical dependency adolescent residential facilities program to a contracted service (15.25 FTE).			
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Southeast Human Service Center			
1. Adds funding for Southeast Human Service Center capital construction lease payments. These funds will be paid to the Industrial Commission for payment on bonds issued on behalf of the center and were previously appropriated to the Industrial Commission	$441,125		$441,125
2. Adds 1 FTE child welfare position.	$59,306	$23,790	$83,096
3. Increases funding for adult protective services.	$53,300	$27,500	$80,800
4. Removes 1 FTE mental health partnership position.	($56,193)		($56,193)
5. Reduces mental health partnership intensive in-home services grants.		($342,000)	($342,000)
6. Eliminates funding for the seriously mentally ill (SMI) Rhinelander program.	($16,044)		($16,044)
7. Reduces federal funding for alcohol treatment contract services to $36,973 of federal funds.		($72,000)	($72,000)
8. Adds 1 FTE adult psychologist position (OAR 212).	$53,130	$79,528	$132,658
9. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
South Central Human Service Center			
1. Increases funding for the center's transitional living facility, which began operations during the second year of the 1999-2001 biennium.	($12,874)	$279,048	$266,174

It will be operating for two full years during the 2001-03 biennium. The executive budget includes funding of $584,879, $186,879 of which is from the general fund for this program for the 2001-03 biennium.			
2. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
West Central Human Service Center			
1. Adds 1 FTE county supervisor position.	$56,562	$26,618	$83,180
2. Adds a .5 FTE DD case manager.	$26,839	$17,892	$44,731
3. Increases funding for the adult protective services grant. The House removed the general fund support for adult protective services.	$58,100	($21,800)	$36,300
4. Increases rent for the Manchester House, which expanded its bed capacity from 10 to 12 in May 2000. The executive budget includes $340,648, $102,194 of which is from the general fund for renting this facility.	$20,621	$48,117	$68,738
5. Adds 1 FTE SMI case manager.	$23,642	$55,165	$78,807
6. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0
Badlands Human Service Center			
1. Eliminates DD residential services including 4 FTE positions. Funding was transferred to the central office during the 1999-2001 biennium to contract for these services.			$0
2. Increases funding for psychiatric services (OAR 261)	$15,000		$15,000
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	($75,000)	$75,000	$0

Major Hoeven Recommendations Affecting Department of Human Services
2001-03 Budget Compared to the Bill as Introduced (Schafer Budget)

The Hoeven budget recommendation does not change the 2001-03 biennium Schafer executive budget recommendation for this agency. The Hoeven budget does recommend paying the Dunseith and McVille nursing homes an additional governmental nursing facility funding pool (intergovernmental transfer program) transaction payment of $200,000 each during the 1999-2001 biennium that the Schafer budget did not recommend.

Major Legislation Affecting the Department of Human Services

House Bill No. 1109 expands the definition of a basic care facility to include an Alzheimer's, dementia, or special memory care facility. The bill requires assisted living facilities to register with the Department of Human Services and pay an annual registration fee of $10. Basic care facilities would continue to be licensed by the State Department of Health.

House Bill No. 1114 authorizes the Department of Human Services to sell certain State Hospital land to the city of Jamestown.

House Bill No. 1115 authorizes the Department of Human Services to implement a personal care option benefit program for qualified individuals residing in basic care facilities. This is expected to allow the department to access an estimated $5,609,666 of federal Medicaid funds for the 2001-03 biennium. Provisions of this bill were reflected in the executive budget.

House Bill No. 1117 requires the Department of Human Services to establish targeted case management services for eligible elderly and disabled individuals who are at risk of requiring long-term care services. This will allow the department to access an estimated $445,432 of federal Medicaid funds in the SPED program for the 2001-03 biennium. Provisions of this bill were reflected in the executive budget.

House Bill No. 1196 continues the intergovernmental transfer program that allows the state to claim additional federal Medicaid funds by making government nursing facility funding pool payments to government nursing facilities in the state--Dunseith and McVille, having these facilities return the funding to the state, less a $50,000 transaction fee, and depositing the federal funds in the health care trust fund.

The bill appropriates $38,750,000, of which $11,650,000 is from the general fund and $27,100,000 of federal funds for making government nursing facility funding pool payments during the 2001-03 biennium. The general fund share of each payment will be returned to the general fund within one business day of the payment being made, therefore, general fund revenues will increase by $11,650,000

The bill appropriates $800,000 from the health care trust fund for making an additional transaction fee payment of $400,000 to each of the government nursing facilities (Dunseith and McVille) during the 1999-2001 biennium.

The bill creates a nursing facility nurses student loan payment program, transfers $1,000,000 from the health care trust fund to the nursing facility nurses student loan payment fund, and appropriates $200,000 from the nursing facility nurses student loan fund for making these payments during the 2001-03 biennium.

The bill appropriates $8,055,347, of which $3,000,000 is from the health care trust fund and $5,055,347 is federal funds for costs associated with complying with the federal Health Insurance Portability and Accountability Act (HIPAA) and for other technology projects.

The bill appropriates funds for the following economic assistance programs for the 2001-03 biennium:

	Health Care Trust Fund	Federal Funds	Total
Administrative costs	$71,158		$71,158
Grants - 1999-2001 commitments	100,226		100,226
Loans	8,899,774		8,899,774
Statewide long-term care needs assessment	241,006		241,006
Nursing home bed reduction incentive	4,100,000		4,100,000
Nursing facility employee compensation enhancement	8,189,054	$19,107,793	27,296,847
Basic care employee compensation enhancement	202,080	471,520	673,600
Nursing facility rate limit increases resulting from rebasing	681,846	1,590,974	2,272,820
Nursing facility personal care allowance increase	266,400	621,600	888,000
Basic care facility personal care allowance increase	180,000		180,000
Qualified service provider (QSP) training grants	140,000		140,000
Targeted case management	338,530	769,220	1,107,750
Total	$23,410,074	$22,561,107	$45,971,181

This bill includes the following appropriations for program and policy programs:

	Health Care Trust Fund
Service payments for the elderly and disabled (SPED)	$6,898,302
Senior citizen mill levy match	150,000
Independent living center grants	100,000
Total	$7,148,302

See the attached memorandum for additional information on recommendations affecting the health care trust fund.

House Bill No. 1282 requires the Department of Human Services to pay for ambulance service calls for Medicaid-covered individuals even if the service call does not result in transport.

House Bill No. 1415 continues the moratorium on the expansion of residential treatment center or residential child care facility bed capacity through June 30, 2003, unless the Department of Human Services determines that a need exists for additional bed capacity.

House Bill No. 1441 removes the asset test for children and families coverage groups and pregnant women to be eligible for medical assistance and provides that the counties rather than the state determine eligibility for the children's health insurance program (Healthy Steps)

House Bill No. 1472 appropriates $544,120, of which $114,755 is from the community health trust fund and $429,365 of federal funds to the Department of Human Services for providing medical assistance coverage for women with breast or cervical cancer

Senate Bill No. 2034 adds the Developmental Center to the definition of a "treatment center" for sexually dangerous individuals

Senate Bill No. 2095 changes the method of determining eligibility for the children's health insurance program (Healthy Steps) for self-employed applicants. Eligibility will be determined based on the lower of the applicant's previous year's adjusted gross

income or the previous three-year average rather than basing eligibility only on the average adjusted gross income for the previous three years.

Senate Bill No. 2098 continues the moratoriums on the expansion of long-term care and basic care bed capacity.

Senate Bill No. 2307 requires the Department of Human Services to establish a developmental disability services provider reimbursement pilot project in the Southeast Human Service Center region.

Senate Bill No. 2308 appropriates $89,000 from the general fund to the Department of Human Services for compulsive gambling prevention, awareness, rehabilitation, and treatment services. Of the $89,000 appropriation, $39,000 is for the development of gambling counselor certification standards.

Senate Bill No. 2354 appropriates $200,000 of federal temporary assistance for needy families (TANF) funds to the Department of Human Services for an alternatives-to-abortion services program.

Senate Bill No. 2403 requires the Department of Human Services to make available orthodontic services in conjunction with oral maxillofacial surgical services to certain Medicaid recipients.

Senate Bill No. 2414 removes the benefit cap for families participating in the temporary assistance for needy families (TANF) program and provides for the coverage of child delivery services under the children's health insurance program (Healthy Steps).

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
February 16, 2001

2001-03 BIENNIUM DEPARTMENT OF HUMAN SERVICES BUDGET - SUMMARY OF HOUSE CHANGES

	FTE	General Fund	Estimated Income	Total
Executive budget recommendation				
Management	122.80	$19,697,621	$40,824,823	$60,522,444
Economic Assistance	130.80	188,256,410	740,502,079	928,758,489
Program and Policy	112.50	34,959,143	129,295,937	164,255,080
State Hospital	511.00	33,800,332	18,374,398	52,174,730
Developmental Center	471.14	10,789,280	30,233,607	41,022,887
Northwest Human Service Center	65.68	4,173,450	4,155,537	8,328,987
North Central Human Service Center	115.85	8,514,537	5,892,990	14,407,527
Lake Region Human Service Center	69.00	4,600,599	3,658,411	8,259,010
Northeast Human Service Center	144.40	7,800,231	11,282,528	19,082,759
Southeast Human Service Center	189.75	9,240,626	11,146,427	20,387,053
South Central Human Service Center	90.00	5,783,215	5,531,495	11,314,710
West Central Human Service Center	141.15	8,427,678	10,490,557	18,918,235
Badlands Human Service Center	88.50	4,503,248	5,165,874	9,669,122
Total executive budget recommendation	2,252.57	$340,546,370	$1,016,554,663	$1,357,101,033
House changes				
Management	0.00	($1,943,472)	($9,158,128)	($11,101,600)
Economic Assistance	(3.00)	26,990,826	(56,379,594)	(29,388,768)
Program and Policy	0.00	(4,622,984)	(4,252,545)	(8,875,529)
State Hospital	0.00	(576,000)	(413,255)	(989,255)
Developmental Center	0.00	(136,500)	(213,500)	(350,000)
Northwest Human Service Center	(5.00)	(99,054)	(72,500)	(171,554)
North Central Human Service Center	1.00	(139,608)	(116,434)	(256,042)
Lake Region Human Service Center	0.00	(32,000)	(19,600)	(51,600)
Northeast Human Service Center	[illegible].00	(201,200)	(29,500)	(230,700)
Southeast Human Service Center	0.00	(95,900)	(22,400)	(118,300)
South Central Human Service Center	0.00	(78,100)	(29,400)	(107,500)
West Central Human Service Center	(1.00)	(263,513)	(37,784)	(301,297)
Badlands Human Service Center	0.00	(46,100)	(4,300)	(50,400)
Total House changes	(8.00)	$18,756,395	($70,748,940)	($51,992,545)
House version				
Management	122.80	$17,754,149	$31,666,695	$49,420,844
Economic Assistance	127.80	215,247,236	684,122,485	899,369,721
Program and Policy	112.50	30,336,159	125,043,392	155,379,551
State Hospital	511.00	33,224,332	17,961,143	51,185,475
Developmental Center	471.14	10,652,780	30,020,107	40,672,887
Northwest Human Service Center	60.68	4,074,396	4,083,037	8,157,433
North Central Human Service Center	116.85	8,374,929	5,776,556	14,151,485
Lake Region Human Service Center	69.00	4,568,599	3,638,811	8,207,410
Northeast Human Service Center	144.40	7,599,031	11,253,028	18,852,059
Southeast Human Service Center	189.75	9,144,726	11,124,027	20,268,753
South Central Human Service Center	90.00	5,705,115	5,502,095	11,207,210
West Central Human Service Center	140.15	8,164,165	10,452,773	18,616,938
Badlands Human Service Center	88.50	4,457,148	5,161,574	9,618,722
Total House version	2,244.57	$359,302,765	$945,805,723	$1,305,108,488

NOTE: These amounts include options for a number of changes under consideration, the amounts will be more or less depending on the committee's action on these options.

Summary of House changes

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	122 80	$19 697 621	$40 824 823	$60 522 444
Management - House changes:				
Executive Office Program				
Reduces funding for operating expenses		($7,500)		($7,500)
Managerial Support Program				
Increases funding from the lands and minerals trust fund for making DD loan fund payments to the common schools trust fund due to additional loans being approved			$221,501	221 501
Removes funding for the Health Insurance Portability and Accountability Act (HIPAA), $3,870,974 of which is from the health care trust fund and $5,055,347 of federal funds - Funding for HIPAA and other technology projects of $8,055,347 is included in House Bill No. 1196. Of the total in House Bill No 1196, $3,000,000 is from the health care trust fund and $5,055,347 is federal funds			(8 926,141)	(8 926 141)
Reduces funding for operating expenses		(80,000)		(80 000)
Information Management Division Program				
Reduces funding associated with new positions added at the West Central Human Service Center (OAR's 220, 227, and 229)		(8 576)	(994)	(9 570)
Reduces funding associated with new positions added at the Southeast Human Service Center (OAR's 213 and 218)		(6 380)		(6 380)
Reduces funding associated with new positions added in child support (OAR 215)		(3,190)		(3,190)
Reduces funding for operating expenses		(101,500)	(248,500)	(350,000)
Reduces operating expense funding for current systems enhancements to $2,524,714, of which $650,681 is from the general fund (OAR 205)		(637,000)		(637,000)
Removes funding from operating for upgrading to Windows 2000 (OAR 209)		(249,326)	(203 994)	(453 320)
Reduces operating expense funding for the case management system project to $1,250,000, of which $500,000 is from the general fund (OAR 225)		(250 000)		(250 000)
Reduces funding for equipment		(600,000)		(600,000)
Total House changes - Management	0 00	($1 943,472)	($9,158,128)	($11,101,600)
House Version - Management Subdivision	122 80	$17,754,149	$31,666,695	$49,420,844

Other changes affecting Management programs or multiple programs of the department:

A section is added providing that the Department of Human Services prepare a report for the 2003 Legislative Assembly on any funding or FTE transfers made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium

Sections of legislative intent are added providing that the department
- Consider the possibility of its employees sharing work stations
- Consider distributing telephone credit cards to its employees to use when travelling on official state business for allowable personal calls to reduce telephone costs.
- Consider expanding its use of email for distributing information to reduce printing costs

ECONOMIC ASSISTANCE SUBDIVISION	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	130 80	$188 256,410	$740 502 079	$928 758 489
Economic Assistance - House changes				
Economic Assistance Policy Program				
Reduces funding for the Indian county allocation to reflect the calculation at 85 percent rather than 100 percent of formula Funding of $2,384,884 is provided, $316,877 of which is from the general fund		($387 095)		($387 095)
Reduces funding for salaries and wages to reflect a reclassification of a position from a human service program administrator to an administrative secretary		(11 909)	($15 844)	(27 753)
Child Support Program				
Removes a support specialist position and related operating expenses added in the executive budget	(1 00)	(75 103)		(75 103)
Reduces funding for operating expenses		(25,000)		(25 000)
Medical Services Program				
Removes funding from the health care trust fund line item relating to funding for SPED that was appropriated in this subdivision and in Program and Policy (The funding only needs to be appropriated in Program and Policy)			(4 262,410)	(4 262 410)
Increases DD grants funding to increase the average wage for community provider direct care workers by 90 cents per hour (Option A)		4 360 928	9,125,682	13 486 610
Increases DD grants funding to increase the average wage for community provider direct care workers by 45 cents per hour (OAR 122) (Option B)		2,180,464	4 562,841	6 743 305
Removes positions relating to Healthy Steps due to eligibility determination being transferred to the counties (HB 1441)	(2 00)	(36 997)	(135,969)	(172 966)
Reduces medical assistance grants to reflect removal of the $25 million of state matching funds included in the executive budget from the health care trust fund			(83 333 333)	(83 333 333)
Adds funding for medical assistance grants The House version provides a total of $549,031,866 for medical assistance grants, excluding Healthy Steps, intergovernmental transfer payments, and developmental disabilities grants Of this total, $150,815,101 is from the general fund		21 000 000	49 000,000	70 000 000
Reduces funding for basic care grants to reflect targeted case management costs being paid in medical assistance		(14 462)		(14 462)
Removes funding from grants for making government nursing facility funding pool payments including $7,946,105 from the health care trust fund that was recommended to be used as the state matching share Funding of $38,750,000, of which $11,650,000 is from the general fund for making these payments is included in House Bill No 1196			(26,440,813)	(26,440,813)
Removes funding from the health care trust fund for nursing facility grants and loans from the health care trust fund line item Funding of $9,000,000 from the health care trust for these grants and loans is included in House Bill No. 1196			(4,020,226)	(4,020,226)
Removes operating expense funding from the health care trust fund for the additional 1999-2001 biennium transaction fee payment to Dunseith and McVille Funding of $800,000 from the health care trust fund is included in House Bill No 1196 for these payments			(400,000)	(400,000)
Removes operating expense funding from the health care trust fund for the statewide long-term care needs assessment Funding of $241 006 from the health care trust fund is included in House Bill No 1196 for this study			(241,006)	(241 006)
Removes funding from the health care trust fund relating to Bank of North Dakota fees The bank withholds these fees pursuant to a continuing appropriation			(147 358)	(147 358)
Removes funding from the health care trust fund for intergovernmental transfer program administrative costs Funding for these administrative costs is included in House Bill No 1196 In addition, funding for the remaining administrative costs of $76,672, of which $2,757 is from the general fund and $73 915 is federal funds is moved from the health care trust fund line item to salaries and wages ($60,707) and to operating expenses ($15,965)			(71 158)	(71 158)
Total House changes - Economic Assistance	(3 00)	$26 990,826	($56,379,594)	($29 388 768)
House Version - Economic Assistance Subdivision	127 80	$215 247,236	$684,122,485	$899,369,721

Other changes affecting Economic Assistance programs:

A section is added amending subsection 3 of section 50-01 2-03 2 to change the formula used for calculating the Indian county allocation from 100 percent of the excess costs relating to the locally administered economic assistance programs over the statewide average to 85 percent

A section of legislative intent is added providing that the department focus on enhancing the effectiveness of its utilization review efforts in the medical services program

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	112 50	$34,959,143	$129 295 937	$164 255 080
Program and Policy - House changes:				
Aging Services Program				
Removes funding added in the executive budget for senior citizen mill levy matching grants Funding of $1,262,945 from the general fund remains in this bill Additional funding of $150,000 from the health care trust fund is included in House Bill No 1196		($400 000)		($400 000)
Reduces funding to $268 400, $200,000 of which is from the general fund for operating expenses relating to distributing telecommunications equipment		(52,727)		(52 727)
Reduces funding for SPED grants to $13,415,595, of which $8,471,034 is from the general fund to reflect targeted case management costs being paid in medical assistance		(90,065)	($461,635)	(551 700)
Reduces funding for SPED grants to $6,517,293 in this bill, of which $5,835,142 is from the general fund Additional funding for SPED of $6,898,302 from the health care trust fund is included in House Bill No. 1196		(2,635,892)	(4 262,410)	(6,898,302)
Reduces funding for expanded SPED grants to $1,203,280 from the general fund to reflect targeted case management costs being paid in medical assistance		(217 800)		(217 800)
Children's Special Health Program				
Reduces funding for operating expenses		(21,500)	(28,500)	(50 000)
Children and Family Services Program				
Reduces funding for intensive in-home services grants to $250,000 from the general fund (OAR 231)		(50,000)		(50 000)
Reduces funding for operating expenses		(25,000)		(25,000)
Changes the funding source from the general fund to federal TANF block grant funds for child protection services grants (Option A)		(300,000)	300 000	
Changes the funding source from the general fund to federal TANF block grant funds and reduces funding for child protection services grants (Option B)		(300,000)	200 000	(100 000)
Reduces funding for family preservation services grants		(100,000)		(100,000)
Reduces funding for early childhood services grants to provide $4,136,344, of which $105,000 is from the general fund		(40,000)		(40,000)
Mental Health and Substance Abuse Program				
Reduces operating expense funding for compulsive gambling services to provide $100,000 from the general fund		(50,000)		(50 000)
Developmental Disabilities Program				
Reduces funding for operating expenses		(10,000)		(10,000)
Vocational Rehabilitation Program				
Reduces funding for grants for independent living centers to $921,699, of which $343,992 is from the general fund Additional funding for independent living center grants of $100,000 from the health care trust fund is included in House Bill No 1196		(300,000)		(300,000)
Reduces funding for operating expenses		(5,000)		(5,000)
Reduces funding for extended services grants		(25,000)		(25,000)
Total House changes - Program and Policy	0 00	($4,622,984)	($4,252,545)	($8,875 529)
House Version - Program and Policy Subdivision	112 50	$30,336,159	$125,043,392	$155,379 551

Other changes affecting Program and Policy programs:

A section of legislative intent is added providing that the department seek a waiver from the federal government allowing the state to spend less than 30 percent of the federal maternal and child health block grant for children with special health care needs

A section is added providing that eligibility for children's special health services be set at 150 percent of poverty in statute rather than 185 percent that is the current level set by administrative rule

STATE HOSPITAL	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	511.00	$33,800,332	$18,374,398	$52,174,730
State Hospital - House changes:				
Removes funding from the health care trust fund for costs associated with closing the State Hospital landfill. A section of legislative intent is added providing that the State Hospital seek the assistance of the National Guard to complete the closure of the landfill			($413,255)	($413,255)
Reduces capital improvements funding		($300,000)		(300,000)
Reduces operating expense funding		(196,000)		(196,000)
Reduces equipment funding (Option A)		(50,000)		(50,000)
Reduces equipment funding (Option B)		(30,000)		(30,000)
Total House changes - State Hospital	0.00	($576,000)	($413,255)	($989,255)
House Version - State Hospital	511.00	$33,224,332	$17,961,143	$51,185,475

Other changes affecting the State Hospital:

DEVELOPMENTAL CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	471.14	$10,789,280	$30,233,607	$41,022,887
Developmental Center - House changes:				
Removes capital improvements funding for a power generator and line power synchronization no longer being requested by the agency		($42,000)	($28,000)	($70,000)
Removes capital improvements funding for one humidification project		(15,000)		(15,000)
Removes equipment funding for a dietary trayline system		(12,000)	(28,000)	(40,000)
Reduces operating expense funding		(67,500)	(157,500)	(225,000)
Total House changes - Developmental Center	0.00	($136,500)	($213,500)	($350,000)
House Version - Developmental Center	471.14	$10,652,780	$30,020,107	$40,672,887

Other changes affecting the Developmental Center.

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	65.68	$4,173,450	$4,155,537	$8,328,987
Northwest Human Service Center - House changes:				
Removes addiction program positions no longer being requested by the agency. The center will use the funding to contract with a private provider for these services. The funding removed relates to the recommended compensation package increase for these positions	(5.00)	($21,554)		($21,554)
Reduces funding for rent		(35,000)	($35,000)	(70,000)
Reduces funding for other operating expenses		(35,000)	(35,000)	(70,000)
Reduces funding for DD infant development grants		(7,500)	(2,500)	(10,000)
Total House changes - Northwest Human Service Center	(5.00)	($99,054)	($72,500)	($171,554)
House Version - Northwest Human Service Center	60.68	$4,074,396	$4,083,037	$8,157,433

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	115.85	$8,514,537	$5,892,990	$14,407,527
North Central Human Service Center - House changes				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606
Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short-term inpatient hospitalization services (Option A)		(29,500)	(20,500)	(50,000)
Reduces grants funding for short-term inpatient hospitalization services (Option B)		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human Service Center	1.00	($139,608)	($116,434)	($256,042)
House Version - North Central Human Service Center	116.85	$8,374,929	$5,776,556	$14,151,485

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	115.85	$8,514,537	$5,892,990	$14,407,527
North Central Human Service Center - House changes:				
Adds a community home counselor for the Oppen program	1.00	$53,606		$53,606
Removes a portion of the funding relating to a human service program administrator position added in OAR 246 to assist with business office functions		(30,964)	($3,684)	(34,648)
Reduces operating expense funding		(14,750)	(10,250)	(25,000)
Reduces grants funding for short-term inpatient hospitalization services (Option A)		(29,500)	(20,500)	(50,000)
Reduces grants funding for short-term inpatient hospitalization services (Option B)		(118,000)	(82,000)	(200,000)
Total House changes - North Central Human Service Center	1.00	($139,608)	($116,434)	($256,042)
House Version - North Central Human Service Center	116.85	$8,374,929	$5,776,556	$14,151,485

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	69.00	$4,600,599	$3,658,411	$8,259,010
Lake Region Human Service Center - House changes				
Reduce salaries relating to a human relations counselor position that has been reclassified		($10,800)	($10,800)	($21,600)
Reduce operating expense funding		(11,200)	(8,800)	(20,000)
Reduce grants funding		(10,000)		(10,000)
Total House changes - Lake Region Human Service Center	0.00	($32,000)	($19,600)	($51,600)
House Version - Lake Region Human Service Center	69.00	$4,568,599	$3,638,811	$8,207,410

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	144.40	$7,800,231	$11,282,528	$19,082,759
Northeast Human Service Center - House changes.				
Reduces funding for adult protective services		($40,700)		($40,700)
Reduces operating expense funding		(40,000)		(40,000)
Reduces grants funding		(20,500)	($29,500)	(50,000)
Reduces grants funding		(100,000)		(100,000)
Total House changes - Northeast Human Service Center	0.00	($201,200)	($29,500)	($230,700)
House Version - Northeast Human Service Center	144.40	$7,599,031	$11,253,028	$18,852,059

SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	189.75	$9,240,626	$11,146,427	$20,387,053
Southeast Human Service Center - House changes				
Reduces funding for adult protective services		($53,300)		($53,300)
Reduces operating expense funding		(17,600)	($22,400)	(40,000)
Reduces grants funding		(25,000)		(25,000)
Total House changes - Southeast Human Service Center	0.00	($95,900)	($22,400)	($118,300)
House Version - Southeast Human Service Center	189.75	$9,144,726	$11,124,027	$20,268,753

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	90.00	$5,783,215	$5,531,495	$11,314,710
South Central Human Service Center - House changes.				
Reduces funding for adult protective services		($37,500)		($37,500)
Reduces funding for temporary and overtime salaries		(10,200)	($9,800)	(20,000)
Reduces operating expense funding		(20,400)	(19,600)	(40,000)
Reduces funding for grants		(10,000)		(10,000)
Total House changes - South Central Human Service Center	0.00	($78,100)	($29,400)	($107,500)
House Version - South Central Human Service Center	90.00	$5,705,115	$5,502,095	$11,207,210

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	141.15	$8,427,678	$10,490,557	$18,918,235
West Central Human Service Center - House changes:				
Reduces funding for adult protective services		($58,100)		($58,100)
Removes assistant director position	(1.00)	(107,913)	($10,284.0)	(118,197)
Reduces operating expense funding		(22,500)	(27,500)	(50,000)
Reduces grants funding		(75,000)		(75,000)
Total House changes - West Central Human Service Center	(1.00)	($263,513)	($37,784)	($301,297)
House Version - West Central Human Service Center	140.15	$8,164,165	$10,452,773	$18,616,938

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Executive budget recommendation	88.50	$4,503,148	$5,165,874	$9,669,122
Badlands Human Service Center - House changes:				
Reduces funding for adult protective services		($20,400)		($20,400)
Reduces operating expense funding		(14,100)	($15,900)	(30,000)
Reduces funding for respite care grants		(5,000)		(5,000)
Reduces psychiatric services		(15,000)		(15,000)
Adds funding for chemical dependency (alcohol and drug services		8,400	11,600	20,000
Total House changes - Badlands Human Service Center	0.00	($46,100)	($4,300)	($50,400)
House Version - Badlands Human Service Center	88.50	$4,457,148	$5,161,574	$9,618,722

Other changes affecting the Human Service Centers:

Department of Human Services
Intergovernmental Transfer Fund Statement
1999-01 and 2001-03 Biennia

	House Bill 1179 Gov Schafer	Gov Hoeven	House B[illegible] [illegible]
Beginning Balance	0	0	0
Revenue:			
1998 Pool Payment (Less 10,000 to both Facilities)	25,902,739	25,902,739	25,902,739
1999 Pool Payment (Less 10,000 to both Facilities)	17,340,685	17,340,685	17,340,685
Interest on Trust Fund	1,949,798	1,949,798	1,949,798 (1)
Loan Repayments - Interest	19,747	19,747	19,747 (2)
Loan Repayments - Principal	7,622	7,622	7,622 (2)
Total 1999-01 Revenue	45,220,591	45,220,591	45,220,591
Expenditures			
SPED	4,262,410	4,262,410	4,262,410
Loans committed	1,697,273	1,697,273	1,697,273
Grants committed	804,300	804,300	804,300
Administrative Costs	60,382	60,382	60,382
BND Fee	1,685	1,685	1,685 (2)
Catch up payments to government facilities		400,000	400,000
Total 1999-01 Expenditures	6,826,050	7,226,050	7,226,050
June 30, 2001 Balance	38,394,541	37,994,541	37,994,541
Revenue			
2000 Pool Payment (Less $100,000 to both facilities)	11,748,679	11,748,679	11,748,679
2001 Pool Payment (Less $100,000 to both facilities)	6,385,969	6,385,969	6,385,969
Interest on Trust Fund	2,989,065	2,989,065	2,989,065 (1)
Loan Repayments - Interest	211,289	211,289	211,289 (2)
Loan Repayments - Principal	352,087	352,087	352,087 (2)
Repayment of Match for Payments to Gvmt Nursing Facilities	7,946,165	7,946,165	0
Total 2001-03 Revenue	29,633,254	29,633,254	21,687,089
Expenditures			
Loans committed or pending final approval	3,920,000	3,920,000	3,920,000
Grants committed	100,226	100,226	100,226
Administrative Costs	71,158	71,158	71,158
BND Fee	147,358	147,358	147,358 (2)
Match for Payments to Government Nursing Facilities	7,946,165	7,946,165	0
SPED	4,262,410	4,262,410	4,262,410
Funding Switch in Medicaid	25,000,000	25,000,000	
HIPAA match	3,870,794	3,870,794	
Statewide Long Term Care Needs Assessment	241,006	241,006	
State Hospital Landfill	413,255	413,255	
Hold for Contingent Liability	13,000,000	13,000,000	13,000,000
LTC Loans (maximum of 3,000,000 for ICF/MR renovation projects)			23,000,000 (2)
Nursing Home Bed Reduction			9,000,000
Nursing Facility Salary & Benefits Enhancements (18 mo.)			6,000,000
Grants for Training Qualified Service Providers			140,000
Total 2001-03 Expenditures	58,972,372	58,972,372	59,641,152
June 30, 2003 Balance	9,055,423	8,655,423	40,478

Note

(1) Interest on trust fund will vary according to the timing of expenditures and deposit made

(2) Bank of North Dakota fees, loan interest and principal payments do not include estimates for loans using the $23 million in the Solberg Bill

The BND fees and interest and principal payments were based on funds committed by the department as of December 19, 2000

Department of Human Services
Revenue Schedule
2001-2003 Biennium

Description		MOE Requirement
Child Care Development Fund		2,034,072
S115 Child Care - Mandatory Provider Payments	2,034,072	
MOE Over/(Under) MOE Requirement - 0		
TANF / Welfare Reform		16,558,470
S114 Nonfederal funds	14,524,398	
MOE of Child Care Development Fund	2,034,072	
	16,558,470	
MOE Over/(Under) MOE Requirement - 0		
Mental Health Block Grant		86,675,298
S055 Medical Asst. - HSC	17,268,954	
S055 Medical Asst. - State Hospital	4,814,277	
S003 Mental Health - General Fund	1,037,566	
State Program - Mental Health	781,918	
State Program - HSC	19,478,712	
State Program - HSC - Other Collections	5,634,399	
State Programs - State Hospital	31,945,042	
State Programs - State Hospital - Other Collections	7,711,910	
	88,672,778	
MOE Over/(Under) MOE Requirement - 1,997,480		
Substance Abuse Prevention & Treatment		11,754,536
S019 Substance Abuse Prevention & Treatment	254,784	
State Programs - HSCs	6,232,437	
State Programs - HSCs - Other Collections	923,820	
State Programs - State Hospital	1,288,790	
State Programs - State Hospital - Other Collections	4,577,108	
	13,276,939	
MOE Over/(Under) MOE Requirement - 1,522,403		
Aging Services (Older Americans Funding)		1,747,859
S090 - Title III Programs for the Aging	1,171,199	
Less Match on Administration Disallowance	(369,150)	
State Programs - Aging Services - Funds to Providers	720,000	
State Programs - Aging Services - Mill Levy	1,662,945	
	3,184,994	
MOE Over/(Under) MOE Requirement - 1,437,135		
Vocational Rehabilitation		4,521,595
S040 - Vocational Rehabilitation	4,790,330	
MOE Over/(Under) MOE Requirement - 268,735		

Brenda Weiz

1-18-01

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North Dakota Department of Human Services
Grant Reprojections & Comparison of 99-01 Budget to 01-03 Budget Request
HB 1012 to House
2001- 2003 Biennium

Subdivision	Budget Level	Line	Grant Program	Total	General	Federal	Other
325-200	200-02	72	**TANF**				
			1999-2001 Budget	25,404,325	5,500,000	13,506,378	6,397,947
			2001-2003 Budget Request	25,626,056	3,950,382	11,150,551	10,525,123
			Increase/(Decrease)	221,731	(1,549,618)	(2,355,827)	4,127,176
			2001-2003 Budget Request	25,626,056	3,950,382	11,150,551	10,525,123
			2001-2003 Reprojection	25,891,466	3,950,382	11,415,961	10,525,123
			Increase/(Decrease)	265,410		265,410	
325-200	200-02	72	**Child Care**				
			1999-2001 Budget	16,507,896		12,832,634	3,675,262
			2001-2003 Budget Request	21,247,033		17,233,719	4,013,314
			Increase/(Decrease)	4,739,137		4,401,085	338,052
			2001-2003 Budget Request	21,247,033		17,233,719	4,013,314
			2001-2003 Reprojection	22,358,955		18,345,641	4,013,314
			Increase/(Decrease)	1,111,922		1,111,922	
325-200	200-02	72	**Food Stamps**				
			1999-2001 Budget	50,539,632		50,539,632	
			2001-2003 Budget Request	58,326,932		58,326,932	
			Increase/(Decrease)	7,787,300		7,787,300	
			2001-2003 Budget Request	58,326,932		58,326,932	
			2001-2003 Reprojection	58,326,873		58,326,873	
			Increase/(Decrease)	(59)		(59)	
325-200	200-02	72	**JOBS Transportation**				
			1999-2001 Budget	1,317,300		1,317,300	
			2001-2003 Budget Request	1,860,379	36,523	1,811,486	12,370
			Increase/(Decrease)	543,079	36,523	494,186	12,370
			2001-2003 Budget Request	1,860,379	36,523	1,811,486	12,370
			2001-2003 Reprojection	1,887,491	36,523	1,838,598	12,370
			Increase/(Decrease)	27,112		27,112	
325-200	200-02	72	**Indian County Allocation**				
			1999-2001 Budget	1,776,420	121,766		1,654,354
			2001-2003 Budget Request	2,771,979	703,972		2,068,007
			Increase/(Decrease)	995,559	582,206		413,353
			2001-2003 Budget Request	2,771,979	703,972		2,068,007
			2001-2003 Reprojection	2,805,746	737,739		2,068,007
			Increase/(Decrease)	33,767	33,767		

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Grant Reprojection

North Dakota Department of Human Services
Grant Reprojections & Comparison of 99-01 Budget to 01-03 Budget Request
HB 1012 to House
2001- 2003 Biennium

Subdivision	Budget Level	Line	Grant Program	Total	General	Federal	Other
325-200	200-03	72	**Basic Care**				
			1999-2001 Budget	7,690,647			7,690,647
			2001-2003 Budget Request	8,025,120		5,609,666	2,415,454
			Increase/(Decrease)	334,473		5,609,666	(5,275,193)
			2001-2003 Budget Request	8,025,120		5,609,666	2,415,454
			2001-2003 Reprojection	8,619,024	178,758	6,024,812	2,415,454
			Increase/(Decrease)	593,904	178,758	415,146	
325-200	200-03	73	**Nursing Home Facilities**				
			1999-2001 Budget	252,358,444	75,067,679	177,290,765	
			2001-2003 Budget Request	264,593,946	53,996,081	184,897,865	25,700,000
			Increase/(Decrease)	12,235,502	(21,071,598)	7,607,100	25,700,000
			2001-2003 Budget Request	264,593,946	53,996,081	184,897,865	25,700,000
			2001-2003 Reprojection	268,782,282	55,957,699	187,824,583	25,000,000
			Increase/(Decrease)	4,188,336	1,961,618	2,926,718	(700,000)
325-200	200-03	73	**Medicaid Grants (Excluding Nursing Home Facilities)**				
			1999-2001 Budget	327,272,480	82,165,626	233,279,183	11,827,671
			2001-2003 Budget Request	333,129,785	77,705,734	237,928,306	17,495,745
			Increase/(Decrease)	5,857,305	(4,459,892)	4,649,123	5,668,074
			2001-2003 Budget Request	333,129,785	77,705,734	237,928,306	17,495,745
			2001-2003 Reprojection	340,102,533	80,177,598	242,417,997	17,506,938
			Increase/(Decrease)	6,972,748	2,471,864	4,489,691	11,193

NOTE:

2001-2003 Medicaid Grants reprojections reflect moving Targeted Case Management from the SPED/ Expanded SPED budget to the Medicaid budget. If HB 1117, regarding Targeted Case Management is not adopted, the SPED/Expanded SPED budget will need $769,500 in general funds added to maintain the current service level and to be in compliance with NDCC.

North Dakota Department of Human Services
Grant Reprojections & Comparison of 99-01 Budget to 01-03 Budget Request
HB 1012 to House
2001- 2003 Biennium

Subdivision	Budget Level	Line	Grant Program	Total	General	Federal	Other
325-200	200-03	73	**Developmental Disability Grants**				
			1999-2001 Budget	148,922,689	49,302,719	99,119,970	500,000
			2001-2003 Budget Request	156,870,722	51,383,465	105,487,257	
			Increase/(Decrease)	7,948,033	2,080,746	6,367,287	(500,000)
			2001-2003 Budget Request	156,870,722	51,383,465	105,487,257	
			2001-2003 Reprojection	162,190,287	53,111,866	109,078,422	
			Increase/(Decrease)	5,319,565	1,728,400	3,591,165	
325-300	300-43	60	**SPED/Expanded SPED**				
			1999-2001 Budget	13,712,334	8,809,212		4,903,122
			2001-2003 Budget Request	15,388,375	9,982,179	445,432	4,960,764
			Increase/(Decrease)	1,676,041	1,172,967	445,432	57,642
			2001-2003 Budget Request	15,388,375	9,982,179	445,432	4,960,764
			2001-2003 Reprojection	14,877,268	9,935,416		4,941,852
			Increase/(Decrease)	(511,107)	(46,763)	(445,432)	(18,912)
325-300	300-46	60	**Foster Care(IV-E, Regular & RCCF)**				
			1999-2001 Budget	32,780,530	4,650,223	20,545,408	7,584,899
			2001-2003 Budget Request	34,583,084	5,048,748	22,730,908	6,803,428
			Increase/(Decrease)	1,802,554	398,525	2,186,500	(781,471)
			2001-2003 Budget Request	34,583,084	5,048,748	22,730,908	6,803,428
			2001-2003 Reprojection	36,137,292	5,048,748	23,892,983	7,195,561
			Increase/(Decrease)	1,554,208		1,162,075	392,133
325-300	300-46	60	**Adoption/Sub-Adoption**				
			1999-2001 Budget	4,567,277	1,774,153	2,251,008	542,116
			2001-2003 Budget Request	4,843,282	1,868,854	2,369,184	605,244
			Increase/(Decrease)	276,005	94,701	118,176	63,128
			2001-2003 Budget Request	4,843,282	1,868,854	2,369,184	605,244
			2001-2003 Reprojection	5,908,911	2,131,680	3,095,129	682,102
			Increase/(Decrease)	1,065,629	262,826	725,945	76,858

OPTIONAL ADJUSTMENTS SUMMARY

325 DEPARTMENT OF HUMAN SERVICES

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Priority	Optional Adjustment	Reporting Level	FTE Change	Federal Fund	Special Fund	General Fund	Total Adjustment
234	WC Partnership Case Aide Services	00-325-410-77-50-00-00	0.00	124,261	0	341,212	465,473
235	VR Independent Living Extra General	00-325-300-51-00-00-00	0.00	0	0	279,802	279,802
236	NC - OPPEN PROGRAM	00-325-410-72-20-00-00	6.00	0	115,000	340,144	455,144
237	NE Partnership Enhance Core	00-325-410-74-50-00-00	0.00	52,454	0	47,436	99,890
238	LR Restore Respite Care for Partnership	00-325-410-73-50-00-00	0.00	0	0	10,000	10,000
239	LR Restore salary - HSPA position #0172	00-325-410-73-10-00-00	0.00	12,169	0	98,462	110,631
240	NC - UNFUND POSITION 0702	00-325-410-72-50-00-00	1.00	0	0	67,978	67,978
241	NE Short-term Psychiatric Hosp	00-325-410-74-50-00-00	0.00	0	0	16,000	16,000
242	NE Medical Services	00-325-410-74-50-00-00	0.00	0	0	101,200	101,200
243	WC Partnership Intensive In-Home Svcs	00-325-410-77-50-00-00	0.00	0	0	100,000	100,000
244	VR Older Blind Extra General	00-325-300-51-00-00-00	0.00	0	0	60,791	60,791
245	VR TAID General Funds	00-325-300-51-00-00-00	0.00	0	0	130,572	130,572
246	NC - UNFUND POSITION 0806	00-325-410-72-10-00-00	1.00	7,368	0	61,927	69,295
247	NC - CONTRACTED PSYCHIATRIC TIME	00-325-410-72-50-00-00	0.00	0	0	111,323	111,323
248	NC - UNFUNDED POSITION 2112	00-325-410-72-50-00-00	0.15	0	0	50,826	50,826
249	CS Unfunded Tribal Operations	00-325-200-02-00-00-00	0.00	299,117	0	154,091	453,208
250	AS-Restore telecommunications funding	00-325-300-43-00-00-00	0.00	0	0	252,727	252,727
251	NC - MHP GRANTS TO ZERO	00-325-410-72-50-00-00	0.00	0	0	67,500	67,500
252	AS-Include 2.2% factor for SPED	00-325-300-43-00-00-00	0.00	0	16,935	321,786	338,721
253	AS-Include 2.2% factor for Expanded SPED	00-325-300-43-00-00-00	0.00	0	0	38,764	38,764
254	CFS To fund FC-Reg mainten inflat incr	00-325-300-46-00-00-00	0.00	382,079	153,441	78,260	613,780
255	CFS To fund Adopt mainten inflat incr	00-325-300-46-00-00-00	0.00	60,765	23,397	73,383	157,545
256	CFS To fund FC-therapeutic inflat incr	00-325-300-46-00-00-00	0.00	173,404	9,996	66,200	249,600
257	CFS To fund FC - FM mainten inflat incr	00-325-300-46-00-00-00	0.00	323,659	26,286	111,351	461,296
258	CFS To fund monthly $50 incr for RCCFs	00-325-300-46-00-00-00	0.00	237,873	13,698	90,779	342,350
259	DD Corporate Guardianship	00-325-300-48-00-00-00	0.00	0	0	186,706	186,706
260	SE - Rent Increase MI-CD	00-325-410-75-50-00-00	0.00	0	0	3,672	3,672
261	BL Psychiatric Services	00-325-410-78-50-00-00	0.00	0	0	15,000	15,000

OPTIONAL ADJUSTMENTS SUMMARY

325 DEPARTMENT OF HUMAN SERVICES

Version: 2001-0325-B-01

Date: 1/11/01

Time: 20:32:32

Priority	Optional Adjustment	Reporting Level	FTE Change	Federal Fund	Special Fund	General Fund	Total Adjustment
262	BL Psycho Social Services	00-325-410-78-50-00-00	0.00	0	0	12,000	12,000
263	WC Contracted Svcs Inflationary Increase	00-325-410-77-50-00-00	0.00	11,787	0	35,896	47,683
264	SE - Grant Restore Intensive In-Home	00-325-410-75-50-00-00	0.00	86,938	0	163,062	250,000
265	CFS To fund Youth Assessment Center	00-325-300-46-00-00-00	0.00	75,000	0	25,000	100,000
266	CFS To fund Tribal Permanency Planning	00-325-300-46-00-00-00	0.00	292,500	0	97,500	390,000
267	AS-Increase SPED case count	00-325-300-43-00-00-00	0.00	0	11,688	221,847	233,535
268	AS-Increase Expanded SPED case count	00-325-300-43-00-00-00	0.00	0	0	167,986	167,986
269	CS Child Support Payment Specialists NOT	00-325-200-02-00-00-00	1.00	70,709	0	36,426	107,135
270	CS Child Support Payment Specialists-IMD OPT	00-325-100-20-00-00-00	0.00	4,631	0	2,385	7,016
271	CS Staff for Operations Unit NOT	00-325-200-02-00-00-00	1.00	55,008	0	28,337	83,345
272	CS Staff for Operations Unit - IMD OPT	00-325-100-20-00-00-00	0.00	2,105	0	1,085	3,190
273	CFS To fund a Social Worker III	00-325-300-46-00-00-00	0.50	48,931	0	23,425	72,356
274	MH Establish the Consumer Affairs unit NOT	00-325-300-47-00-00-00	0.50	25,749	0	25,749	51,498
275	MH Establish Consumer Affairs Off.-IMD OPT	00-325-100-20-00-00-00	0.00	1,595	0	1,595	3,190
276	SE - VR Counselor NOT	00-325-410-75-30-00-00	1.00	57,203	0	15,482	72,685
277	SE-VR Counselor - IMD OPT	00-325-100-20-00-00-00	0.00	2,510	0	680	3,190
278	CFS To fund AASK program increases	00-325-300-46-00-00-00	0.00	123,375	0	226,625	350,000
279	WC Intensive Service Coordination NOT	00-325-410-77-50-00-00	1.00	0	0	74,845	74,845
280	WC Intensive Service Coordination - IMD OPT	00-325-100-20-00-00-00	0.00	0	0	3,190	3,190
281	SE - Generic Case Manager NOT	00-325-410-75-50-00-00	2.00	0	0	134,722	134,722
282	SE-Case Managers (2) - IMD OPT	00-325-100-20-00-00-00	0.00	0	0	6,380	6,380
283	BL Vulnerable Adults	00-325-410-78-40-00-00	0.00	0	0	24,600	24,600
284	BL Wrap Around - Partnership	00-325-410-78-50-00-00	0.00	0	0	40,000	40,000
285	LR Funding for Adolescents in DL CRU	00-325-410-73-50-00-00	0.00	0	0	125,000	125,000
286	LR Funding for A&D Medical Services	00-325-410-73-50-00-00	0.00	0	0	33,792	33,792
287	WC Outreach Services	00-325-410-77-50-00-00	0.00	10,000	0	65,000	75,000
288	WC Partnership Care Coordination	00-325-410-77-50-00-00	0.00	27,804	0	12,196	40,000
289	SE - Grant Increase Respite Care	00-325-410-75-50-00-00	0.00	0	0	50,000	50,000

Department of Human Services * Optional Adjustment Request * 2001 - 2003 Budget

SIBR (Overall) Priority	Approved Y=Yes P=Partially N=No	OARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
		BUCKET 1 ... sorted by SIBR Priority and Line							
101	Y	MS - Restore Medical Services	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
102	Y	DD - Grants - Restore unfunded services	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
103	P	MS - Healthy Steps	200-03 MEDICAL SERVICES	73		565,696	[illegible]		[illegible]
104	N	DD - Grants- Additional ISLA placements	200-03 MEDICAL SERVICES	73		[illegible]	1,090,485		[illegible]
105	N	MS - Basic Care	200-03 MEDICAL SERVICES	72		[illegible]			[illegible]
106	Y	MS - Grants Inflation	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
107	Y	DD - Grants- 2.2% Inflationary increase	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
108	Y	MS - Healthy Steps Inflation	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
109	P	MS - Basic Care Inflation	200-03 MEDICAL SERVICES	72		[illegible]			[illegible]
110	P	MS - Nursing Homes	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
111	N	MS - Medical Needy at 100% of Poverty	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
112	N	MS - Eliminate Asset Test	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
113	N	DD - Grants - Add Family Care Program	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
114	N	MS - Drug Prior Authorizations	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
115	N	MS - Working Disabled	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
116	N	DD - Grants- Repeal Co-pay	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
117	N	MS-Increase Phys & Optometry Fee Sch	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
118	N	MS Increase Trans & Lodging Reimburse	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
119	N	DC TBI Suite B	430-05 RESIDENT LIVING	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
120	N	DC STOP Phase 1	430-05 RESIDENT LIVING	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
121	N	DD - Grants provider fringe benefit increase to 31%	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
122	N	DD - Grants provider $.45 hr pay increase	200-03 MEDICAL SERVICES	73		[illegible]	[illegible]		[illegible]
123	N	DC Parking lot	430-04 ADMINISTRATION	50		[illegible]			[illegible]
					27.000	31,905,979	66,852,269		98,758,248

Department of Human Services * Optional Adjustments Request * 2001 - 2003 Budget

SIBR (Overall) Priority	Approved Y=Yes P=Partially N=No	CARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
BUCKET 2 ... sorted by SIBR Priority and Line									
201	Y	NE MH & SA ... part 1	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	3.000	293.032	90.053	10.000	393.184
201	Y	NE MH & SA ... part 2	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70					
201	Y	NE MH & SA ... part 3	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70					
201	Y	NE MH & SA ... part 4	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70					
201	Y	NE MH & SA ... part 5	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70					
202	Y	NE Child Welfare ... part 1	410-74-20 CHILD WELFARE	70	1.500	93.822	29.780		123.602
202	Y	NE Child Welfare ... part 2	410-74-20 CHILD WELFARE	70					
202	Y	NE Child Welfare ... part 3	410-74-20 CHILD WELFARE	70					
203	Y	NE DD Case Management	410-74-30 DISABILITY SERVICES	70	1.000	53.476	18.789		72.265
204	Y	NE Administration ... part 1	410-74-10 ADMINISTRATION	70		41.671			41.671
204	Y	NE Administration ... part 2	410-74-10 ADMINISTRATION	70					
205	P	IMD - Current System Enhancements	100-20 INFORMATION MANAGEMENT DIVISION	30		1.148.872	1.326.147		[illegible]
206	Y	CS Independent Verification & Validation	200-02 CHILD SUPPORT	10	1.000	25.039	46.626		[illegible]
206	Y	CS Independent Verification & Validation	200-02 CHILD SUPPORT	30		3.296	6.412		[illegible]
207	Y	CS Indepen. Verfication &Validation-IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		490	950		1.440
207	Y	CS Indepen. Verfication &Validation-IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		595	1.155		1.750
208	Y	MgrlSupp_HIPAA Compliance	100-10 Managerial Support	89		7.750.000	17.250.000		[illegible]
209	Y	IMD - Windows 2000	100-20 INFORMATION MANAGEMENT DIVISION	30		249.326	201.994		[illegible]
[illegible]	Y	IMD - Child Support	100-20 INFORMATION MANAGEMENT DIVISION	30		481.593	934.851		[illegible]
[illegible]	P	IMD - Temporary Staff	100-20 INFORMATION MANAGEMENT DIVISION	30		194.302	356.726		[illegible]
[illegible]	N	IMD - Temporary Staff	100-20 INFORMATION MANAGEMENT DIVISION	30		545	414		[illegible]
[illegible]	Y	SE - Adult Psychiatrist	[illegible] MENTAL HEALTH & SUBST. ABUSE SRVCS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Y	SE Adult Proj. Engineer IMD	100-20 INFORMATION MANAGEMENT DIVISION	[illegible]		[illegible]			[illegible]

Department of Human Services * Optional Adjustments Request * 2001 - 2003 Budget

SIRR (Overall) Priority	Approved Y=Yes P=Partially N=No	OARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
213	Y	SE Adult Psychologist - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		[illegible]			[illegible]
214	Y	CS Non-IVD Income Withholding Orders	200-02 CHILD SUPPORT	10	1.000	[illegible]			[illegible]
214	Y	CS Non-IVD Income Withholding Orders	200-02 CHILD SUPPORT	30		9,100			9,100
215	Y	CS Non-IVD Income Withholding Orders-IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		1,440			1,440
215	Y	CS Non-IVD Income Withholding Orders-IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		1,760			[illegible]
216	Y	EA - Indian County Allocation	200-01 ECONOMIC ASSISTANCE POLICY / GRANTS	72		763,972			763,972
217	Y	SE - HSPA IV COUNTY SERVICES	410-75-20 CHILD WELFARE	70		56,277	[illegible]		[illegible]
217	Y	SE - HSPA IV COUNTY SERVICES	410-75-20 CHILD WELFARE	70	1.000				
218	Y	SE-HSPA County Services - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		1,440			1,440
218	Y	SE-HSPA County Services - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		1,760			[illegible]
219	Y	WC County Supervision Social Worker	410-77-20 CHILD WELFARE	70	[illegible]	[illegible]	[illegible]		[illegible]
220	Y	WC County Supervision Social Worker-IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		996	444		1,440
220	Y	WC County Supervision Social Worker-IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		[illegible]	[illegible]		[illegible]
221	N	SH Sexual Offenders Reorganization	420-40 TREATMENT PROGRAMS	50		[illegible]			[illegible]
221	N	SH Sexual Offenders Reorganization	420-40 TREATMENT PROGRAMS	70	[illegible]	[illegible]			[illegible]
222	N	SH Sexual Offenders Reorganization - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]			[illegible]
222	N	SH Sexual Offenders Reorganization - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		[illegible]			[illegible]
223	N	IMD - Food Stamps	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
224	Y	IMD - Document Management System	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
225	Y (fund shift)	IMD - Case Management System	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
226	Y	WC SMI Case Management Services	410-77-50 MENTAL HEALTH & SUBST. ABUSE GROUP	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	Y	WC SMI Case Management Services - IMD	[illegible] INFORMATION MANAGEMENT DIVISION	[illegible]		[illegible]			[illegible]
227	[illegible]	WC SMI Case Management Services - IMD	[illegible] INFORMATION MANAGEMENT DIVISION	40		[illegible]			
[illegible]	Y	WC DD Case Management Services	410-77-50 DISABILITY SERVICES	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]

Department of Human Services * Optional Adjustments Request * 2001 - 2003 Budget

SIBR (Overall) Priority	Approved Y=Yes P=Partially N=No	CARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
229	Y	WC DD Case Management Services - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		1,440			1,440
229	Y	WC DD Case Management Services - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		1,760			1,760
230	Y	AS-Restore SPED to current level	300-43 AGING SERVICES	60		1,736,352		[illegible]	1,817,[illegible]
231	P	CFS To fund Intenseive In-Home Services	300-46 CHILDREN & FAMILY SERVICES	60		400,000			400,000
232	Y	LR Restore salary .5 FTE Partnership	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
233	Y	SE - RESTORE PARTNERSHIP STAFF	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
233	Y	SE - RESTORE PARTNERSHIP STAFF	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	[illegible]				
234	Y	WC Partnership Case Aide Services	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]	[illegible]		[illegible]
235	N	VR Older Blind Extra General	300-51 VOCATIONAL REHABILITATION	60		[illegible]			[illegible]
236	Y	NC - Oppen Program	410-72-20 CHILD WELFARE	70	[illegible]	[illegible]		[illegible]	[illegible]
237	Y	NE Partnership Enhance Core	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		47,436	[illegible]		[illegible]
238	N	LR Restore Respite Care for Partnership	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		20,000			[illegible]
239	N	LR Restore salary - HSPA position #6172	410-73-10 ADMINISTRATION	70		[illegible]	[illegible]		[illegible]
240	Y	NC Unfund Position 6702	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	[illegible]	[illegible]			[illegible]
241	Y	NE Short-term Psychiatric Hosp	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
242	Y	NE Medical Services	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
243	N	WC Partnership Intensive In-Home Svcs	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
244	Y	VR Independent Living Extra General	300-51 VOCATIONAL REHABILITATION	60		279,602			[illegible]
245	N	VR TAID General Funds	300-51 VOCATIONAL REHABILITATION	40		[illegible]			[illegible]
245	N	VR TAID General Funds	300-51 VOCATIONAL REHABILITATION	60		[illegible]			[illegible]
246	Y	NC - Unfund Position 0806	410-72-10 ADMINISTRATION	70	1.000	61,927	[illegible]		[illegible]
247	P	NC - Contracted Psychiatric Time	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		111,323			[illegible]
248	N	NC Unfund Position 2112	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	[illegible]	[illegible]			[illegible]
249	P (Remove Gen. Fund [illegible]	[illegible] - Unfunded Tribal [illegible]	[illegible] CHILD SUPPORT	[illegible]		[illegible]	[illegible]		[illegible]

Department of Human Services * Optional Adjustments Request * 2001 - 2003 Budget

SIBR (Overall) Priority	Approved Y=Yes P=Partially N=No	CARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
250	Y	AS-Restore telecommunications funding	300-43 AGING SERVICES	30		[illegible]			[illegible]
251	Y	MC - MHP Grants to Zero	410-72-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		67,500			67,500
252	Y	AS-Include 2.2% factor for SPED	300-43 AGING SERVICES	60		321,766		16,955	338,721
253	P	AS-Include 2.2% factor for Expanded SPED	300-43 AGING SERVICES	60		38,764			38,764
254	Y	CFS To fund FC-Reg mainten inflat incr	300-46 CHILDREN & FAMILY SERVICES	60		78,260	382,679	[illegible]	[illegible]
255	Y	CFS To fund Adopt mainten inflat incr	300-46 CHILDREN & FAMILY SERVICES	60		73,383	[illegible]	[illegible]	[illegible]
256	Y	CFS To fund FC-therapeutic inflat incr	300-46 CHILDREN & FAMILY SERVICES	60		66,100	[illegible]	9,496	[illegible]
257	Y	CFS To fund FC - FM mainten inflat incr	300-46 CHILDREN & FAMILY SERVICES	60		111,151	[illegible]	[illegible]	[illegible]
258	Y	CFS To fund monthly 550 incr for RCCFs	300-46 CHILDREN & FAMILY SERVICES	60		[illegible]	[illegible]	[illegible]	[illegible]
259	N	DD Corporate Guardianship	300-48 DEVELOPMENTAL DISABILITIES	30		[illegible]			[illegible]
260	N	SE - RENT INCREASE MI/CD	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
261	Y	BL Psychiatric Services	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		15,000			[illegible]
262	N	BL Psycho Social Services	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		12,000			[illegible]
263	N	WC Contracted Svcs Inflationary Increase	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		35,896	11,787		[illegible]
264	N	SE - GRANT RESTORE INTENSIVE IN	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]	[illegible]		[illegible]
265	Y	CFS To fund Youth Assessment Center	300-46 CHILDREN & FAMILY SERVICES	60		[illegible]	[illegible]		[illegible]
266	Y	CFS To fund Tribal Permanency Planning	300-46 CHILDREN & FAMILY SERVICES	60		[illegible]	[illegible]		[illegible]
267	N	AS-Increase SPED Case count	300-43 AGING SERVICES	60		[illegible]		[illegible]	[illegible]
268	N	AS-Increase Expanded SPED Case Count	300-43 AGING SERVICES	60		[illegible]			[illegible]
269	N	CS Child Support Payment Specialists	200-02 CHILD SUPPORT	30	[illegible]	[illegible]	[illegible]		[illegible]
269	N	CS Child Support Payment Specialists	200-02 CHILD SUPPORT	30		[illegible]	[illegible]		[illegible]
270	N	CS Child Support Payment Specialists-IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
270	N	CS Child Support Payment Specialists-IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		[illegible]	[illegible]		[illegible]
271	N	CS Staff for Operations Unit	200-02 CHILD SUPPORT	10	[illegible]	25,039	[illegible]		[illegible]
271	N	CS Staff for Operations Unit	200-02 CHILD SUPPORT	30		[illegible]	[illegible]		[illegible]
272	N	CS Staff for Operations Unit - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]

SISR (Overall) Priority	Approved Y=Yes P=Partially N=No	CARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
272	N	CS Staff for Operations Unit - IMD	100-20 INFORMATION MANAGEMENT DIVISION	60		595	1,155		1,75[illegible]
273	N	CFS To fund a Social Worker III	300-46 CHILDREN & FAMILY SERVICES	10	1.500	23,425	48,931		72,356
274	N	MH Establish the Consumer Affairs unit	300-47 MENTAL HEALTH & SUBSTANCE ABUSE	10	0.500	17,544	17,544		35,088
274	N	MH Establish the Consumer Affairs unit	300-47 MENTAL HEALTH & SUBSTANCE ABUSE	30		8,205	8,205		16,410
275	N	MH Establish Consumer Affairs Off -IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		720	720		1,44[illegible]
275	N	MH Establish Consumer Affairs Off.-IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		875	875		1,75[illegible]
276	N	SE - VR COUNSELOR	410-75-30 DISABILITY SERVICES	70		15,482	57,[illegible]		72,[illegible]
276	N	SE - VR COUNSELOR	410-75-30 DISABILITY SERVICES	70	1.000				
277	N	SE-VR Counselor - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		307	1,155		1,462
277	N	SE-VR Counselor - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		375	1,[illegible]		1,[illegible]
278	N	CFS To fund AASK program increases	300-46 CHILDREN & FAMILY SERVICES	60		225,525	[illegible]		[illegible]
279	N	WC Intensive Service Coordination	410-7[illegible]-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	1.000	74,845			4,[illegible]
280	N	WC Intensive Service Coordination - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		1,44[illegible]			1,44[illegible]
280	N	WC Intensive Service Coordination - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		1,[illegible]			1,[illegible]
281	N	SE - GENERIC CASE MANAGER	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		134,7[illegible]			134,[illegible]
281	N	SE - GENERIC CASE MANAGER	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70	2.000				
282	N	SE-Case Managers (2) - IMD	100-20 INFORMATION MANAGEMENT DIVISION	30		2,850			2,85[illegible]
282	N	SE Case Managers (2) - IMD	100-20 INFORMATION MANAGEMENT DIVISION	40		3,500			3,[illegible]
283	N	BL Vulnerable Adult	410-78-40 OLDER ADULT SERVICES	70		14,6[illegible]			14,[illegible]
284	N	BL Wrap Around / Partnership	410-78-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		4[illegible]			4[illegible]
285	N	LR Funding for Adolescents in DL CRU	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
286	N	LR Funding for A&D Medical Services	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
287	N	[illegible] Outreach Services	410-73-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			

Department of Human Services * Optional Adjustments Request * 2001 - 2003 Budget

SIRR (Overall) Priority	Approved Y=Yes P=Partially N=No	OARD	Bdgt Lvl	LINE	FTE	General	Federal	Special	Total
288	N	WC Partnership Care Coordination	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		12,196	27,804		[illegible]
289	N	SE - GRANT INCREASE RESPITE CARE	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		50,000			50,000
290	N	SE - INCREASE CASE AIDE ADULT	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		20,000			[illegible]
291	N	NE Partnership Outside of Core	410-74-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		44,800			[illegible]
292	N	SE - SUPPORT STAFF	410-75-10 ADMINISTRATION	70		41,776	3,411		45,187
292	N	SE - SUPPORT STAFF	410-75-10 ADMINISTRATION	70	1.000				
293	N	CFS Fund 10 New Cnty Social Work posns	300-46 CHILDREN & FAMILY SERVICES	60		587,407			[illegible]
294	N	CFS To fund 4 new Case Aide positions	300-46 CHILDREN & FAMILY SERVICES	60		170,000			[illegible]
295	N	SE - CONTRACT PSYCHOLOGIST CHILD	410-75-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		50,650	12,592		[illegible]
296	N	WC Psychology Intern	410-77-50 MENTAL HEALTH & SUBST. ABUSE SRVCS	70		[illegible]			[illegible]
297	N	IMD - Programmer for Microsoft Access	100-20 INFORMATION MANAGEMENT DIVISION	10	0.500	29,515	24,146		[illegible]
297	N	IMD - Programmer for Microsoft Access	100-20 INFORMATION MANAGEMENT DIVISION	30		953	[illegible]		[illegible]
297	N	IMD - Programmer for Microsoft Access	100-20 INFORMATION MANAGEMENT DIVISION	40		[illegible]	[illegible]		[illegible]
298	P	IMD - Retention/Recruitment IT Staff	100-20 INFORMATION MANAGEMENT DIVISION	10		[illegible]	[illegible]		[illegible]
298	N	IMD - Retention/Recruitment IT Staff	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
299	N	IMD-Web Develop. for Economic Assitance	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]	[illegible]		[illegible]
300	N	IMD - Regional Office Service Managment	100-20 INFORMATION MANAGEMENT DIVISION	30		[illegible]			[illegible]
301	N	CS State Administration of IV D Program	200-02 CHILD SUPPORT	10		[illegible]	[illegible]	[illegible]	[illegible]
301	N	CS State Administration of IV D Program	200-02 CHILD SUPPORT	30		[illegible]	[illegible]		[illegible]
301	N	CS State Administration of IV D Program	200-02 CHILD SUPPORT	40		[illegible]	[illegible]		[illegible]

56.650	26,638,110	27,088,238	7,089,969	60,816,317
83.650	58,544,089	93,940,507	7,089,969	159,574,565

TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE

HB 1012

January 3, 2001

Chairman Timm and members of the House Appropriations Committee, I am Carol Olson, the Executive Director of the ND Department of Human Services.

Over the course of the next one and a half days, the Department staff will be providing an overview of our programs and services. They will talk about the accomplishments of the past months as well as the challenges and concerns that impact the delivery of human services in our state. Our presentation will include highlights of the major factors affecting our budget request.

The staff of the Department of Human Services and I are committed to providing you with all the information you need to make the critical funding decisions for which you are responsible. We recognize that the legislature and this committee have a job to do and we respect that. I pledge that we will work with you to accomplish the challenging tasks before you. Should you have any questions or concerns, please feel free to contact any member of the staff or me.

We are excited about our first legislative open house that we are hosting on Tuesday, January 16 from 2:30 p.m. to 5:00 p.m. We intend to highlight the VIPRS Child Support process, the TANF assessment process, the Medicaid Panorama View system, and the Medicaid claims processing unit including Healthy Steps as well as tour the Department's divisions at the three Bismarck locations. We will be providing transportation.

I realize that your schedules are extremely busy but I hope that you will be able to attend as our staff is looking forward to presenting you with the opportunity to become more familiar with the inner workings of our Department's various divisions.

We look forward to working closely with you during the weeks to come as you consider our requests.

At this time, I will ask Yvonne Smith, Deputy Director, to provide an introductory general overview of our budget.

TESTIMONY

HB 1012 – DEPARTMENT OF HUMAN SERVICES

SENATE APPROPRIATIONS COMMITTEE

DAVID NETHING, CHAIRMAN

February 28, 2001

Chairman Nething and members of the Senate Appropriations Committee, I am Carol Olson, the Executive Director of the ND Department of Human Services.

Over the course of the next several days, the Department will be providing an overview of our programs and services. Our presentation will discuss Governor Hoeven's budget as it relates to the Department as well as changes made to the budget in the House reflected in the Engrossed HB 1012 that you now have before you.

You will be hearing about the accomplishments of the past months as well as the challenges and concerns that impact the delivery of human services in our state.

At this time I would like to highlight some critical areas of concern for the Department in the Engrossed HB 1012 and respectfully ask for your careful consideration for general fund restoration in these areas:

- $600,000 for equipment in our Information Management Division
- $870,794 for the federally mandated HIPAA project which is now partially funded in HB 1196

- $75,103 for an FTE position in the Child Support Division to handle income withholding orders
- $4 million underfunding in the Medicaid grants area that was not addressed when the House replaced the $25 million IGT funding contained in the Governor's budget through HB 1179 with the $21 million of general funds
- $210,000 of general funds in the Human Service Centers for Adult Protective Services
- $255,500 of grant decreases at certain Human Service Centers for contracted client services

Another area in which we request this Committee's consideration is the grant reprojections as presented to the House that were not funded. These reprojections showed the following potential budget shortfalls:

- $4.4 million in general funds for Medicaid grants
- $2.2 million in general funds for Basic Care, Adoption Services and Developmental Disabilities grants

We would also like to draw this Committee's attention to the Senior Mill Levy Match funding, the funding for the Independent Living Centers, and the underfunding of DD grants contained in the executive budget recommendation. Since the beginning of the session, there has been much discussion regarding these areas and although each received increases over the 99/01 budget, this Committee might want to take a closer look at their respective appropriations.

The staff of the Department of Human Services and I are committed to providing you with all the information you need to make the critical funding decisions for which you are responsible. We recognize that the legislature and this Committee have a job to do and we respect that. I pledge that we will work with you to accomplish the challenging tasks before you. Should you have any questions or concerns, please feel free to contact any member of the staff or me.

We look forward to working closely with you during the weeks to come as you consider Engrossed HB 1012 and our requests and concerns.

At this time, I will ask Yvonne Smith, Deputy Director, to provide an introductory general overview of our budget.

GENERAL OVERVIEW
H.B. 1012 - DEPARTMENT OF HUMAN SERVICES
before the
House Appropriations Committee
January 3, 2001

Chairman Timm and members of the House Appropriations Committee, I am Yvonne Smith, Deputy Director of the Department of Human Services. This afternoon and tomorrow, staff of the Department will provide you with basic information about the various programs and services provided through the Department of Human Services. Each Division will highlight accomplishments and challenges, and will cover the major budgetary changes contained in the Governor's budget recommendation.

To provide a context for the Division presentations, I will be presenting some highlights of our programs and I will discuss the factors affecting our budget request in general terms.

Yvonne Smith

PROGRAM HIGHLIGHTS

Guide to North Dakota Department of Human Services - January 2001

North Dakota Healthy Steps

- As of December 1, 2000, we had enrolled 2,130 children.
- Comprehensive insurance coverage, including dental and vision.
- Eligibility up to 140% of the federal poverty level, allowing deductions for childcare expenses and taxes. For example, a family of four, paying $300 per month in childcare expenses could earn $32,868 annually and still qualify for Healthy Steps.

- The budget request contains funding for 2,937 children per month, and allows for the 16.4% increase in premium requested by Noridian.

Adoption and Safe Families Act

- North Dakota implemented this federal mandate in August 2000, based on legislation passed by the 1999 Legislative Session.
- Law is intended to insure that children do not languish in foster care, and that their safety and well-being are protected.
- Implementation of this law has required a concerted collaborative effort among the various entities, including courts, county social services, states attorneys, and Department staff.
- Next fall North Dakota will undergo a federal review that will assess the degree to which we are complying with the ASFA mandates.

Addressing the Needs of an Aging Population

- The fastest growing age group in North Dakota is those 85 years of age and over.
- To address the needs of our aging population, emphasis is being placed on providing a full continuum of services to meet their needs.
- The budget includes $264.6 million for payments to nursing homes, $8 million for payment to basic care facilities, and $23.9 million for home and community based services (SPED, Expanded SPED, and Medicaid waiver.) Our state needs to meet the challenge of continuing to expand non-institutional options for long-term care.

Enhancing the Range of Services for People with Disabilities

- The focus of service provision has shifted over the course of the past decade from institution-based to community-based care.
- The State Hospital daily census has dropped to about 165, with the annual admission decreasing from over 1600 in 1998 to 800 in 1999. The Developmental Center serves 145 - 150 residents. The role of the institutions has changed from that of a primary resource to that of a safety net.
- Human Service Centers, during FY2000, served a total of 27,659 individuals. Of this number, 17,539 individuals received services for serious mental illness, substance abuse problems, and developmental disabilities, directly and through contracts with community partners.

Partnering to Meet the Mental Health Needs of Children

- Since 1994, the Partnerships Project has served 939 children with serious mental illness.
- Among other results, the Partnerships Project has documented a 55% decrease in psychiatric hospitalization days and a 15% decrease in the use of residential treatment services in the year following involvement with the Project.
- The budget request includes $5.8 million in funding to maintain the core services of the Project, including case aide, care coordination, safe beds/crisis residential, and flex funds.

Working Toward Independence

- The number of people receiving cash assistance (AFDC or TANF) has decreased by 54% since January 1992. The success of North Dakota's TANF program has been recognized in the awarding of two high performance bonuses, totaling $2.2 million in additional federal TANF funds.

- While the need for cash assistance has decreased, the need has shifted to other supports, such as childcare, for working families.
- Since 1992, about 6900 people with disabilities have become employed after receiving services through Vocational Rehabilitation.
- Day and Residential Services provided training and assistance to over 2000 individuals with developmental disabilities in 1999.
- The budget request contains a total of $25.6 million for TANF benefits, $21.2 million in childcare assistance, $12.1 million in Vocational Rehabilitation grants, and $156.9 million in grants for services for developmentally disabled people.

Assuring the Support of Children

- The Child Support Enforcement Program manages about 50,000 child support cases and processes close to $6 million in support payments each month, through its federally certified computer system.
- Annual child support receipts have increased from $18.3 million in 1992 to $47.8 million in 1999 for the IV-D program. Overall collections for 2000 will be about $77 million.
- The Department's budget request for Child Support Enforcement Services is $7,459,248.

Technology behind Human Services

- The Department connects over 2,500 people across the state through its computer network system.
- Nearly 39,000 checks are issued each month, including cash benefits for individuals and payments for providers of service statewide.
- The budget request includes $36.6 million for the maintenance and further development of technology support for the programs.

BUDGET HIGHLIGHTS

Attachment 1: Category of Expenditures

- Overall, the Department's budget request is $1,357,101,033.
- Over one billion dollars of the total budget, or 76.7% is in grants to provide cash benefits to clients and pay providers of service.
- Another $200 million, 14.8%, supports the direct delivery of service through the human service centers, State Hospital, and Developmental Center.
- The remaining 8.5% of our budget request supports the entire administrative infrastructure, including
  - technology costs for the entire Department,
  - capital improvements for the entire Department,
  - central office salaries, operating and equipment.
    - In addition to program administration, the central office staff fulfill direct service roles including functions such as Medicaid claims payment, Child Support collection and disbursement, substance abuse prevention, and specialty clinics for children with special health needs.

Attachment 2: Funds by Division

- Medicaid accounts for 57.5% of the Department's total budget, and 53.7% of the Department's total general fund request.
- General funds comprise 25% of the Department's request; the remaining 75% of the funding is derived from federal funds, client fees and third party collections and intergovernmental transfer proceeds.

Budget Increases/Decreases from 1999-2001 budget to 2001-2003 request

- Total increase is $99 million, or 7.9%.
- General fund decrease is $8.4 million, or 2.4%.

Major Factors Affecting Overall Increases

- Inflation factor of 2.2% was applied to most grants to providers to reflect the Consumer Price Index.
- Inflation factor of 7% per year was applied to pharmaceuticals.
- Inflation factor of 3.78% for 2001, 2.8% for 2002, and 2.75% for 2003 for nursing homes, as required by state statute.
- Increase in premiums for Healthy Steps of 16.4%, as requested by Noridian.
- Re-basing nursing home rates, as allowed for during last legislative session.
- Salary and benefit increases which are essential in order to recruit and retain qualified staff, including funding out of second year salary increases for full 24 months, Governor's proposed 3%/2% salary increases for 2001-2003 biennium, and increase in health insurance premium costs.
- Increase in federal support for certain programs (Substance Abuse, Food Stamps, Low Income Home Energy Assistance Program, Child Care Assistance program, Vocational Rehabilitation, Disability Determination Services, and Older Americans Act).
- Increase in pharmaceutical costs, based upon demand.
- Funding of Healthy Steps for entire biennium for 2,937 children per month.
- $8.9 million for the Health Insurance Portability and Accountability Act (HIPAA), a federal requirement affecting all providers and payers of health related services, with requirement for considerable investment in technology.

- The special funding for "Indian Counties" was increased by just fewer than one million dollars to comply with state statute.

Major Factors Affecting General Fund Decrease

- Substitution of $25 million in Intergovernmental Transfer funds for general funds in the Medicaid budget.
- Deletion of the $4.2 million contingency fund for SPED.

Other General Factors Affecting the Budget

- The caseload growth was not artificially controlled in programs that are entitlements. Since the caseload projections were made in the spring of 2000, adjustments may need to be made to reflect current caseload.
- As a result of the SWAP legislation, enacted during the 1997 Legislature, the administrative costs of the economic assistance programs are assumed by the county social service boards, while the total cost of the grants to recipients and payments to providers for economic assistance programs are included in the Department's budget. The Department is able to claim federal reimbursement for the administrative costs incurred by counties, and use that reimbursement to offset general fund expenditures. The offsetting of state costs through this reimbursement helps to make up for some of the financial liability the state assumed in funding all Medicaid and Economic Assistance grants.
- County social service boards also fund a percentage of the child welfare services and home/community based services for aged and disabled.
- Maintenance of effort requirements for several of the federal funding sources must be upheld in order to avoid loss of federal dollars.

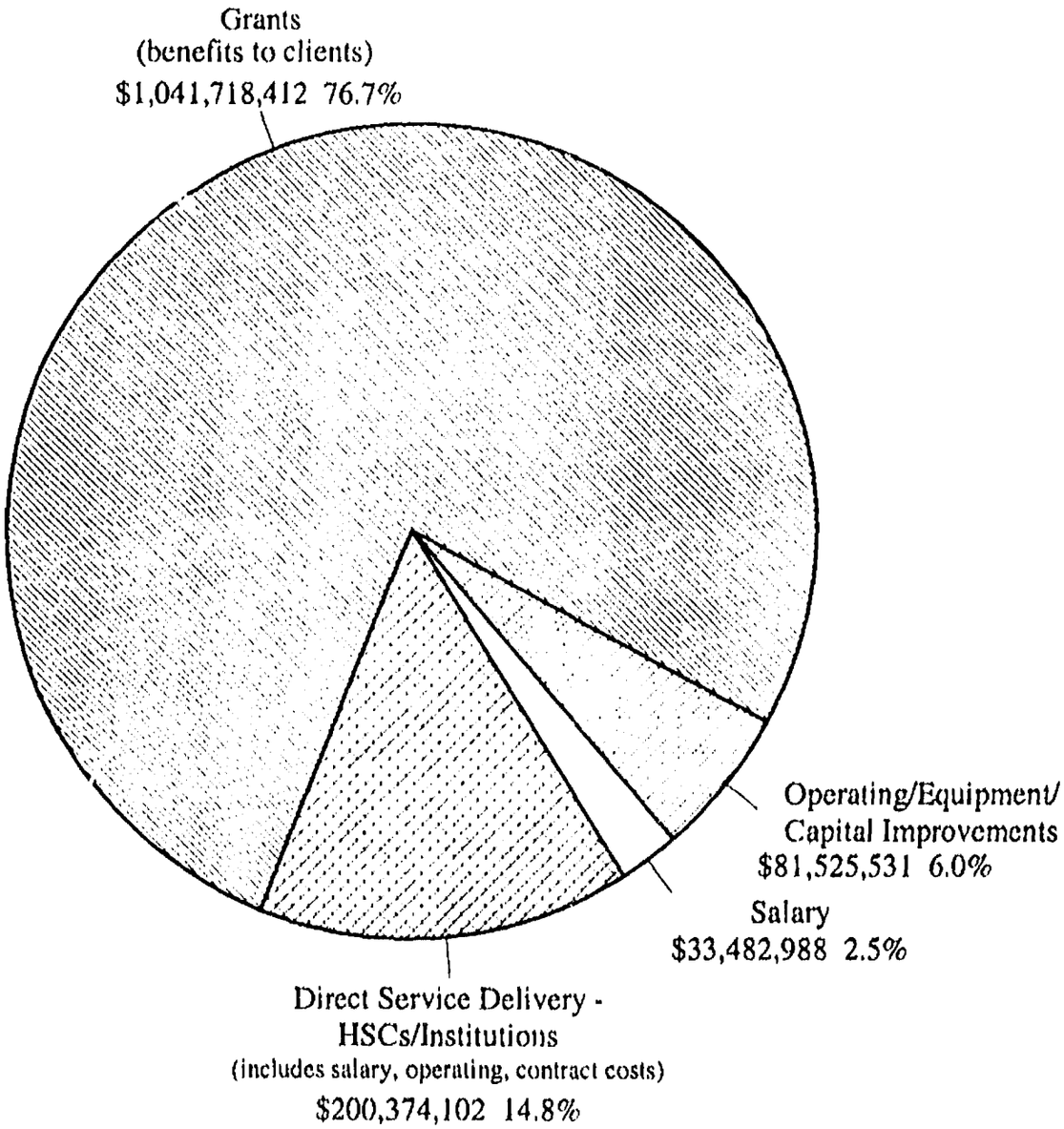
- The pay plan for the Department with the exception of regional human service centers was underfunded by 1% to reflect projected vacancies. The regional human service centers' pay plans were underfunded by 2%.

This concludes the general overview of the Department's budget. Unless there are questions at this time, we will proceed to the overviews of field services and each of the divisions of the Department.

North Dakota Department of Human Services

Attachment 1

Executive Budget Recommendation
Category of Expenditures
HB 1012 to House
2001 - 2003 Biennium
Total Funds $1,357,101,033



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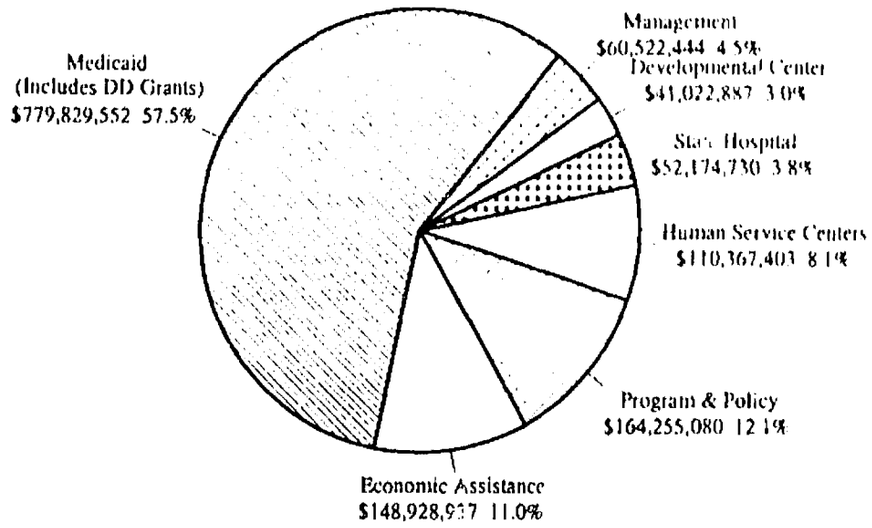
North Dakota Department of Human Services

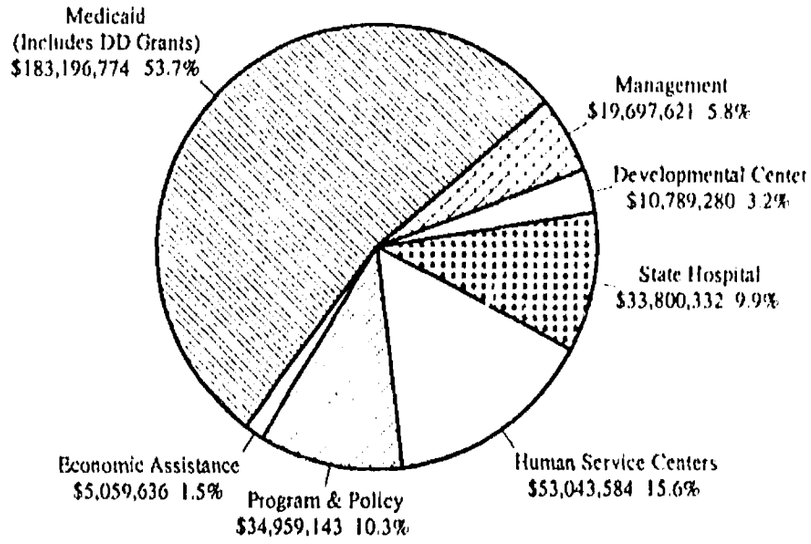
Attachment 2

Executive Budget Recommendation by Funding Source
HB 1012 to House
2001 - 2003 Biennium

Total Funds By Division
$1,357,101,033

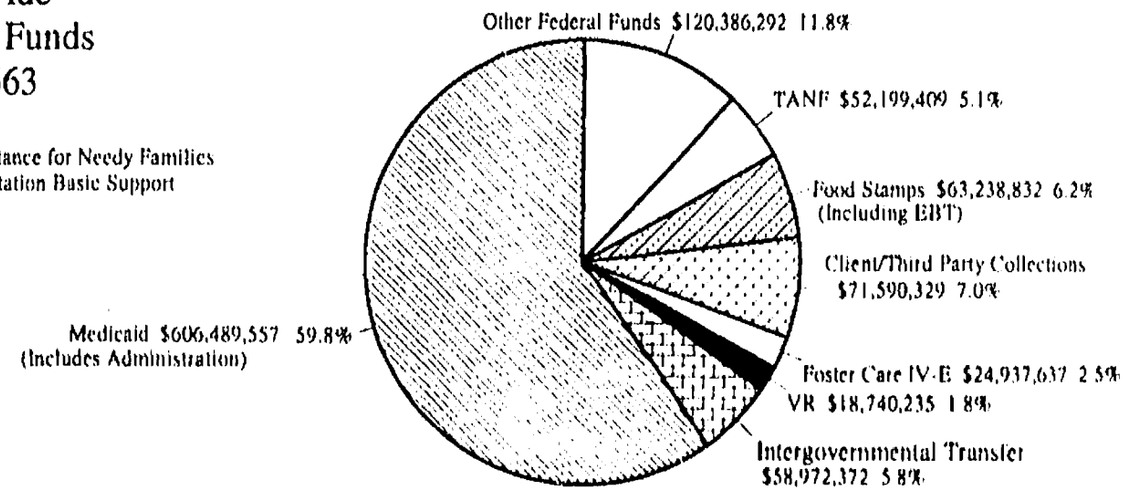


General Funds By Division
$340,546,370



DepartmentWide Federal & Other Funds
$1,016,554,663

TANF - Temporary Assistance for Needy Families
VR - Vocational Rehabilitation Basic Support



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GENERAL OVERVIEW

H.B. 1012 - DEPARTMENT OF HUMAN SERVICES

Before the

Senate Appropriations Committee

Senator David Nething, Chairman

February 28, 2001

Chairman Nething and members of the Senate Appropriations Committee, I am Yvonne Smith, Deputy Director of the Department of Human Services. Over the course of the next several days, staff of the Department will provide you with basic information about the various programs and services provided through the Department of Human Service. To provide a context for the Division presentations, I will be presenting major highlights of the programs and services offered and will generally discuss the factors affecting the Governor's budget recommendation for the Department, as well as the affect of the House amendments to that recommendation.

PROGRAM HIGHLIGHTS

North Dakota Healthy Steps

- As of February 2001, we had enrolled 2,333 children
- Comprehensive insurance coverage, including dental and vision
- Eligibility up to 140% of the federal poverty level, allowing deductions for childcare expenses and taxes.
- The budget request contains funding for 2,937 children per month, and allows for the 16.4% increase in premium requested by Noridian.

Adoption and Safe Families Act

- North Dakota implemented this federal mandate in August 2000, based on legislation passed by the 1999 Legislative Session.
- Law is intended to insure that children do not languish in foster care, and that their safety and well-being are protected
- Implementation of this law has required a concerted collaborative effort among the various entities, including courts, county social services, states attorneys, and Department staff.
- Next fall North Dakota will undergo a federal review that will assess the degree to which we are complying with the ASFA mandates. Efforts are currently underway to prepare for this review.

Addressing the Needs of an Aging Population

- The fastest growing age group in North Dakota is those 85 years of age and over.
- To address the needs of our aging population, emphasis is being placed on providing a full continuum of services to meet their needs.
- The budget recommendation included $264.6 million for payments to nursing homes, $8 million for payment to basic care facilities, and $23.9 million for home and community based services (SPED, Expanded SPED, and Medicaid waiver.) The House funded Targeted Case Management at $1.1 million in HB 1196, while appropriately reducing the HB 1012 appropriation for home and community based services by approximately $800,000.
- Attachment 1 displays the historical and projected expenditures for Home and Community Based Care and for Nursing Home Care. Our state needs to meet the challenge of continuing to expand non-institutional options for long-term care.

Enhancing the Range of Services for People with Disabilities

- The focus of service provision has shifted over the course of the past decade from institution-based to community-based care.
- The State Hospital daily census has dropped to about 165, with the annual admissions decreasing from over 1600 in 1998 to 851 in calendar year 2000.
- The Developmental Center serves 145 - 150 residents.
- The role of the institutions has changed from that of a primary resource to that of a safety net.
- Human Service Centers, during FY2000, served a total of 27,659 individuals. Of this number, 17,539 individuals received services for serious mental illness, substance abuse problems, and developmental disabilities, directly and through contracts with community partners.

Partnering to Meet the Mental Health Needs of Children

- Since 1994, the Partnerships Project has served 939 children with serious mental illness.
- Among other results, the Partnerships Project has documented a 55% decrease in psychiatric hospitalization days and a 15% decrease in the use of residential treatment services in the year following involvement with the Project.
- The budget recommendation includes $5.7 million in funding to continue the most critical Partnerships services.

Working Toward Independence

- The number of people receiving cash assistance (AFDC or TANF) has decreased by 54% since January 1992. The success of North Dakota's TANF program has been recognized in the awarding of

two high performance bonuses, totaling $2.2 million in additional federal TANF funds.

- While the need for cash assistance has decreased, the need has shifted to other supports, such as childcare, for working families.
- Since 1992, about 6900 people with disabilities have become employed after receiving services through Vocational Rehabilitation.
- Day and Residential Services, offered primarily through contracts with private agencies, provided training and assistance to over 2000 individuals with developmental disabilities in 1999.
- To support these needed services, the budget recommendation contains a total of $25.6 million for TANF benefits, $21.2 million in childcare assistance, $12.1 million in Vocational Rehabilitation grants, and $158.4 million in grants for services for people with developmental disabilities.

Assuring the Support of Children

- The Child Support Enforcement Program manages about 50,000 child support cases and processes close to $6 million in support payments each month, through its federally certified computer system.
- Annual child support receipts have increased from $18.3 million in 1992 to $47.8 million in 1999 for the IV-D program. Overall collections for 2000 were $77.5 million.
- The budget recommendation for Child Support Enforcement Services was $7,459,248, prior to the House amendments, which deleted $100,103 of funding, including the position that would fulfill the statutory requirement to process income withholding orders for non-IVD cases.

Technology behind Human Services

- The Department connects over 2,500 people across the state through its computer network system.
- Nearly 39,000 checks are issued each month, including cash benefits for individuals and payments for providers of service statewide.
- The budget recommendation included $36.6 million for the maintenance and further development of technology support for the programs, prior to the House amendments deleting just over $2 million in technology funding.

BUDGET HIGHLIGHTS

The Governor's budget recommendation for the Department of Human Services was $1,357,101,033, of which $340,546,370 are general funds.

- The House amendments decreased the total budget to $1,286,732,085, by reducing federal and other funds by $83,866,798 and increasing the general fund by $13,497,850.
- The major factor affecting the increase was the substitution of $21,000,000 in general funds for the $25,000,000 in Intergovernmental Transfer Funds that had been included in the Medical Assistance Grants line item in the Governor's budget recommendation through HB 1179 which was withdrawn.
- General funds comprise 27.5% of the HB 1012 as amended; the remaining 72.5% is derived from federal funds, client fees, third party collections, county funds, and "retained dollars" from the SWAP legislation.
- HB 1012 as amended represents a total increase of $28,712,514, or 2.3% over the 1999-2001 budget. Within this the general fund increase amounts to $5,104,201, or 1.5%.

Attachment 2: Category of Expenditures shows the following

- $985.8 million, or 76.6% of the total budget, is in grants to provide cash benefits to clients and pay providers of service.
- Another $198.6 million, or 15.4%, supports the direct service provider component of the Department, funding the State Hospital, the Developmental Center, and the eight regional human service centers.
- The remaining $102.3 million, or 8% of the budget supports the entire administrative infrastructure, including
    1. Technology costs for the entire Department
    2. Capital improvements for the entire Department
    3. Central office salaries, operating, and equipment for administrative functions as well as non-administrative functions including Medicaid claims payments, Child Support collection and disbursement, substance abuse prevention, and specialty clinics for children with special health needs.

Attachment 3: Budget by Funding Source shows that

- Medicaid accounts for 56.8% of the Department's total budget, and 57.8% of the Department's total general fund request.
- Medicaid federal dollars account for 62.1% of the federal funds in the Department's budget.

STRUCTURE OF THE BUDGET

Four Subdivisions to the Department's budget:

1. **Management: Executive Office, Managerial Support, and the Information Management Division, for 3.9% of HB 1012 as amended.**
2. **Economic Assistance: Medicaid, Healthy Steps, Child Support Enforcement, and all of the public assistance programs, including TANF, Child Care Payments, Food Stamps, and LIHEAP, for 68.3% of HB 1012 as amended.**
3. **Program and Policy: Aging Services, Children and Family Services, Children's Special Health Services, Disabilities Services (Developmental Disabilities and Vocational Rehabilitation), and Mental Health and Substance Abuse Services, for 12.1% of HB 1012 as amended.**
4. **Field Services: State Hospital, the Developmental Center, and the eight Regional Human Service Centers, for 15.7% of HB 1012 as amended.**

HB 1196 contains the appropriation of the Intergovernmental Transfer Fund, which funds several of the programs of the Department of Human Services. Attachment 4 displays the appropriations in HB 1196.

MAJOR FACTORS AFFECTING OVERALL INCREASES IN GOVERNOR'S BUDGET RECOMMENDATION

Inflation Factors:

- **2.2% was applied to most grants to providers to reflect the Consumer Price Index.**
- **7% per year was applied to pharmaceuticals**

- 3.78% for 2001, 2.8% for 2002, and 2.75% for 2003 for nursing homes, as required by state statute

Rate increases

- Increase in premiums for Healthy Steps of 16.4%, as requested by Noridian.
- Re-basing nursing home rates, as allowed for during last legislative session
- Rate increases in ITD services increase our base costs by $2 million.

Increase in Demand:

- Pharmaceutical costs reflect the increased demand, as well as the pricing of certain drugs.
- Funding of Healthy Steps for entire biennium for 2,937 children per month.

Salary and benefit increases which are essential in order to recruit and retain qualified staff, including funding out of second year salary increases for full 24 months, Governor's proposed 3% / 2% salary increases for 2001-2003 biennium, and increase in health insurance premium costs

Increase in federal support for certain programs

- Substance Abuse
- Food Stamps
- Low Income Home Energy Assistance Program
- Child Care Assistance Program
- Vocational Rehabilitation
- Disability Determination Services, and
- Older Americans Act
- Refugee Assistance

$8.9 million for the Health Insurance Portability and Accountability Act (HIPAA), a federal requirement affecting all providers and payers of health related services, with requirement for considerable investment in technology, which was reduced to $8,055,347 by House action, and is now funded in HB 1196.

The special funding for "Indian Counties" was increased by just under one million dollars to comply with state statute. This increase was reduced by $387,095 through House amendment, to reflect an 85% reimbursement for "Indian Counties, rather than 100% reimbursement.

OTHER GENERAL FACTORS AFFECTING THE BUDGET

The caseload growth was not artificially controlled in programs that are entitlements. The caseload projections for the budget request were made in the spring of 2000. Grant reprojections, completed for the House in January based on actual payments through November, show changes in utilization that create projected general fund shortfalls in the following areas:

Nursing Home reimbursement:	$1.96 million
Other Medicaid grants:	$2.47 million
DD Grants:	$1.73 million
Adoption/Subsidized Adoption	$262,826
Basic Care	$178,758

These reprojections were not funded by the House.

As a result of the SWAP legislation, enacted during the 1997 Legislature, the administrative costs of the economic assistance programs are assumed by the county social service boards, while the total cost of the grants to recipients and payments to providers for economic assistance programs are included in the Department's budget. The Department is able to claim federal reimbursement for the administrative costs incurred by counties, and use that reimbursement to offset general fund expenditures. The offsetting of state costs through this reimbursement helps to make up for some of the financial liability the state assumed in funding all Medicaid and Economic Assistance grants.

County social service boards fund a percentage of the administrative and grants costs for child welfare services and home/community based services for aged and disabled.

Several of the federal funding sources contained within the budget have maintenance of effort or matching requirements which must be upheld in order to avoid loss of federal dollars.

The pay plan for the Department with the exception of regional human service centers was underfunded by 1% to reflect projected vacancies. The regional human service centers' pay plans were underfunded by 2%.

MAJOR HOUSE AMENDMENTS

Information Management Division budget, which contains the Department's entire technology budget, lost $1.6 million in general funds.

- The Department is already at a 6 year replacement schedule, as contrasted with the 3 - 4 year schedules of other agencies. The loss in equipment funding will lengthen that schedule even more.

- HIPAA is a federal law being implemented through a series of detailed regulations, intended to standardize and protect the way electronic health care information is exchanged by the entire health care industry. As it currently stands, the Department must implement the electronic transaction rules by October 16, 2002 or face penalties. The Department is impacted both as a provider of service and as a payer. The House amended out $870,794 of the HIPAA funding, with the intention of slowing down this process. Since HIPAA effects the electronic communication among all public and private payers and providers of health care, it is important that we keep pace with the rest of the industry. Therefore we are asking that the Senate strongly consider restoring the reduction made by the House.

Medicaid Grants - $25 million in IGT funds were removed when HB 1179 was withdrawn, and replaced with $21 million in general funds by House amendment.

- This $4 million shortfall is compounded by the fact that grant reprojections, presented to the House, show a need for a general fund increase of $4.4 million from the level at which the grant budget was built.

- When the Medicaid federal funds are taken into account, this $8.4 million shortfall in general funds generates a shortfall of nearly $28 million in Medicaid expenditures. The impact of this funding shortfall has very serious implications for the clients and for

medical providers. This impact will be discussed in detail on March 5 during the testimony on Medical Services.

Mill Levy Match - The budget recommendation contained a $400,000 increase in mill levy match. $350,000 was amended out, leaving a $50,000 general fund increase. In addition, HB 1196 contains $150,000 in IGT funds for mill levy match. With the reduction, the match will be about 50.06 cents on a dollar.

Adult Protective Services - The House amended out $210,000 in general funds for Adult Protective Services, which had been transferred from the Aging Services Division to the Human Service Centers. This funds existing services which are essential if we are to continue to deal responsibly with the safety issues that arise as more elderly people are living in their own homes. We request that the Senate seriously consider restoring the funding for this critical service.

Independent Living - The budget recommendation contained a $300,000 increase in funding for Independent Living. This increase was added by the Governor to enable the Centers for Independent Living to expand their services into the more rural areas of the state. That increase was removed, and $100,000 added to IGT funding in HB 1196.

Field Services were reduced by $1.5 million in general funds. The impact of these reductions will be discussed in the Field Services overview.

This concludes the general overview of the Department's budget. Unless there are questions at this time, we will proceed to the overviews of field services and each of the divisions of the Department.

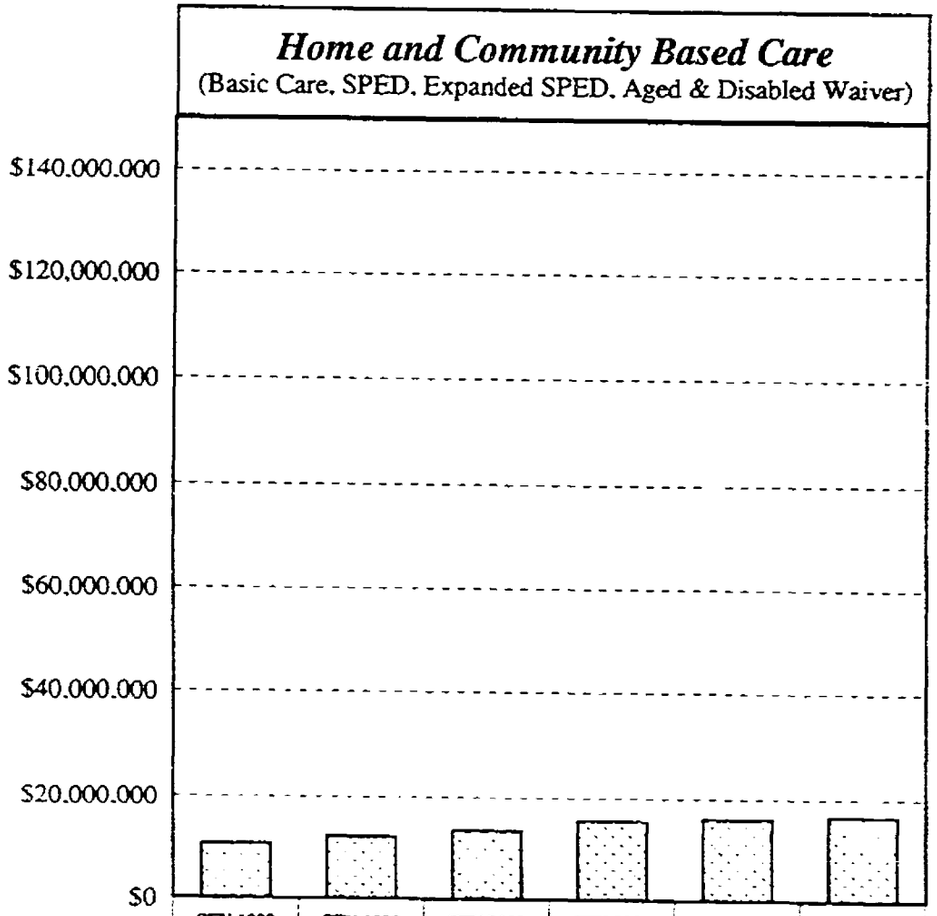
Attachment 1

North Dakota Department of Human Services

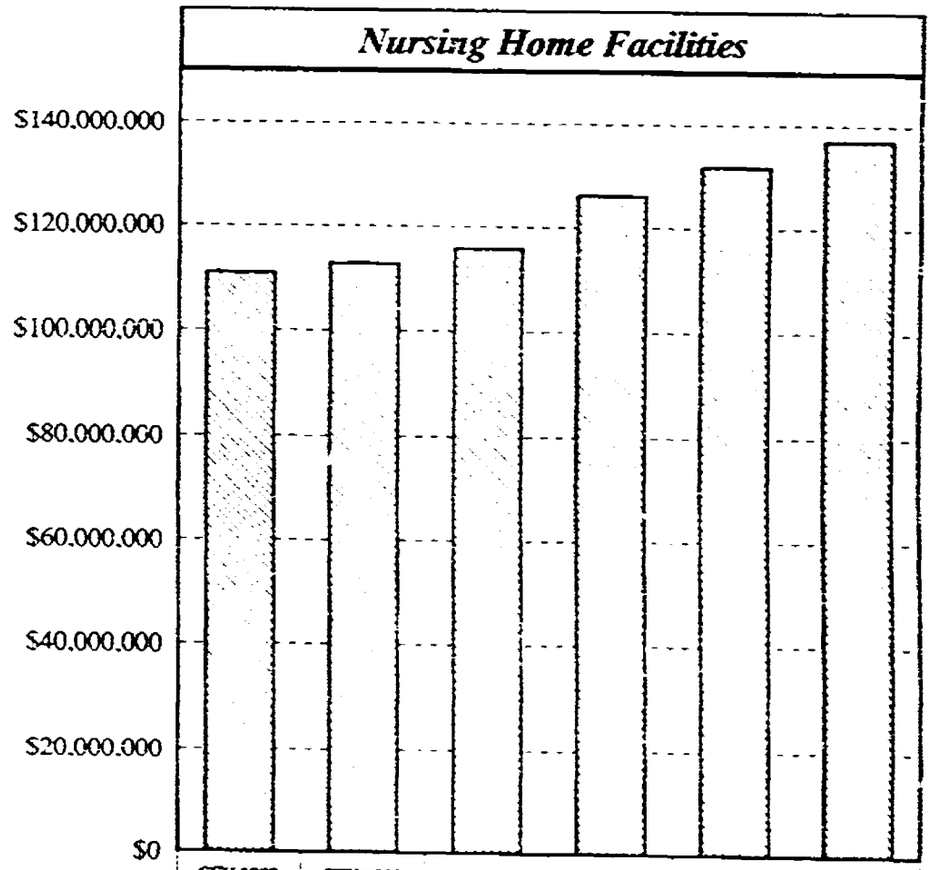
Home and Community Based Care Services as Compared to Nursing Home Facilities

HB 1012 to Senate

2001 - 2003 Biennium



	SFY 1998 Actual	SFY 1999 Actual	SFY 2000 Actual	SFY 2001 Projection	SFY 2002 Reprojection	SFY 2003 Reprojection
Expenditures	$10,708,007	$12,129,666	$13,364,957	$15,435,794	$15,988,297	$16,456,569
Recipients	1,955	2,171	2,166	2,262	2,319	2,330
Cost/Recipient	$5,479	$5,588	$6,171	$6,823	$6[illegible]	$7,063



	SFY 1998 Actual	SFY 1999 Actual	SFY 2000 Actual	SFY 2001 Projection	SFY 2002 Reprojection	SFY 2003 Reprojection
Expenditures	$110,971,846	$112,775,037	$115,731,020	$125,997,373	$131,837,031	$136,945,251
Recipients	3,869	3,756	3,625	3,737	3,700	3,700
Cost/Recipient	$28,680	$30,024	$31,929	$33,720	$35,632	$37,012

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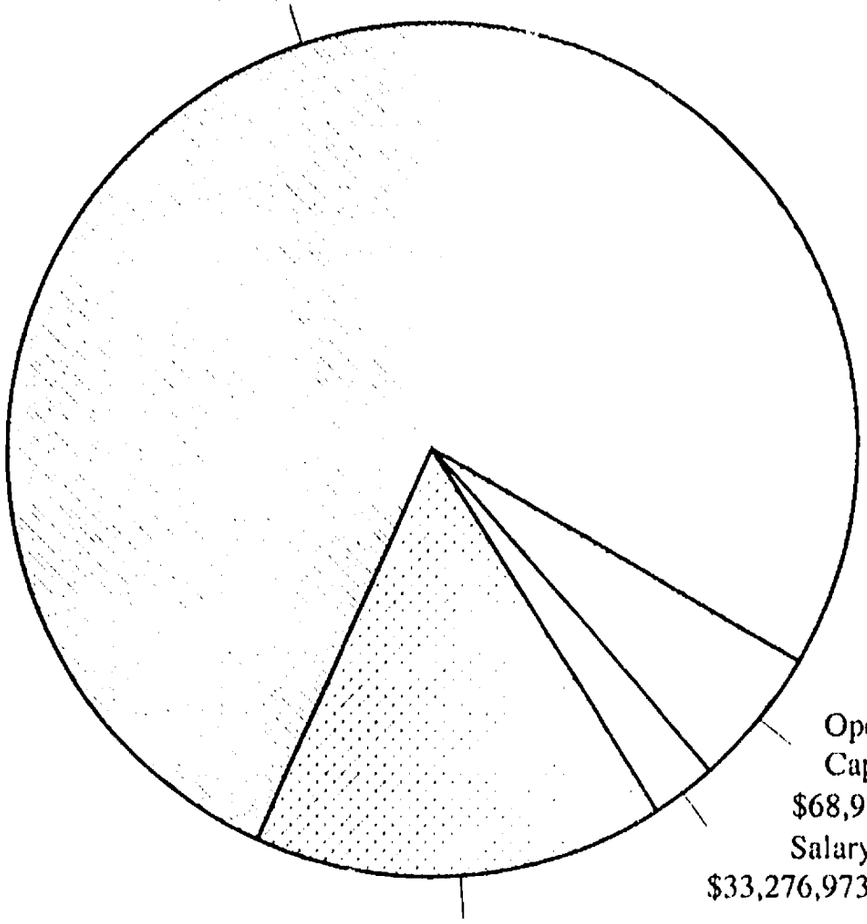
North Dakota Department of Human Services

Attachment 2

Executive Budget Recommendation
Category of Expenditures
HB 1012 to Senate
2001 - 2003 Biennium
Total Funds $1,286,732,085



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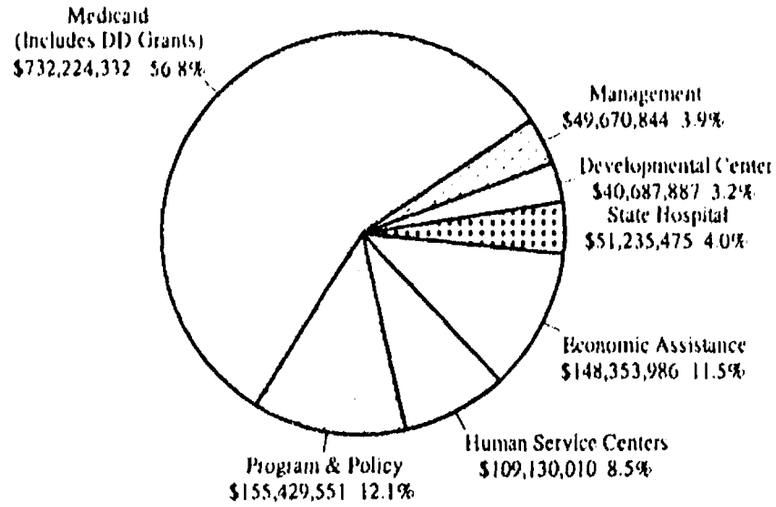
North Dakota Department of Human Services

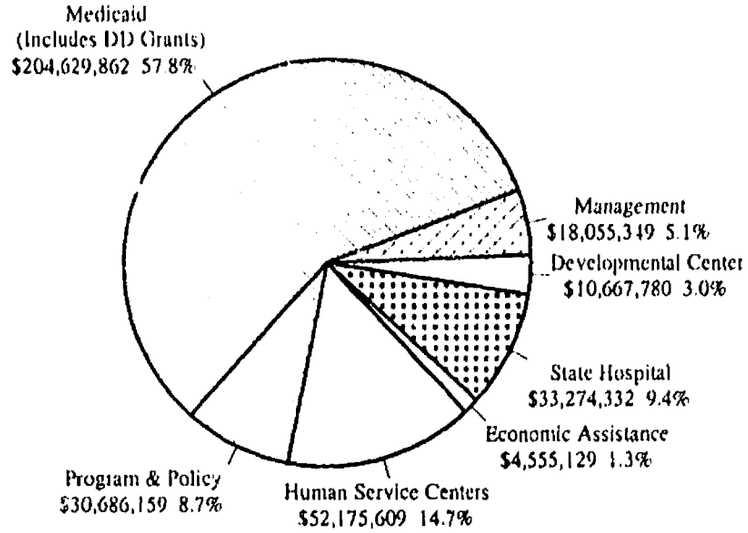
Attachment 3

Executive Budget Recommendation by Funding Source
HB 1012 to Senate
2001 - 2003 Biennium

Total Funds By Division
$1,286,732,085

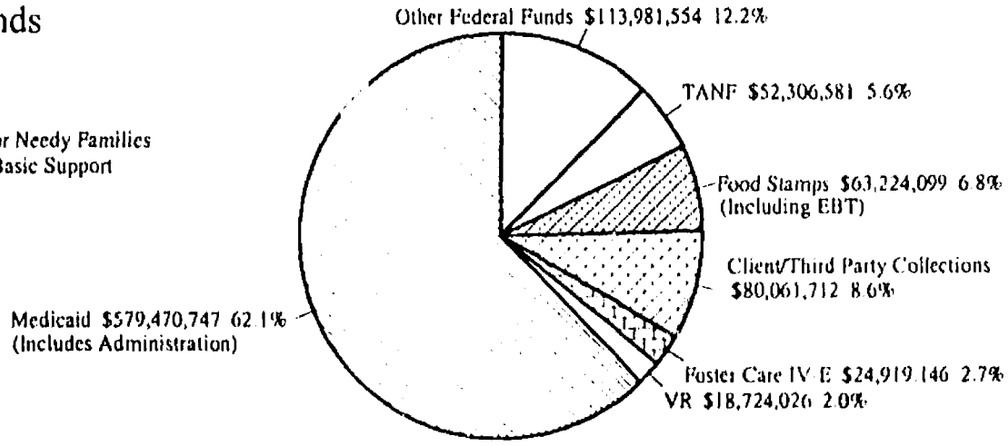


General Funds By Division
$354,044,220



DepartmentWide Federal & Other Funds
$932,687,865

TANF - Temporary Assistance for Needy Families
VR - Vocational Rehabilitation Basic Support



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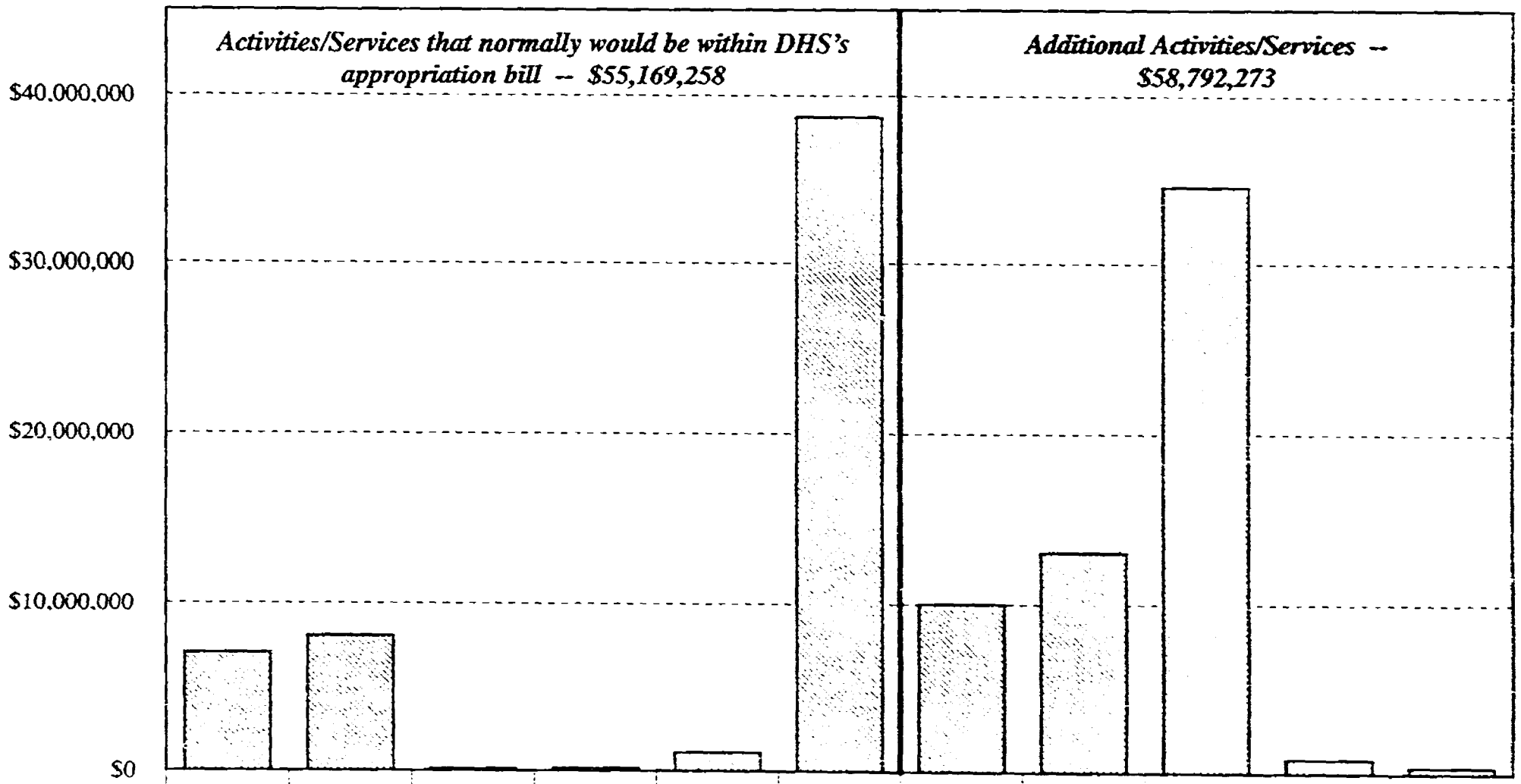
North Dakota Department of Human Services

Attachment 4

HB 1196 to Senate

2001 - 2003 Biennium

Total $113,961,531



	Aging Services: SPED Mill Levy	IMD: HIPAA	Voc. Rehab: Indep. Living Ctrs.	Med. Svcs. Admin: Salary/Oper. Bank Fees	Med. Svcs: Targeted Case Mgmt.	Pool Payment	Loans/ Grants	Contingency	Nursing Fac: Rebase, Salary, Personal Allow., Bed Buyout	Basic Care: Salary, Personal Allow.	Other Long Term Care Study, QSP Training
	$7,048,302	$8,055,347	$100,000	$142,914	$1,107,750	$38,714,945	$10,000,000	$13,000,000	$34,557,667	$853,600	$381,906

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House Appropriations Committee

HB 1012

Mike Timm, Chairman

January 4, 2001

Chairman Timm and members of the committee, I am Brenda Weisz, Director of Fiscal Administration. I am here today to provide you with an overview of two areas of the Department's budget – the Executive Office and Managerial Support.

EXECUTIVE OFFICE

Program Purpose Statements / Services:

The purpose of the Executive Office is to achieve desired results based upon the DHS Strategic Plan by providing guidance and information regarding human service issues to the Governor, Legislators, Congress, political subdivisions, and the tribes so they can make informed decisions regarding North Dakota citizens.

In addition the Executive Office provides leadership, direction, and support to DHS Senior Managers and staff so they can achieve their program goals.

The above is accomplished as follows:

- Formulate and communicate the vision for the future
- Collaborate and develop relationships with the Governor, Legislators, Congress, political subdivisions, tribes and key constituents

- Serve on and represent DHS to various commissions, councils, boards, committees, and task forces
- Develop Senior Management team and structure
- Implement DHS strategic plan

Legal Advisory is included under the Executive Office for budgeting purposes with two main missions:

To provide assistance in policy analysis, interpretation, development, and training to Department of Human Service staff and the general public so they can understand and apply policy.

The purpose of the Appeals and Hearings Program is to coordinate the fair hearing and appeal process for DHS clients, providers, programs and nursing home facilities so that they can obtain final decisions.

Budget Increases / Decreases:

The Executive Office and Legal Advisory collectively proposed a reduction in the 2001 – 2003 budget request totaling $115,056 with a general fund reduction of $89,000. This reduction includes a $65,153 increase - $57,000 in general funds for the recommended salary package for state employees.

MANAGERIAL SUPPORT

Includes support areas of Human Resources, Research and Statistics, Provider Audit and Fiscal Administration with an overall common goal:

To provide leadership, support and maintenance of infrastructure to program directors and staff so they can manage their programs and achieve their results.

Program Purposes Statements / Services:

Human resources

The purpose of Human Resources is to provide technical support and assistance to Department of Human Services and County Social Service Board staff so they can hire and retain qualified employees who work in a safe environment.

Services include:

- Staffing
- Technical Assistance/Education
- Grievances/Appeals
- Risk Management
- Civil Rights Compliance/Complaints

Research and Statistics

The purpose of Research and Statistics is to provide research and analysis for program directors so they can better manage their programs.

Provider Audit

The purpose of the Provider Audit Program is to set providers'/facilities' rates for DHS programs so directors and their staff can manage their programs and achieve their results.

Fiscal Administration

The purpose of Fiscal Services is to provide budgeting, reporting, contracting, cash management and mailing services to directors so they can manage their programs and achieve program results.

Services include:

- Budget Preparation
- Grant Revenue and Expenditure Monitoring
  - Match requirements - nonfederal dollar spent to each federal dollar spent
  - Maintenance of Effort (MOE) – level of nonfederal expenditures to be maintained to access the federal award
- Federal Financial Reporting
- Voucher/Payroll Payments
- Contract drafting and monitoring
- Mailing of grant benefit checks

Budget Increases / Decreases:

$9.9 million increase in total with $900,000 in the general funds

$8.9 million is attributed to the Health Insurance Portability and Accountability Act (HIPAA) which is funded with $5.0 million of federal dollars and $3.9 of special funds (Intergovernmental Transfer (IGT) dollars.)

Department wide effect – privacy/security measures; Medicaid payment system; Regional Human Services Centers as providers of service.

$199,099 increase in special funds attributed to the repayment of loans to the DD loan funds #2 and #3. The amount is transferred to the Department from the Land Department and turned around and paid to the Land and Minerals Trust fund.

$325,570 increase in general funds -- due to reduction of proceeds from DD revolving loan fund #1. Reduction of proceeds from that fund which will continue to diminish as loans are repaid.

$163,730 increase in general funds for Central Office and Human Service Center (HSC) contribution to the risk management fund.

$280,000 increase - $224,000 general funds - in motor pool expenses for Central Office and HSC state fleet costs.

$355,000 total net increase in Salaries and Benefits -- resulting from recommended salary package of $308,000 and increases given due realignment, workload and retention of staff.

Reduction of 1 (one) FTE in the area of Research and Statistic due to realignment of staff and workload changes for reduction of $79,000 - $43,500 in general funds.

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
100-01 EXECUTIVE OFFICE	10	1001 SALARIES	660,816	17	932,917	1,106,659
100-01 EXECUTIVE OFFICE	10	1002 TEMP. OT & SHIFT DIFF	326	17	460	-
100-01 EXECUTIVE OFFICE	10	1008 BENEFITS	170,464	17	240,656	294,895
	10 Total		831,607		1,174,033	1,401,554
100-01 EXECUTIVE OFFICE	30	3003 IT-TELEPHONE	1,193	16	1,790	2,120
100-01 EXECUTIVE OFFICE	30	3004 TRAVEL	16,007	16	24,010	36,663
100-01 EXECUTIVE OFFICE	30	3005 IT - SOFTWARE - SUPPLIES	1,235	16	1,852	1,950
100-01 EXECUTIVE OFFICE	30	3007 POSTAGE	275	16	413	115
100-01 EXECUTIVE OFFICE	30	3012 LEASE - RENT BLDG - LAND	4,441	16	6,662	-
100-01 EXECUTIVE OFFICE	30	3013 DUES & PROFESSIONAL DEV	16,975	16	25,463	26,782
100-01 EXECUTIVE OFFICE	30	3014 OPERATING FEES & SRVC	36,076	16	54,114	12,405
100-01 EXECUTIVE OFFICE	30	3016 REPAIRS	-	16	-	395
100-01 EXECUTIVE OFFICE	30	3018 PROFESSIONAL SERVICES	(36)	16	(54)	-
100-01 EXECUTIVE OFFICE	30	3019 INSURANCE	80	16	120	-
100-01 EXECUTIVE OFFICE	30	3021 OFFICE SUPPLIES	1,465	16	2,198	3,100
100-01 EXECUTIVE OFFICE	30	3024 PRINTING	4,716	16	7,073	7,235
100-01 EXECUTIVE OFFICE	30	3025 PROF. SUPPLIES & MATERIALS	1,758	16	2,636	3,800
100-01 EXECUTIVE OFFICE	30	3030 BLDG GRNDS & VEH MTCE SUPP	-	16	-	440
100-01 EXECUTIVE OFFICE	30	3033 MISC SUPPLIES	2,401	16	3,602	2,500
100-01 EXECUTIVE OFFICE	30	6006 GRANTS, BENEFITS, & CLAIMS	906	16	1,359	-
	30 Total		87,492		131,238	97,505
EXECUTIVE OFFICE Total			919,098		1,305,271	1,499,059

Notes:

Salaries - The projection reflected above is low due to the Executive Director position being vacant from April - Dec. 2000. Also the recommendation includes a 3% and 2% increases, health insurance adjustment and accomodates 24 months of the 3% increase given July 1, 2000.

Travel - Expenditures thru Nov. 2000 are low due to timing of travel and absense of Executive Director from April to December.

Roger Hertz

Tape 1 side A

Deb OMB - 1-15-01

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
100-10 MANAGERIAL SUPPORT	10	1001 SALARIES	2,916,715	17	4,117,715	4,659,033
100-10 MANAGERIAL SUPPORT	10	1002 TEMP. OT & SHIFT DIFF	47,407	17	66,928	23,040
100-10 MANAGERIAL SUPPORT	10	1008 BENEFITS	891,421	17	1,258,477	1,475,208
	10 Total		**3,855,543**		**5,443,120**	**6,157,281**
100-10 MANAGERIAL SUPPORT	30	1008 BENEFITS	1	16	2	-
100-10 MANAGERIAL SUPPORT	30	3002 IT-DATA PROCESSING	6,762	16	10,144	6,079
100-10 MANAGERIAL SUPPORT	30	3003 IT-TELEPHONE	467,133	16	700,700	721,489
100-10 MANAGERIAL SUPPORT	30	3004 TRAVEL	1,018,042	16	1,527,063	1,558,428
100-10 MANAGERIAL SUPPORT	30	3005 IT - SOFTWARE - SUPPLIES	5,075	16	7,613	6,872
100-10 MANAGERIAL SUPPORT	30	3007 POSTAGE	818,064	17	1,154,914	1,123,381
100-10 MANAGERIAL SUPPORT	30	3011 LEASE - RENT EQUIP MENT	84,680	16	127,021	142,767
100-10 MANAGERIAL SUPPORT	30	3012 LEASE - RENT BLDG - LAND	198,473	16	297,710	271,518
100-10 MANAGERIAL SUPPORT	30	3013 DUES & PROFESSIONAL DEV	29,114	16	43,671	45,000
100-10 MANAGERIAL SUPPORT	30	3014 OPERATING FEES & SRVC	88,051	16	132,076	400,316
100-10 MANAGERIAL SUPPORT	30	3016 REPAIRS	36,856	16	55,284	71,218
100-10 MANAGERIAL SUPPORT	30	3018 PROFESSIONAL SERVICES	392,908	16	589,362	604,943
100-10 MANAGERIAL SUPPORT	30	3019 INSURANCE	21,185	16	31,778	183,800
100-10 MANAGERIAL SUPPORT	30	3021 OFFICE SUPPLIES	19,793	16	29,690	29,856
100-10 MANAGERIAL SUPPORT	30	3024 PRINTING	81,531	16	122,297	142,625
100-10 MANAGERIAL SUPPORT	30	3025 PROF. SUPPLIES & MATERIALS	11,144	16	16,716	10,949
100-10 MANAGERIAL SUPPORT	30	3030 BLDG GRNDS & VEH MTCE SUPP	9	16	13	792
100-10 MANAGERIAL SUPPORT	30	3033 MISC SUPPLIES	10,331	16	15,496	9,270
	30 Total		**3,289,154**		**4,861,550**	**5,329,303**
100-10 MANAGERIAL SUPPORT	40	4002 OFFICE EQUIP & FURN	6,306	16	9,459	-
	40 Total		**6,306**		**9,459**	**-**
100-10 MANAGERIAL SUPPORT	71	3014 OPERATING FEES & SRVC	330,925	16	496,387	2,040,055
100-10 MANAGERIAL SUPPORT	71	7004 TRANSFERS - BUDGET	639,327	16	958,991	-
	71 Total		**970,252**		**1,455,378**	**2,040,055**
100-10 MANAGERIAL SUPPORT	89	3900 OPERATING BUDGET ADJUSTMENT	-	16	-	8,926,141
	89 Total		**-**		**-**	**8,926,141**
MANAGERIAL SUPPORT Total			**8,121,256**		**11,769,507**	**22,452,780**

Notes:

Tom Henn Fiscal Admin
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North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation

Salaries - The projection is low because of vacancies that occurred during the first seventeen months. All positions are currently filled and budgeted for in 2001-03. Also the recommendation includes a 3% and 2% increases, health insurance adjustment and accomodates 24 months of the 3% increase given July 1, 2000.

Travel - The state motor pool rates have increased significantly due to increase in gas prices.

Postage - Postage is purchase through a prepaid meter. Activity through November represents 17 months of expense.

Operating Fees and Services - The projection is low due to timing of State Auditor billings which are paid at the completion of an audit. It also includes the Departmental billing for Statewide Indirect costs which have not yet been paid.

Repairs - The projection is low because service contracts are paid on an annual basis. This request includes office equipment repair fees, as well as service contracts on rented copiers and mail machines

Professional Services - Request is based on current expenses for legal services from the Attorney General and the Office of Administrative Hearings.

Insurance - The request includes a $163,730 premium for the Risk Management Fund which had not been assessed in prior bienniums.

Printing - The projection is low because purchases are not done monthly. Major purchases are for forms, return address envelopes, copier supplies and paper products. All paper products have been increasing steadily.

HB 1012

Senate Appropriations Committee

HB 1012

Senator David Nething, Chairman

March 5, 2001

Chairman Nething and members of the committee, I am Brenda Weisz, Director of Fiscal Administration. I am here today to provide you with an overview of two areas of the Department's budget – the Executive Office and Managerial Support.

EXECUTIVE OFFICE

Program Purpose Statements / Services:

The purpose of the Executive Office is to achieve desired results based upon the DHS Strategic Plan by providing guidance and information regarding human service issues to the Governor, Legislators, Congress, political subdivisions, and the tribes so they can make informed decisions regarding North Dakota citizens.

In addition the Executive Office provides leadership, direction, and support to DHS Senior Managers and staff so they can achieve their program goals.

The above is accomplished as follows:

- Formulate and communicate the vision for the future
- Collaborate and develop relationships with the Governor, Legislators, Congress, political subdivisions, tribes and key constituents

- Serve on and represent DHS to various commissions, councils, boards, committees, and task forces
- Develop Senior Management team and structure
- Implement DHS strategic plan

Legal Advisory is included under the Executive Office Budget Level for budgeting purposes with two main missions:

To provide assistance in policy analysis, interpretation, development, and training to Department of Human Service staff and the general public so they can understand and apply policy.

To coordinate the fair hearing and appeal process for DHS clients, providers, programs and nursing home facilities so that they can obtain final decisions.

Budget Decreases:

The Executive Budget request for the Executive Office and Legal Advisory collectively was $1,499,059 a reduction of $115,056 from the current budget of $1,614,115. That reduction included $89,719 in general funds.

The House further reduced the operating expenses by an additional $7,500 – all in general funds – which brings the request to $1,491,559.

MANAGERIAL SUPPORT

Includes support areas of Human Resources, Research and Statistics, Provider Audit and Fiscal Administration with an overall common goal:

To provide leadership, support and maintenance of infrastructure to program directors and staff so they can manage their programs and achieve their results.

Program Purposes Statements / Services:

Human resources

The purpose of Human Resources is to provide technical support and assistance to Department of Human Services and County Social Service Board staff so they can hire and retain qualified employees who work in a safe environment.

Services include:

- Staffing
- Technical Assistance/Education
- Grievances/Appeals
- Risk Management
- Civil Rights Compliance/Complaints

Research and Statistics

The purpose of Research and Statistics is to provide research and analysis for program directors so they can better manage their programs.

Provider Audit

The purpose of the Provider Audit Program is to set providers'/facilities' rates for DHS programs so directors and their staff can manage their programs and achieve their results.

Fiscal Administration

The purpose of Fiscal Services is to provide budgeting, reporting, contracting, cash management and mailing services to directors so they can manage their programs and achieve program results.

Services include:

- Budget Preparation
- Grant Revenue and Expenditure Monitoring
- Federal Financial Reporting
- Voucher/Payroll Payments
- Contract drafting and monitoring
- Mailing of grant benefit checks

Budget Increases / Decreases:

The budget request to the Senate for Managerial Support is $13,668,140 with $5,301,068 in general funds. This amounts to an increase of $1,120,515 over the current budget of $12,547,625 with $878,157 of the increase being in general funds.

$199,099 increase in special funds attributed to the repayment of loans to the DD loan funds #2 and #3. The amount is transferred to the Department from the Land Department and turned around and paid to the Land and Minerals Trust fund.

$325,570 increase in general funds – due to reduction of proceeds from DD revolving loan fund #1. Reduction of proceeds from that fund will continue to diminish as loans are repaid.

$163,730 increase – $132,539 general funds - for Central Office and Human Service Center (HSC) contribution to the risk management fund.

$280,000 increase - $224,000 general funds - in motor pool expenses for Central Office and HSC state fleet costs.

$355,342 total net increase in Salaries and Benefits – resulting from Governor's recommended salary package and funding the increase granted in the second year of the current biennium for a full 24 months in 2001 – 2003.

Reduction of 1 (one) FTE in the area of Research and Statistic due to realignment of staff and workload changes for reduction of $79,000 - $43,500 in general funds.

House Amendments:

Reflected in the above figure is a decrease in operating of $80,000 - $28,800 general funds.

Also included is the amendment to further increase special funds by $221,501 for additional loan repayments to DD Loan fund #3 which was based on updated information received from the Land Department in January 2001.

The final House amendment reduced the HIPAA project to $8,055,374 and the funding was moved to HB 1196. HIPAA was initially included in the Managerial Support budget level based on its departmentwide effect.

FIELD SERVICES OVERVIEW
H.B. 1012 – DEPARTMENT OF HUMAN SERVICES
before the
House Appropriations Committee
January 3, 2001

Chairman Timm and members of the House Appropriations Committee, I am Yvonne Smith, Deputy Director of the Department of Human Services. The following is a brief, composite overview of the Field Services component of the Department. Field Services is comprised of the eight regional human service centers, the State Hospital, and the Developmental Center. Budgets for these entities are located in Subdivision Four of House Bill 1012. Next week, during the hearings with the Human Resources Division of this Committee, the directors of each of these entities will provide a more detailed review of each specific center or institution budget.

⇒ The eight regional human service centers provide services to meet the following objectives:

1) Child Welfare: To promote safe, secure, nurturing living environments and protect children from abuse or neglect within their families as well as in alternative settings.
2) Disability Services: To support people with disabilities in their efforts to live safely and productively in the least restrictive, appropriate setting and to attain employment and independence.
3) Older Adult Services: To support older adults and persons with physical disabilities in their effort to live safely and productively in the least restrictive appropriate setting.

Field Services

4) **Mental Health and Substance Abuse: To assist people with serious and persistent mental illness, substance abuse and addiction disorders, and serious emotional disorders or acute mental health needs to receive services in the least restrictive appropriate setting.**

⇒ These objectives correlate with the "budget levels" for the human service centers. The funding requested by the human service centers for each of these budget levels is contained in Attachment 1.

⇒ The State Hospital services are contained within Objective 4, above, and the Developmental Center services are contained within Objective 2, above. Attachment 2 sets forth the funding requested for each of these entities.

⇒ Attachment 3 sets forth the purpose statements for all of the services provided by the Department. The asterisks connote programs that are implemented as a part of the human service center or institution responsibility.

- Aging Services Programs are delivered through contractual arrangements with local providers, qualified service providers, and county social service boards, with human service centers carrying an oversight responsibility.
- Children and Family Services are delivered through county social services and contracted providers, with human service centers carrying a program supervision responsibility.
- Mental Health and Substance Abuse Services are provided directly by human service center staff and/or through contracts between the centers and local providers. The State Hospital provides the in-patient component for these services, when the needs of the individual exceed the capability of the local community.

- The human service centers provide the case management component for Developmental Disabilities. The Developmental Center provides residential treatment, as an Intermediate Care Facility for Mentally Retarded, when the needs of the individual exceed the capability of the community.
  - With a few exceptions, the day and residential services are provided through community providers under contract with the Department.
  - Infant Development programs are provided directly by NWHSC, NEHSC, SEHSC, and SCHSC; and by contracted providers in the other four regions.
  - The other Family Support programs are administered as a part of the case managers' responsibilities.
- Vocational Rehabilitation programs are provided through human service center staff in cooperation with a network of local providers and employers.

⇒ Since 1997, the human service centers and the institutions have been appropriated "lump sum" budgets, i.e., their budgets are not tied to the traditional line items of salary, operating, equipment and grants. This allows them the flexibility to expend the appropriated funds in the manner that is necessary to meet client needs.

⇒ The Department's strategic planning efforts have focused on aligning the service delivery system to assure that statewide priorities are addressed in an integrated manner.

- The shift to community based services has been reinforced;
- Roles of central office, regional human services centers, and institutions have been more clearly defined;

- Through the use of performance measures, the expected service results are established, allowing progress to be objectively evaluated.

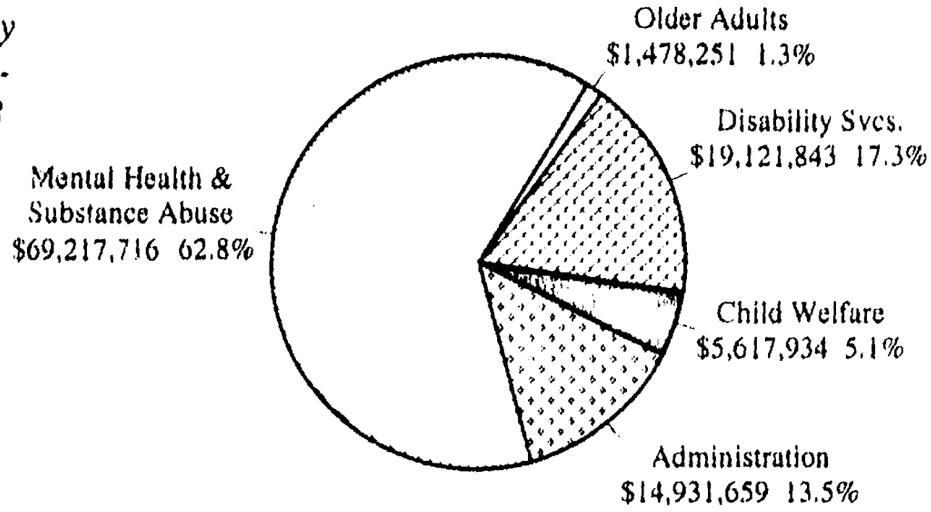
Thank you for the opportunity to overview the field services operation of the Department of Human Services.

North Dakota Department of Human Services

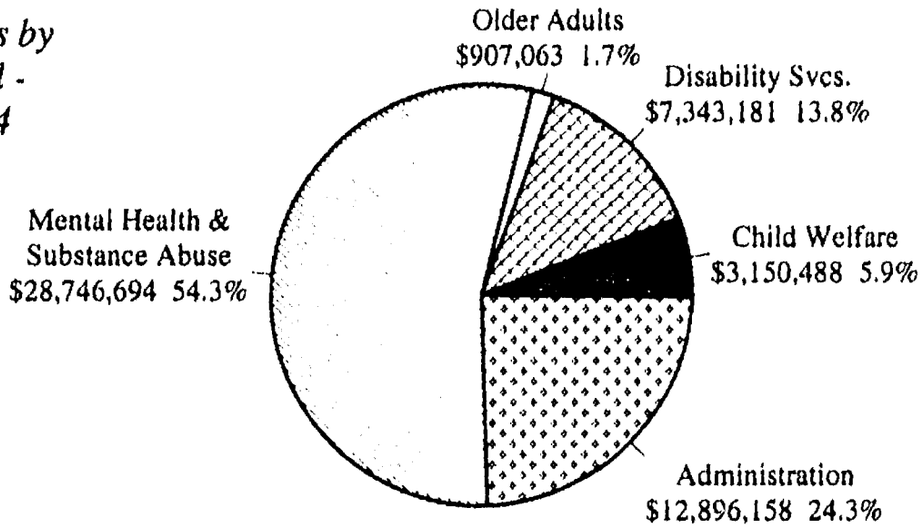
Attachment 1

Executive Budget Recommendation - Human Service Centers
HB 1012 to House
2001 - 2003 Biennium

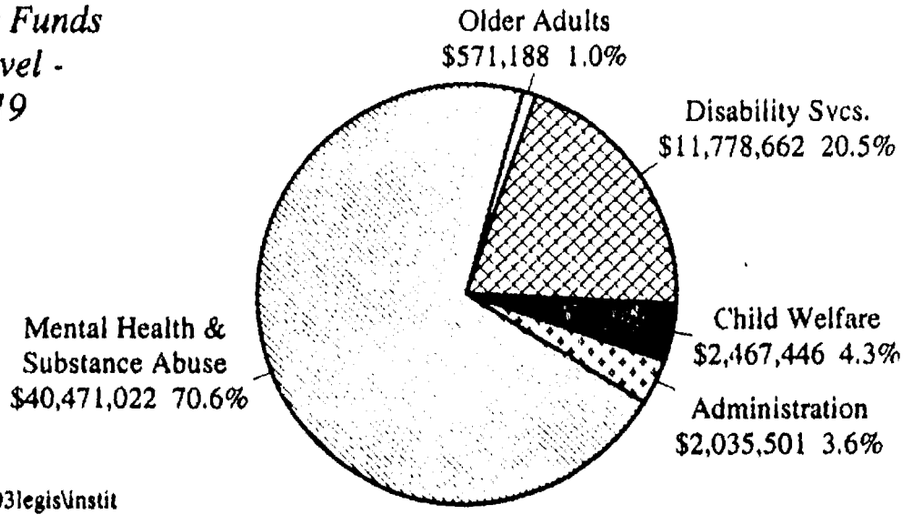
Total Funds by Budget Level - $110,367,403



General Funds by Budget Level - $53,043,584



Federal / Other Funds by Budget Level - $57,323,819



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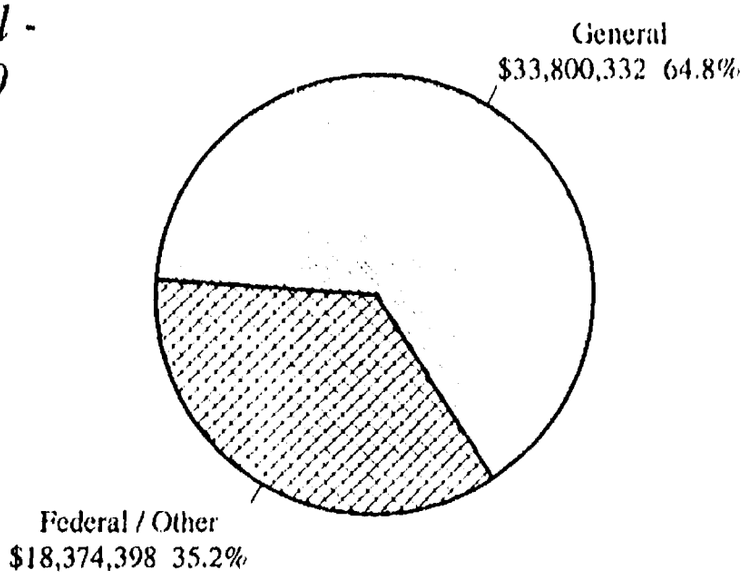
North Dakota Department of Human Services

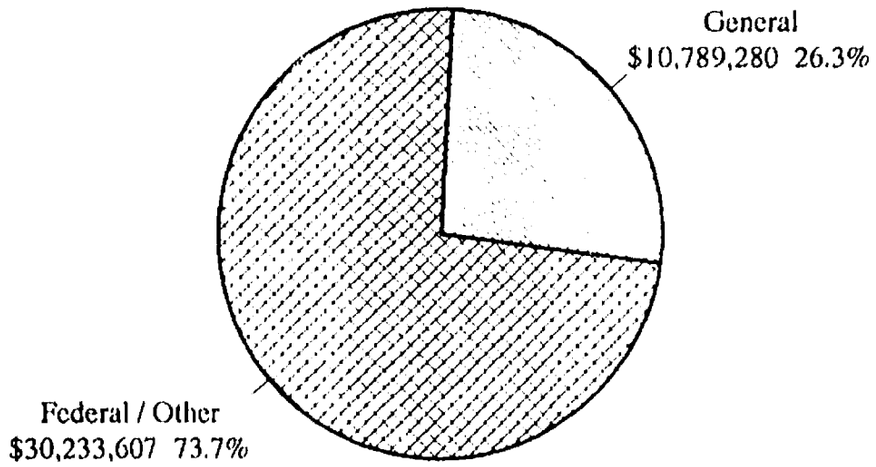
Attachment 2

Executive Budget Recommendation - Institutions
HB 1012 to House
2001 - 2003 Biennium

State Hospital - $52,174,730



Developmental Center - $41,022,887



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North Dakota
Department of Human Services

Mission Statement: Our mission is to provide quality, efficient and effective human services, which improve the lives of people.

Programs Available

AGING SERVICES

* Individual Rights Program (Aging Division)

Purpose Statement:
The purpose of the Individual Rights Program is to provide information, education, and intervention to vulnerable adults so they can exercise their rights.
Services Included:
Long-Term Care Ombudsman, Vulnerable Adult Services, and Legal Services.

* Community Services Program

Purpose Statement:
The purpose of the Community Services Program is to provide support services to older adults and persons with physical disabilities so they can remain in their own home.
Services Included:
Case Management, Transportation, Health Maintenance, Information and Assistance, Outreach, Senior Companion, Nutrition Services (Congregate & Home Delivered Meals)

* Personal Cares Program

Purpose Statement:
The purpose of the Personal Cares Program is to provide individualized care to older adults and persons with physical disabilities so they can remain in the least restrictive environment.
Services Included:
Respite Care, Personal Care, Adult Family Foster Care, Family Home Care, Adult Day Care, Training for Family Caregivers, Traumatic Brain Injury Services, Residential and Transitional Living, Adult Residential Services.

* Home Safety Program

Purpose Statement:
The purpose of the Home Safety Program is to provide individual interventions, service and equipment to older adults and persons with physical disabilities so they can feel safe and independent in their home environment.
Services Included:
Emergency Response System, Preventive Health Services, Chore, Homemaker, Environmental Modifications, Specialized Equipment and Supplies.

CHILDREN'S SPECIAL HEALTH SERVICES

Specialty Care Program

Purpose Statement:
The purpose of the Specialty Care Program is to provide payment for authorized services to qualified providers serving eligible children and special health care needs in order to increase access to pediatric specialty care.
Services Included:
- Authorizations for payment of care
- Maintenance of approved provider list
- Medical eligibility determination
- Financial eligibility determination

*** Implemented as a part of the human service center/institution responsibility**

Multidisciplinary Clinic Program

Purpose Statement:
The purpose of the Multidisciplinary Clinic Program is to provide comprehensive pediatric evaluations and coordinated care recommendations for children with special health care needs in order to help families effectively manage their child's chronic health condition in the most efficient manner.
Services Included:
- Clinic administration
- On-site clinic management
- Contract administration
- Authorization for payment of care

Care Coordination Program

Purpose Statement:
The purpose of the Care Coordination Program is to provide community-based case management services for children with special health care needs and their families in order to assure access to necessary, comprehensive services.
Services Included:
- County social service care coordination
- Public health care coordination

CHILDREN AND FAMILY SERVICES

*** Early Childhood Services**

Purpose Statement:
The purpose of the Early Childhood Services (ECS) Administration is to coordinate activities, establish standards and provide training to providers of early care and education for children so that they can meet their goals as agreed upon with the department.
Services Included:
Licensing, Child Care Resource and Referral (CCR&R), Tribal Consult and Head Start.

Refugee Resettlement Program

Purpose Statement:
The purpose of the Refugee Resettlement Program is to provide resettlement resources to all eligible refugees so they can become economically and socially self-sufficient.
Services Included:
Job Development/Employment Enhancement, Case Management, English as a Second Language, Vocational Training, Refugee Cash Assistance, Refugee Medical Assistance, Education.

*** Child Protection Program**

Purpose Statement:
The purpose of the Child Protection Program is to provide protection for children who have been or are at risk of being neglected and/or abused so they can be free of neglect and/or abuse.
Services Included:
Child Protection Assessments, Child Protection Case Management, Child Fatality Review Panel, Institutional Child Protection, Children's Trust Fund, Child Abuse and Neglect Prevention.

*** Family Preservation Program**

Purpose Statement:
The purpose of the Family Preservation Program is to provide therapeutic intervention to families whose children have been or are at risk of abuse, neglect, and out of home placement so children can be safe in their environment.
Services Included:
Parent Aide, Prime Time, Intensive In-Home, Respite Care, Safety/Permanency Funds.

*** Implemented as a part of the human service center/institution responsibility**

*** Foster Care**

Purpose Statement:
The purpose of the Foster Care Program is to provide substitute temporary living environments for children who cannot remain with their family so they can be safe in an alternative living environment.
Services Included:
Licensing for family foster homes, group homes and residential child care facilities, and licensed child placing agencies for foster care; foster care eligibility determination and payment; case planning and reviews (permanency planning), subsidized guardianship, family social work; placement services including Interstate Compact on Placement of Children, Independent Living Skills Assessment, training and stipends.

*** Adoption Services**

Purpose Statement:
The purpose of the Adoption Program is to recruit, approve and support families for children in need of adoption so they can have a permanent home.
Services Included:
Recruitment, Adoption Assessment, Placement, Post Placement, Follow-up Services, Post Finalization Services, Adoption Subsidy, Birth Family Services, Adoption Search, Licensure of Child Placing Agencies, Technical Assistance, ICPC (Adoptions).

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

*** Serious Mental Illness System of Care**

Program Purpose
The purpose of the Serious Mental Illness System of Care is to provide therapeutic and supportive services to adults with a serious mental illness so they can manage their illness and productively live in the community in the least restrictive setting.
Services Included

- Inpatient
- Psychosocial Rehabilitation
- Supportive Living
- Psychiatric, Medical, Nursing
- Case Management
- Extended Services
- Community Support
- Individual Therapy
- Family/Marital Therapy
- Information & Referral
- Regional Intervention Services
- Mentally Ill/Chemically Dependent
- Seriously Mentally Ill/ Developmentally Disabled
- Crisis Residential
- Transitional Living
- Case Aide
- PATH Program
- Partial Care
- Long-term Residential
- Representative Payee
- Group Therapy
- Consultation
- Aftercare Coordination

*** Clinical Services Program**

Program Purpose
The purpose of the Clinical Services Program is to provide evaluation and treatment to people with emotional or relationship problems so they can reduce or eliminate the impact of the problem.
Services Included

- Psychological Evaluation
- Sexual Abuse TX
- Domestic Violence TX
- Consultation
- Information and Referral
- RIS
- Child Abuse TX
- Individual
- Group
- Family

*** Implemented as a part of the human service center/institution responsibility**

* Children's Mental Health System of Care

Program Purpose
The purpose of the Children's Mental Health System of Care is to provide therapeutic and supportive services to children with a serious emotional disorder (SED) and their families so they can manage their disorder and live in the community in the least restrictive setting.

Services Included

- Inpatient
- Crisis Residential
- Therapeutic Foster Care
- Family Therapy
- Intensive In-Home
- Crisis Intervention
- Residential Treatment
- Case Aides
- Psychological Services
- Residential Child Care Facility
- Respite Care
- Individual Therapy
- Group Therapy
- Flex Funds
- Care Coordination
- Foster Care
- Tracking
- Informal supports
- Psychiatric/Medical and/or Nursing Services
- Dual Diagnosis/Adolescent Addiction Services
- Case Management with out Care Coordination

Substance Abuse Prevention Services Program

Program Purpose
The purpose of the Substance Abuse Prevention Services Program is to provide services to citizens of North Dakota so they can prevent or reduce the harmful effects of alcohol and drug abuse.

Services Included
Information Distribution (p,o,r)
Public Information (p,o,r)
Family Prevention Services (o)
Regional/Tribal Coordination of Prevention Services (o)
Community Coalition/Policy Development (o)
Early Intervention and Enhanced School Prevention Services (o)

Key: p=provided in Division; o=contracted; r= referral to another provider/source.

* Substance Abuse System of Care

Program Purpose
The purpose of the Substance Abuse System of Care is to provide therapeutic and supportive services to individuals who abuse or are dependent upon alcohol or other drugs so they can manage their illness and live in the community in the least restrictive setting.

Services Included:

Day Treatment
Detox
Inpatient
Residential
Evaluation
Long-Term Care
Case Management
Intensive Outpatient
Low Intensive Outpatient
Family Therapy
Individual Therapy
Group Therapy
Marital Therapy
RIS

* Implemented as a part of the human service center/institution responsibility

DEVELOPMENTAL DISABILITIES

* Day and Residential Services

Program Statement:
The purpose of day and residential services is to provide training and assistance with daily living activities to eligible persons with developmental disabilities so they can live in the least restrictive, appropriate setting and achieve agreed upon personal goals.
Services Included:
Intermediate Care Facility for Mentally Retarded (ICF/MR for children, Extended Family Care and ICF/MR adults); Transitional Community Living Facility; Minimally Supervised Living Arrangement; Congregate Care; Specialized Placement in Region VII; Individualized Supported Living Arrangement; Supported Living Arrangement; Adult Family Foster Care; Homemaker; Home Health Aid; Adult Day Care/Adult Day Health; Developmental Day Activity; Work Activity (Developmental Work Activity/Prevocational Work Activity); Extended Services, Extended Services HCBS; and Developmental Disabilities Case Management.

* Family Support Programs

Program Statement:
The purpose of Family Support Programs is to provide personal and financial assistance and training to families of eligible individuals with developmental disabilities so they can help their family member achieve agreed upon outcomes in their least restrictive, appropriate setting.
Services Included:
Infant Development, Family Support Services, Family Subsidy, Developmental Disabilities Case Management.

VOCATIONAL REHABILITATION

* Employment Programs

Purpose Statement:
The purpose of the Vocational Rehabilitation Employment Programs is to provide training and employment services to individuals with disabilities so they can become and remain employed.
Services Included:
Evaluation; career counseling; placement; and purchasing training, which includes supported employment, physical & mental restoration services, maintenance, transportation, adaptive devices and equipment.

* VR Employer Services

Purpose Statement:
The purpose of Employer Services is to provide consultation, technical assistance and information to employers so they can employ individuals with disabilities.
Services Included:
Consultation, technical assistance & training on accessibility, accommodations, disability issues and the Americans with Disabilities Act (ADA).

Independent Living

Purpose Statement:
The purpose of Independent Living Services is to eliminate barriers and provide assistance to individuals with disabilities so they can live and work more independently in their homes and communities.
Services Included:
Independent living skills training, self & systems advocacy, peer counseling, information and referral, community education, technical assistance to businesses & local governments and other services as appropriate.

* Older Blind Services

Purpose Statement:
The purpose of Older Blind Services is to provide training, accommodation and support in daily living activities to individuals with visual impairments so they can maintain independence in their home environment.
Services Included:
Orientation & mobility training, communication skills training, activities of daily living training, low vision screening/services, assistive technology devices, counseling, community integration, management of secondary disabilities, transportation, readers and guides, support groups & referral.

*** Implemented as a part of the human service center/institution responsibility**

*** Assistive Technology Project**

Purpose Statement:
The purpose of the Assistive Technology Program is to provide education, consultation and referral to people with disabilities so they can access assistive technology (AT) devices and services.
Services Included:
Technology services include: use of the AT Loan Library; technical assistance in the following areas: general information, funding, equipment, services and referral, AT assessment and implementation, AT policies and regulations and building local AT capacity; training; and services provided by other subcontractors.

Client Assistance Program

Purpose Statement:
The purpose of the Client Assistance Program is to provide advocacy, consultation, education and referral to individuals who are seeking or receiving rehabilitation services so they can resolve issues and receive the services they are eligible for.
Services Included:
Consultation, individual advocacy, systems advocacy, education, information and referral.

Disability Determination Services

Purpose Statement:
The purpose of the Disability Determination Services is to provide eligibility decisions on behalf of applicants to the Social Security Administration so they can provide benefits to eligible individuals.
Services Included:
Eligibility determinations.

Equipment Distribution Program

Purpose Statement:
The purpose of Equipment Distribution Program is to provide telecommunications equipment and referral to individuals who are deaf or who have hearing, speech or mobility impairments so they can communicate with others.
Services Included:
Evaluation, training, cost of equipment and the cost of interpreters*.

*The cost of interpreters is included as part of administration.

ECONOMIC ASSISTANCE

Food Stamp Program.

Purpose Statement:
The purpose of the Food Stamp Program is to provide purchasing power to eligible individuals and families so they can buy additional food and to raise nutrition levels in their household.
Services Included:
- Delivery of Food Stamp Benefits to eligible individuals and families using an EBT (Electronic Benefits Transfer) card.
- Nutrition education services are provided to eligible individuals and families in 50 of 53 counties.

Energy Assistance Program

Purpose Statement:
The purpose of the Energy Assistance Program is to help low income individuals and families pay for heating and housing conservation costs.
Services Included:
- Partial payments to fuel vendors on behalf of eligible individuals and families.
- Emergency assistance for energy-related crises.
- Weatherization services to conserve energy.

*** Implemented as a part of the human service center/institution responsibility**

Public Assistance/TANF
Basic Care Assistance

Purpose Statement:
The purpose of the Basic Care Assistance Program is to provide financial assistance for eligible, blind, or disabled individuals so they can receive services in a licensed basic care facility.
Services Included:
- Eligibility and Payment

Child Care Assistance

Purpose Statement:
The purpose of the Child Care Assistance Program is to provide financial assistance for child care costs to eligible parents and guardians to the provider of their choice so they can remain employed or in training.
Services Included:
- Provide cash payment on behalf of eligible parents and guardians.

Temporary Assistance for Needy Families (TANF)/Job Opportunities and Basic Skills (JOBS)

Purpose Statement:
The purpose of Temporary Assistance for Needy Families (TANF) and JOBS Opportunities and Basic Skills (JOBS) is to provide temporary cash assistance and employment training services to eligible families so adult family members can achieve self-sufficiency.
Services Included:
- The TANF program provides cash assistance and an assessment to identify potential barriers to self-sufficiency.
- The JOBS program provides: program orientation; work assessment; development of the Employability Development Plan; referral for other services; case management; and services to support a JOBS participant's efforts toward self-sufficiency.

MEDICAL SERVICES
Medicaid Program

Purpose Statement:
The purpose of the Medicaid Program is to ensure the delivery of medical services in the most efficient and economical manner so that recipients can improve or maintain their health.
Services Included:
- Utilization Control
- Long Term Care/Intergovernmental Transfer
- Claims Payment for Medical Services
- Health Tracks

Healthy Steps Program

Purpose Statement:
The purpose of the Healthy Steps Program is to provide health insurance coverage to eligible low income, uninsured children so they can obtain necessary medical services to improve and maintain their health (CHIP).
Services Included:
- Healthy Steps eligibility determination
- Insurance payments to carrier
- Utilization control of services

CHILD SUPPORT ENFORCEMENT

Purpose Statement:
The purpose of the Child Support Enforcement program is to secure financial support from legally responsible parents so that families and children receive that support, and so that the demand on public treasuries is reduced.
Services Included:
- Establishment of paternity (county)
- Establishment of court orders for child support and medical support (county)
- Enforcement of court orders for child support and medical support (state and county)
- Review and adjustment of court orders (county)
- Receipt and disbursement of all child support payments (state)

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North Dakota Department of Human Services

Comparison of State Hospital and HSCs Alcohol and Drug (A&D), Seriously Mentally Ill (SMI) and Medical Director & Psychiatrists Budgets/Expenditures, Holding the 1995-1997 Service Levels Constant with the Exceptions of Inflation at CPI, and the Elimination of the Geropsychiatric Ward in the 99-01 Biennium

TABLE A	Actual 1995-1997	Projected Expenditures Using CPI 1997-1999	1999-2001	2001-2003
Total State Hospital	**48,427,195**	**49,717,927**	**50,276,182**	**53,803,706**
General	30,463,066	31,274,999	31,842,009	34,076,367
Federal/Other	17,964,129	18,442,928	18,434,173	19,727,339
Human Service Center				
A&D	8,213,599	8,432,516	8,904,571	9,519,029
SMI	18,161,371	18,645,426	19,667,091	21,047,864
Medical Dir. & Psychiatrists	5,088,645	5,224,272	5,510,533	5,897,410
Total	**31,463,615**	**32,302,214**	**34,072,195**	**36,464,293**
General	13,327,273	13,682,486	14,432,208	15,445,446
Federal/Other	18,136,342	18,619,728	19,639,987	21,018,847
Total State Hospital & HSCs	79,890,810	82,020,141	84,348,377	90,267,999
General	43,790,339	44,957,485	46,274,217	49,521,813
Federal/Other	36,100,471	37,062,656	38,074,160	40,746,186

TABLE B	Actual 1995-1997	Actual 1997-1999	Budget 1999-2001	Request 2001-2003
Total State Hospital	**48,427,195**	**48,642,446**	**44,831,699**	**46,753,462**
General	30,463,066	32,880,207	30,151,416	28,792,309
Federal/Other	17,964,129	15,862,241	14,680,283	17,961,143
Human Service Center				
A&D	8,213,599	8,906,763	11,882,824	12,697,394
SMI	18,161,371	20,899,776	24,360,341	23,710,418
Medical Dir. & Psychiatrists	5,088,645	5,443,974	6,451,050	6,811,159
Total	**31,463,615**	**35,250,513**	**42,694,215**	**43,218,971**
General	13,327,273	18,605,062	19,617,788	19,726,533
Federal/Other	18,136,342	16,645,451	23,076,427	23,492,438
Total State Hospital & HSCs	79,890,810	83,792,961	87,525,914	89,972,423
General	43,790,339	49,485,269	49,769,204	48,518,842
Federal/Other	36,100,471	34,307,692	37,756,710	41,453,581

TABLE C Difference Inc. (Dec.)	1995-1997	1997-1999	1999-2001	2001-2003
Total State Hospital	-	**(1,175,478)**	**(5,444,483)**	**(7,050,254)**
General	-	1,605,208	(1,690,593)	(5,284,058)
Federal/Other	-	(2,780,687)	(3,753,890)	(1,766,196)
Human Service Center				
A&D	-	474,247	2,988,253	3,178,365
SMI	-	2,254,350	4,693,250	2,662,564
Medical Dir. & Psychiatrists	-	219,702	940,517	913,749
Total	-	**2,948,299**	**8,622,020**	**6,754,678**
General	-	2,922,576	5,185,580	4,281,087
Federal/Other	-	25,723	3,436,440	2,473,591
Total State Hospital & HSCs	-	1,772,820	3,177,537	(295,576)
General	-	4,527,784	3,494,987	(1,002,971)
Federal/Other	-	(2,754,964)	(317,450)	707,395

Notes:
Consumer Price Index (CPI) Used:
Actual - SFY 1998 1.7%, SFY 1999 1.8%, SFY 2000 2.9%
Estimated - SFY 2001 3.3%, SFY 2002 3.5%, SFY 2003 3.5%

Amounts reflected above do not include capital improvements, the sexual offenders program or revenue received from the Dept. of Transportation.

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EXPLANATION OF STATE HOSPITAL/HUMAN SERVICE CENTER COST COMPARISON TABLES

- Table A projects what the budgets of the State Hospital and the eight Human Service Centers for serving people with serious emotional disturbance or chemical dependency would have been if we had made no changes in the service delivery system.
  - Based on actual expenditures in the 1995-97 biennium
  - In order to create comparative data, the 1995-97 base cost for the State Hospital excluded Capital Improvements of $2,119,361
  - The costs of the Gero-Psychiatric Ward were deleted in the 1999-2001 biennium ($2,166,008), since the responsibility for those services was transferred to the Medicaid budget.
  - The CPI inflation factors (see notes to chart) were applied to arrive at the statistical projection of costs.
  - Using these assumptions, the cost to maintain the 1995-97 service system for people with serious emotional disturbance or chemical dependency, inflated only by the CPI, would have risen from $79,890,810 in the 1995-97 biennium to $90,267,999 in the 2001-03 biennium.

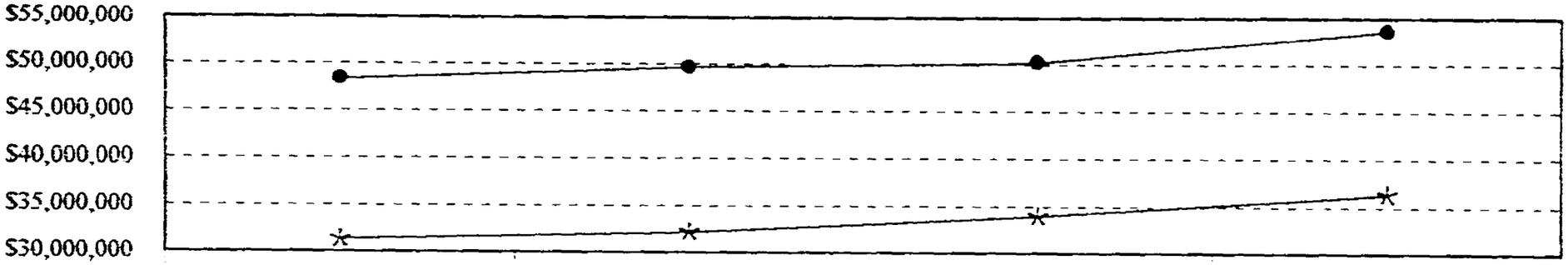
- Table B depicts what has actually occurred, in terms of actual expenditures for 1995-97 and 1997-99, budgeted expenditures for 1999-01, and the Executive Budget recommendation for 2001-03.
  - In order to create comparative data regarding the service responsibilities that have been shifted to the community, State Hospital costs exclude all capital improvements, the sexual offenders programs costs, the gero-psychiatric ward costs, and the Department of Corrections revenue.
  - The actual costs to serve people with serious emotional disturbance or chemical dependency have risen from $79,890,810 in 1995-97 to $89,972,423 in the Executive Budget recommendation.

- Table C is simply the difference between Table A and Table B. The "bottom line" being that the Executive Budget Recommendation for these services for the 2001-03 biennium is $295,576 less in total, than it would have been under the projected costs scenario.
  - The general fund request is $1,002,971 less
  - The federal fund request is $707,395 more

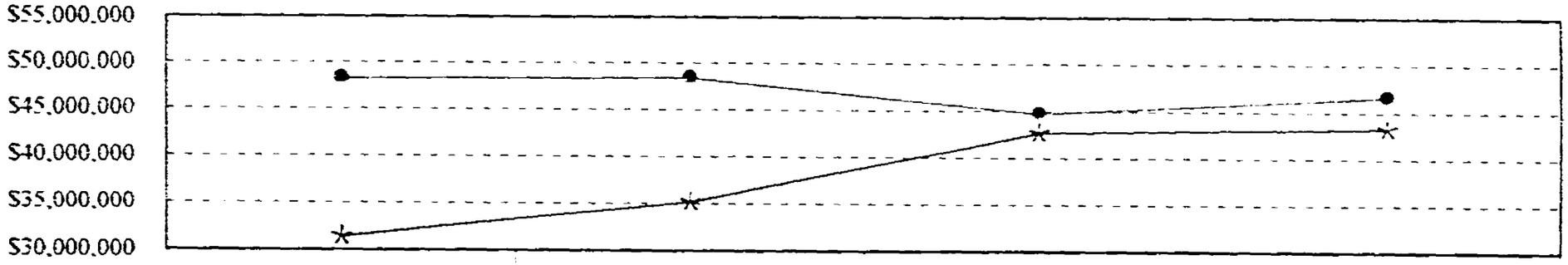
North Dakota Department of Human Services

Comparison of State Hospital and Human Service Centers

Alcohol and Drug, Seriously Mentally Ill, Medical Director and Psychiatrists Budgets Expenditures
(Holding the 1995-1997 Service Levels Constant with the Exceptions of Inflation at CPI,
and the Elimination of the Geropsychiatric Ward in the 1999-01 Biennium)
HB 1012 to House
2001 - 2003 Biennium



	1995-1997 (Actual)	1997-1999 (Projected Exp. using CPI)	1999-2001 (Projected Exp. using CPI)	2001-2003 (Projected Exp. using CPI)
State Hospital ●	$48,427,195	$49,717,927	$50,276,182	$53,803,706
Human Sv.Ctr. ✳	$31,463,615	$32,302,214	$34,072,195	$36,464,293



	1995-1997 (Actual)	1997-1999 (Actual)	1999-2001 (Budget)	2001-2003 (Request)
State Hospital ●	$48,427,195	$48,542,448	$44,831,699	$46,753,452
Human Sv Ctr. ✳	$31,463,615	$35,250,513	$42,694,215	$43,218,971

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HUMAN SERVICE CENTER OVERVIEW

H.B. 1012 – DEPARTMENT OF HUMAN SERVICES

before the

Senate Appropriations Committee

David Nething, Chairman

February 28, 2001

Chairman Nething and members of the Senate Appropriations Committee, I am Yvonne Smith, Deputy Director of the Department of Human Services. The following is an overview of the Field Services component of the Department. Field Services is comprised of the eight Regional Human Service Centers, the State Hospital, and the Developmental Center. Budgets for these entities are located in Subdivision Four of House Bill 1012. I will present the Human Service Centers and Alex Schweitzer, Superintendent of Institutions, will present the State Hospital and Developmental Center.

OBJECTIVES

The eight regional human service centers provide services to meet the following objectives:

1) Child Welfare: To promote safe, secure, nurturing living environments and protect children from abuse or neglect within their families as well as in alternative settings.

2) Disability Services: To support people with disabilities in their efforts to live safely and productively in the least restrictive,

appropriate setting and to attain employment and independence.

3) Older Adult Services: To support older adults and persons with physical disabilities in their effort to live safely and productively in the least restrictive appropriate setting.

4) Mental Health and Substance Abuse: To assist people with serious and persistent mental illness, substance abuse and addiction disorders, and serious emotional disorders or acute mental health needs to receive services in the least restrictive appropriate setting.

These objectives correlate with the "budget levels" for the human service centers. The funding requested by the human service centers for each of these budget levels is contained in Attachment 1. The funding by budget level for each region is contained in Attachment 2.

PROGRAM PURPOSES

Attachment 3 sets forth the purpose statements for all of the services provided by the Department. The asterisks connote programs that are implemented as a part of the human service center responsibility.

Aging Services Programs are delivered through contractual arrangements with local providers, qualified service providers, and county social service boards, with human service centers carrying an oversight responsibility.

- Each region has a staff person who oversees and provides technical consultation and oversight for the projects funded through the Older Americans Act

- Each region provides services for vulnerable adults, directly or through contract. 680 people have been served during the past six months. House amendments eliminated the general fund for this service component.

Children and Family Services are delivered through county social services and contracted providers, with human service centers carrying a program supervision responsibility.

- Each region employs staff who are responsible to supervise the "child welfare" programs provided within the region, including foster care, child protection, child care, and the various services which are necessary to respond to the provisions of the Adoption and Safe Families Act.

- Two regions -- West Central and Southeast -- have requested additional funding to expand their staffing for this function. These two regions have the largest "child welfare" caseloads.

Mental Health and Substance Abuse Services are provided directly by human service center staff and/or through contracts between the centers and local providers. The State Hospital provides the in-patient component for these services, when the needs of the individual exceed the capability of the local community.

- The service focus is changing from the institutional setting to the community setting, with each human service center offering an

array of community services and supports that help people manage their illnesses and live as independently as possible within the community. These services are provided directly, through contracts with community agencies, and through collaborative partnerships with other human service entities.

- Attachment 4 compares the spending patterns of the State Hospital and the Human Service Centers, beginning with the actual expenditures of the 1995-97 biennium. Table A shows the expenditures that would have been expected based purely on CPI inflation, while Table B show actual expenditures and budget. Table C calculates the difference.

  - The bottom line is that as a system the budget as amended by the House is $1.6 million less in general funds than would have been predicted based upon the spending of 1995-97 adjusted for inflation.

- At the same time, Human Service Center client caseloads for adults with serious mental illness and chemical dependency have increased by 26%, while the average daily population of the State Hospital has decreased by nearly 28%.

- The federal funding for the Partnerships Project for services for children with serious emotional disturbance has expired. Based on the experience gained and the successes experienced by the children who participated in this project, funding for these services, amounting to $5.7 million, has been included in the human service center budgets. This funding represents a reduction to the funds available for "Partnerships" during the grant years, but concentrates the funding on the services that

were judged to be the most valuable by the families receiving them.

Developmental Disabilities case management component is provided by staff of the human service centers for people who are served by community providers. The Developmental Center provides residential treatment, as an Intermediate Care Facility for Mentally Retarded, when the needs of the individual exceed the capability of the community.

- With a few exceptions, the day and residential services are provided through community providers under contract with the Department. The funding for the payment for community providers is located in the Medical Services Division.

- Infant Development programs are provided directly by NWHSC, NEHSC, SEHSC, and SCHSC; and by contracted providers in the other four regions.

- The other Family Support programs are administered as a part of the case managers' responsibilities.

Vocational Rehabilitation programs are provided through human service center staff in cooperation with a network of local providers and employers. The funding associated with the regional VR staff is included in the HSC budgets, whereas the VR grants for purchase of evaluation and training is located in the budget of the Disabilities Division.

STRATEGIC PLANNING AND MANAGING FOR RESULTS

The Department's strategic planning efforts have focused on aligning the service delivery system to assure that statewide priorities are addressed in an integrated manner.

- The shift to community based services has been reinforced;
- Roles of central office, regional human services centers, and institutions have been more clearly defined;
- Through the use of performance measures, the expected service results are established, allowing progress to be objectively evaluated.

BUDGET RECOMMENDATION

Since 1997, the human service centers and the institutions have been appropriated "lump sum" budgets, i.e., their budgets are not tied to the traditional line items of salary, operating, equipment and grants. This allows them the flexibility to expend the appropriated funds in the manner that is necessary to meet client needs.

The primary reason for the budget increases in the Human Service Centers is the effect of funding the 3% salary increase awarded mid-biennium for the full 24 months of next biennium, the Governor's 3% / 2% salary package, and the increase in the cost of benefits.

Other major changes affecting the budget recommendation include:

- $210,000 in general funds transferred from Aging Services to the Human Service Centers for Vulnerable Adult Services. House amendments removed these funds.

- Transfer from the State Industrial Commission to Southeast HSC of $444,125 for principal payments on the office building.

- Decrease of $3.33 million in federal funds due to the end of the Partnerships Project.

- Inclusion of $600,000 in "other funds" generated through the Children's Coordinating Committee, to offset some of the general fund request for core Partnerships funding.

EFFECT OF HOUSE AMENDMENTS TO BUDGETS

The grants reductions, which were particularly deep at North Central ($118,000 in general funds), Northeast ($62,500 in general funds), and West Central ($75,000 in general funds) will interfere with the ability of those centers to maintain an adequate level of inpatient and residential support services for people with serious mental illness or substance abuse problems.

The elimination of the $210,000 general funds for Vulnerable Adult Services will basically curtail that important service.

The removal of the funding for the assistant director position at West Central ($107,913 in general funds) was based the fact that the West Central director had held the position open in order to evaluate the best use of that position. Removal of a portion of the funding ($30,964 in

general funds) associated with a staff person to assist the business manager at North Central who has also assumed responsibility for Northwest's business office, will decrease the effectiveness of sharing the business manager position. In both instances we would appreciate restoration of the funding, to allow the affected Centers to use the funding flexibility gained from implementing efficiencies to better serve their clients.

Other reductions to human service center budgets will be manageable within the overall flexibility afforded the centers.

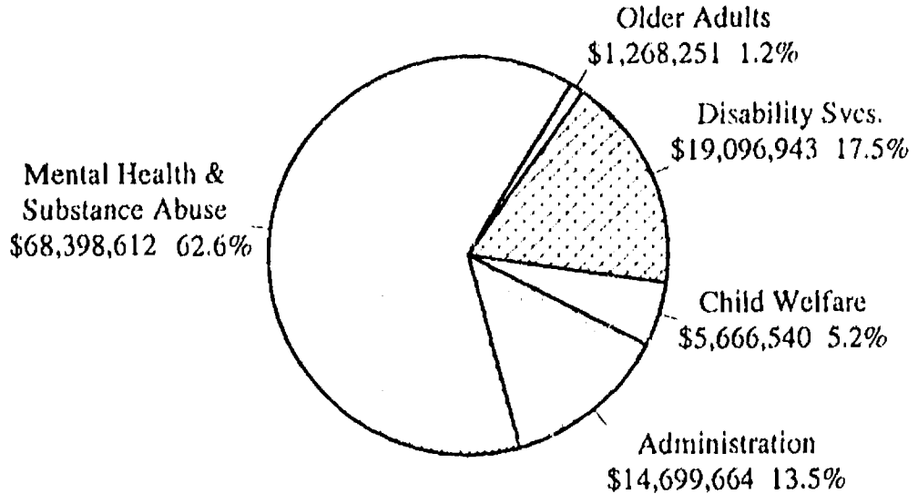
Thank you for the opportunity to overview the field services operation of the Department of Human Services. I will be happy to answer any questions.

North Dakota Department of Human Services

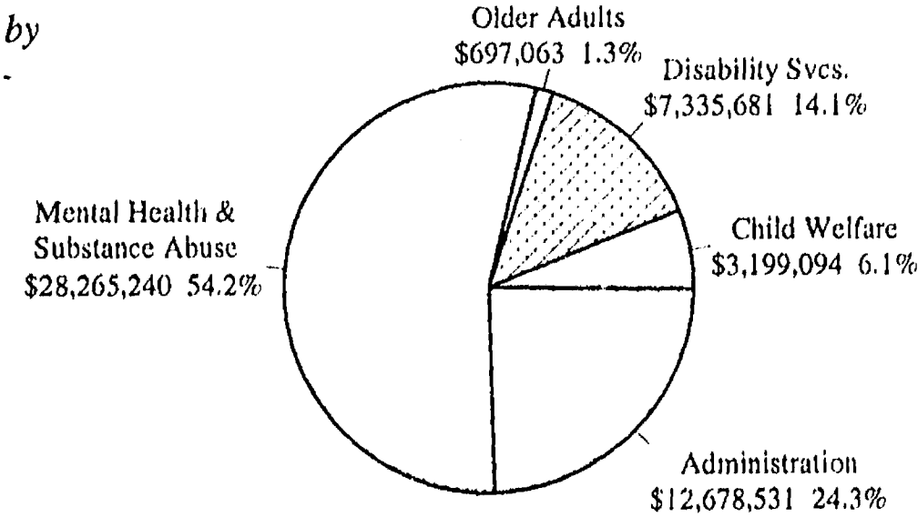
Attachment 1

Executive Budget Recommendation - Human Service Centers
HB 1012 to Senate
2001 - 2003 Biennium

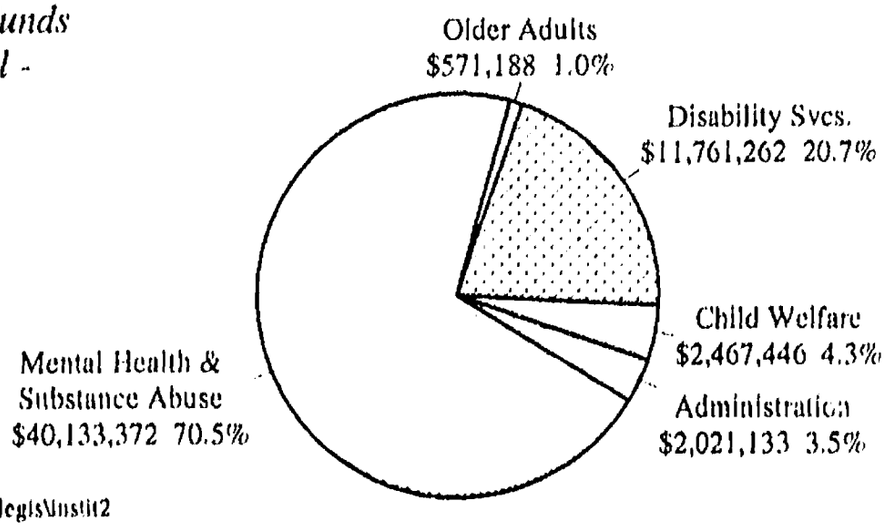
Total Funds by Budget Level - $109,130,010



General Funds by Budget Level - $52,175,609



Federal / Other Funds by Budget Level - $56,954,401



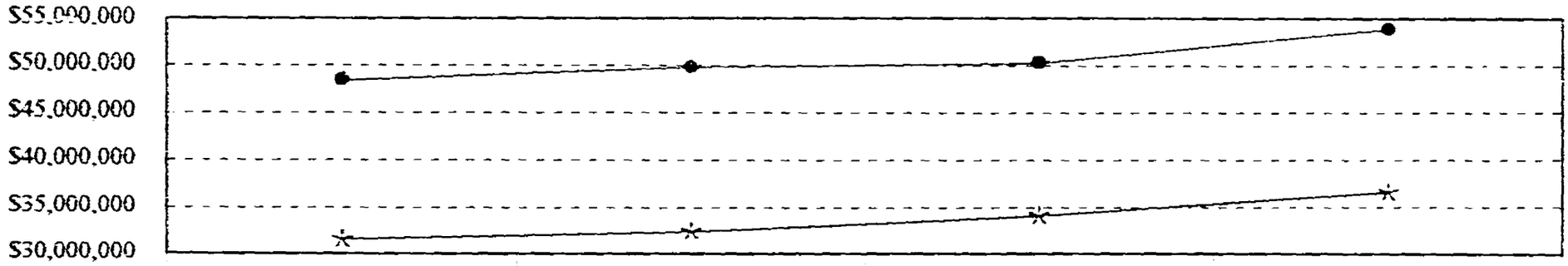
Department of Human Services * Human Service Centers * Summary by Budget Level with Funding Sources as submitted to the Senate * 2001-2003 Budget

BLD	Fund	Northwest	North Central	Lake Region	Northeast	Southeast	South Central	West Central	Badlands	Total
ADMINISTRATION	91 General Funds	1,180,749	1,801,627	1,022,558	1,616,436	2,493,285	1,292,318	1,900,943	1,370,615	12,678,531
ADMINISTRATION	92 Federal Funds	127,628	211,343	133,907	139,246	183,074	171,788	186,010	149,594	1,302,590
ADMINISTRATION	93 Other Funds	61,736	105,876	64,496	88,193	152,992	79,976	99,898	65,376	718,543
ADMINISTRATION Total		**1,370,113**	**2,118,846**	**1,220,961**	**1,843,875**	**2,829,351**	**1,544,082**	**2,186,651**	**1,585,585**	**14,699,664**
CHILD WELFARE	91 General Funds	34,442	719,394	222,677	612,393	434,490	205,642	556,849	413,207	3,199,094
CHILD WELFARE	92 Federal Funds	92,216	228,563	126,164	1,197,972	228,954	57,338	207,968	318,615	2,457,790
CHILD WELFARE	93 Other Funds	-	-	-	9,656	-	-	-	-	9,656
CHILD WELFARE Total		**126,658**	**947,957**	**348,841**	**1,820,021**	**663,444**	**262,980**	**764,817**	**731,822**	**5,666,540**
DISABILITY SERVICES	91 General Funds	560,208	809,345	539,890	1,533,790	1,392,843	965,811	950,953	582,841	7,335,681
DISABILITY SERVICES	92 Federal Funds	841,525	1,253,295	678,862	2,216,801	3,106,143	1,030,675	1,519,412	974,575	11,621,288
DISABILITY SERVICES	93 Other Funds	-	700	-	-	139,274	-		-	139,974
DISABILITY SERVICES Total		**1,401,733**	**2,063,340**	**1,218,752**	**3,750,591**	**4,638,260**	**1,996,486**	**2,470,365**	**1,557,416**	**19,096,943**
MENTAL HEALTH & SUBST. ABUSE SRVCS	91 General Funds	2,219,346	4,969,694	2,655,716	3,820,116	4,743,090	3,169,212	4,686,472	2,001,594	28,265,240
MENTAL HEALTH & SUBST. ABUSE SRVCS	92 Federal Funds	2,387,185	3,286,540	1,955,645	6,129,934	6,181,708	3,175,257	7,265,079	2,247,541	32,628,889
MENTAL HEALTH & SUBST. ABUSE SRVCS	93 Other Funds	541,497	618,489	597,587	1,200,188	1,073,132	955,811	1,128,156	1,374,623	7,489,483
MENTAL HEALTH & SUBST. ABUSE SRVCS	95 County Funds							15,000		15,000
MENTAL HEALTH & SUBST. ABUSE SRVCS Total		**5,148,028**	**8,874,723**	**5,208,948**	**11,150,238**	**11,997,930**	**7,300,280**	**13,094,707**	**5,623,758**	**68,398,612**
OLDER ADULT SERVICES	91 General Funds	79,651	104,369	127,758	74,296	81,018	72,132	68,948	88,891	697,063
OLDER ADULT SERVICES	92 Federal Funds	31,250	92,250	82,150	213,038	58,750	31,250	31,250	31,250	571,188
OLDER ADULT SERVICES	93 Other Funds	-		-						-
OLDER ADULT SERVICES Total		**110,901**	**196,619**	**209,908**	**287,334**	**139,768**	**103,382**	**100,198**	**120,141**	**1,268,251**

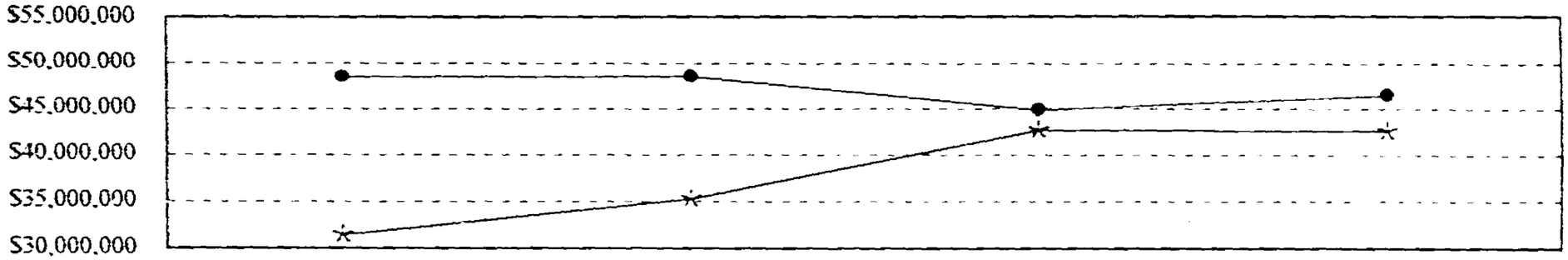
HSC Totals	**91 General Funds**	**4,074,396**	**8,404,429**	**4,568,599**	**7,657,031**	**9,144,726**	**5,705,115**	**8,164,165**	**4,457,148**	**52,175,609**
HSC Totals	**92 Federal Funds**	**3,479,804**	**5,071,991**	**2,976,728**	**9,896,991**	**9,758,629**	**4,466,308**	**9,209,719**	**3,721,575**	**48,581,745**
HSC Totals	**93 Other Funds**	**603,233**	**725,065**	**662,083**	**1,298,037**	**1,365,398**	**1,035,787**	**1,228,054**	**1,439,999**	**8,357,656**
HSC Totals	**95 County Funds**	-	-	-	-	-	-	**15,000**	-	**15,000**
	Total	8,157,433	14,201,485	8,207,410	18,852,059	20,268,753	11,207,210	18,616,938	9,618,722	109,130,010

Attachment 4

North Dakota Department of Human Services
Comparison of State Hospital and Human Service Centers
Alcohol and Drug, Seriously Mentally Ill, Medical Director and Psychiatrists Budgets/Expenditures
(Holding the 1995-1997 Service Levels Constant with the Exceptions of Inflation at CPI and the Elimination of the Geropsychiatric Ward in the 1999-01 Biennium)
HB 1012 to Senate
2001 - 2003 Biennium



	1995-1997 (Actual)	1997-1999 (Projected Exp. using CPI)	1999-2001 (Projected Exp. using CPI)	2001-2003 (Projected Exp. using CPI)
State Hospital ●	$48,427,195	$49,717,927	$50,276,182	$53,803,706
Human Sv.Ctr. ✳	$31,463,615	$32,302,214	$34,072,195	$36,464,293



	1995-1997 (Actual)	1997-1999 (Actual)	1999-2001 (Budget)	2001-2003 (To Senate)
State Hospital ●	$48,427,195	$48,542,448	$44,831,699	$46,527,452
Human Sv.Ctr. ✳	$31,463,615	$35,250,513	$42,694,215	$42,597,337

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Attachment 4

North Dakota Department of Human Services

Comparison of State Hospital and HSCs Alcohol and Drug (A&D), Seriously Mentally Ill (SMI) and Medical Director & Psychiatrists Budgets/Expenditures, Holding the 1995-1997 Service Levels Constant with the Exceptions of Inflation at CPI, and the Elimination of the Geropsychiatric Ward in the 99-01 Biennium

TABLE A	Actual	Projected Expenditures Using CPI		
	1995-1997	1997-1999	1999-2001	2001-2003
Total State Hospital	**48,427,196**	**49,717,927**	**50,276,182**	**53,603,706**
General	30,463,066	31,274,999	31,842,009	34,076,367
Federal/Other	17,964,129	18,442,928	18,434,173	19,727,339
Human Service Center				
A&D	8,213,599	8,432,516	8,894,571	9,519,029
SMI	18,161,371	18,645,426	19,667,091	21,047,854
Medical Dir. & Psychiatrists	5,088,645	5,224,272	5,510,533	5,897,410
Total	**31,463,615**	**32,302,214**	**34,072,195**	**36,464,293**
General	13,327,273	13,682,486	14,432,208	15,445,446
Federal/Other	18,136,342	18,619,728	19,639,987	21,018,847
Total State Hospital & HSCs	79,890,810	82,020,141	84,348,377	90,267,999
General	43,790,339	44,957,485	46,274,217	49,521,813
Federal/Other	36,100,471	37,062,656	38,074,160	40,746,186

TABLE B	Actual	Actual	Budget	To Senate
	1995-1997	1997-1999	1999-2001	2001-2003
Total State Hospital	**48,427,196**	**48,542,448**	**44,831,699**	**46,627,462**
General	30,463,066	32,880,207	30,151,416	28,566,309
Federal/Other	17,964,129	15,662,241	14,680,283	17,961,143
Human Service Center				
A&D	8,213,599	8,906,163	11,882,824	12,473,510
SMI	18,161,371	20,899,776	24,360,341	23,385,168
Medical Dir. & Psychiatrists	5,088,645	5,443,974	6,451,050	6,738,659
Total	**31,463,615**	**35,250,613**	**42,694,215**	**42,597,337**
General	13,327,273	16,605,062	19,617,788	19,319,412
Federal/Other	18,136,342	18,645,451	23,076,427	23,277,925
Total State Hospital & HSCs	79,890,810	83,792,961	87,525,914	89,124,799
General	43,790,339	49,485,269	49,769,204	47,885,721
Federal/Other	36,100,471	34,307,692	37,756,710	41,239,068

TABLE C Difference Inc. (Dec.)	1995-1997	1997-1999	1999-2001	2001-2003
Total State Hospital	-	**(1,175,479)**	**(5,444,483)**	**(7,276,254)**
General	-	1,605,208	(1,690,593)	(5,510,058)
Federal/Other	-	(2,780,687)	(3,753,890)	(1,766,196)
Human Service Center				
A&D	-	474,247	2,988,253	2,954,481
SMI	-	2,254,350	4,693,250	2,337,314
Medical Dir. & Psychiatrists	-	219,702	940,517	841,249
Total	-	**2,948,299**	**8,622,020**	**6,133,044**
General	-	2,922,576	5,185,580	3,873,966
Federal/Other	-	25,723	3,436,440	2,259,078
Total State Hospital & HSCs	-	1,772,820	3,177,537	(1,143,210)
General	-	4,527,784	3,494,987	(1,636,092)
Federal/Other	-	(2,754,964)	(317,450)	492,882

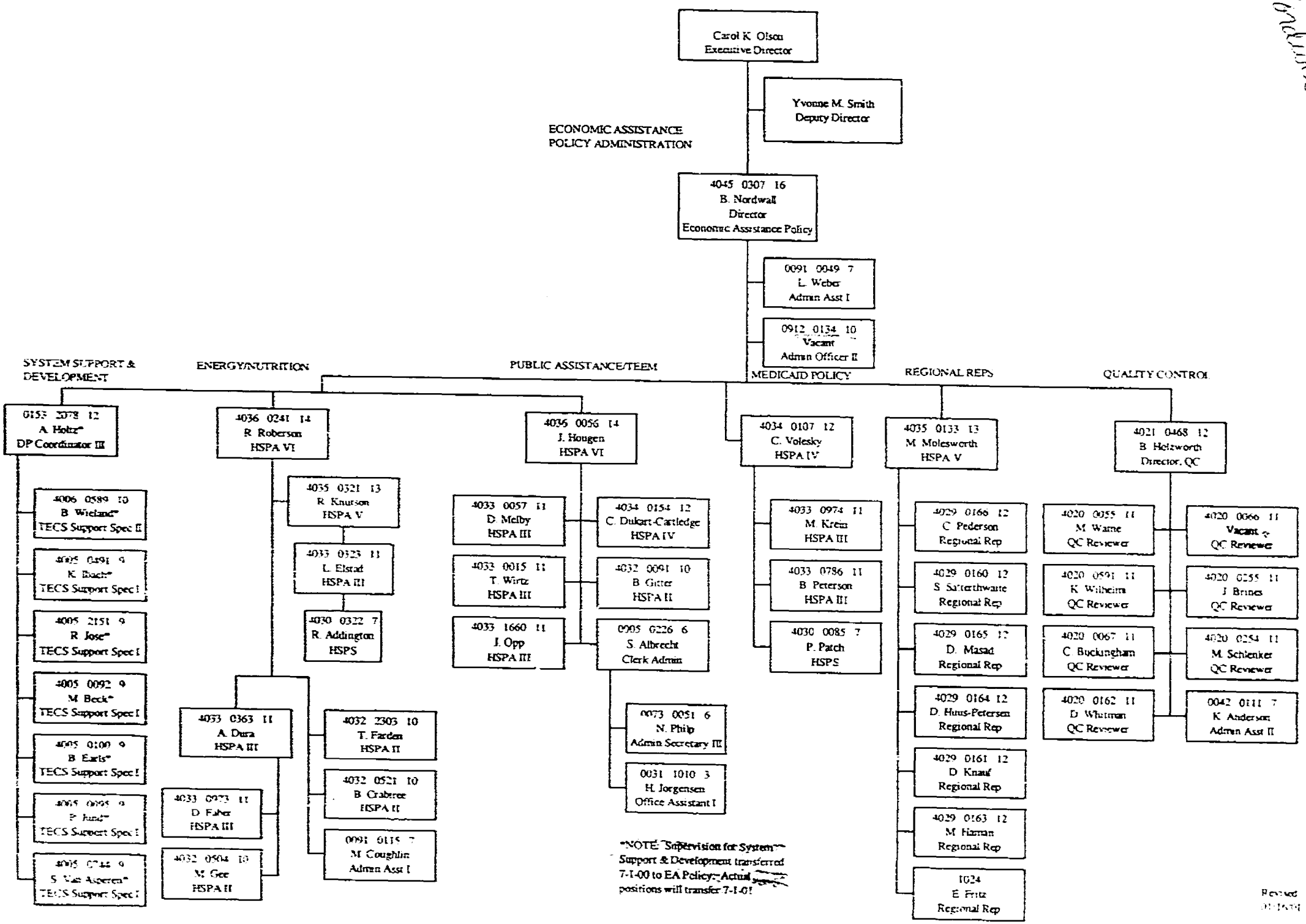
Notes:
Consumer Price Index (CPI) Used:
Actual - SFY 1996 1.7%, SFY 1999 1.8%, SFY 2000 2.9%
Estimated - SFY 2001 3.3%, SFY 2002 3.5%, SFY 2003 3.5%

Amounts reflected above do not include capital improvements, the sexual offenders program or revenue received from the Dept. of Transportation

North Dakota Depa[illegible]nt of Human Services
Economic Assist[illegible]e Policy Division

Bob Nordwall

1-16-01



#8

TESTIMONY BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
REGARDING HOUSE BILL 1012
January 3, 2001

ECONOMIC ASSISTANCE POLICY – presented by Blaine L. Nordwall

Program Purpose Statements:

- Economic Assistance Policy is responsible for all aspects of administering benefits under the Child Care Assistance Program, the Food Stamp Program, the Low Income Home Energy Assistance Program (Energy Assistance), and the Temporary Assistance for Needy Families Program. Economic Assistance Policy is also responsible for eligibility determinations and policy in the Basic Care Program and the Medicaid Program. The program purpose statements, and the services included in these programs, are:

  - The purpose of the Child Care Assistance Program is to provide financial assistance for child care costs to eligible parents and guardians to the provider of their choice to support their employment or training.
    - Provide cash payments on behalf of eligible parents and guardians.

  - The purpose of the Food Stamp Program is to provide purchasing power to eligible individuals and families so they can buy additional food and raise nutritional levels in their households.
    - Deliver Food Stamp benefits to eligible individuals and families using an electronic benefits transfer card.
    - Provide nutritional education services to eligible individuals and families.

- The purpose of the Energy Assistance Program is to help low income individuals and families pay for heating and housing conservation costs.
  - Provide partial payments to fuel vendors on behalf of eligible individuals and families.
  - Provide emergency assistance for energy-related crises.
  - Provide weatherization services to conserve energy.

- The purpose of the Basic Care Assistance Program is to provide financial assistance for eligible aged, blind or disabled individuals so they can receive services in a licensed basic care facility.
  - Establish and provide written policies and procedures.
  - Produce effective training.
  - Furnish technical assistance on all aspects of basic care eligibility.

- The purpose of the Medicaid Eligibility unit is to provide clear policy, training, and technical assistance for county eligibility staff and regional representatives so they can accurately establish Medicaid eligibility.
  - Provide written policies and procedures.
  - Produce effective training.
  - Furnish technical assistance on all aspects of Medicaid eligibility.

- The purpose of the Temporary Assistance for Needy Families Program is to provide temporary cash assistance and, through the Job Opportunities and Basic Skills Program, to provide employment, education, and training opportunities to participating households so adult family members can increase self-sufficiency by securing and retaining employment.
  - Provide cash assistance.
  - Assess client need to identify potential barriers to self-sufficiency.

- Program orientation.
- Work assessment.
- Preparation of employability development plans.
- Case management.
- Referral to other services.

- The purpose of Quality Control is to provide federally mandated evaluations of sampled cases for the Food Stamp and Medicaid programs so they can monitor policy compliance.
  - Completes reviews of statistically valid, reliable, statewide random samples of Food Stamp and Medicaid active and denied or closed cases.
  - Provides data on the accuracy with which the county agency is applying eligibility and payment requirements for use as a management tool by state and federal administrators and as a fiscal audit to ensure the propriety of expenditures.
  - Use data to profile information in the national caseload.

- Economic Assistance Policy has six units.
  - Energy and Nutrition.
    - Food Stamp Program.
    - Energy Assistance Program.

  - Medicaid Eligibility.
    - Medicaid programs eligibility administration.
    - State Children's Health Insurance Program (Healthy Steps) eligibility consultation.

  - Public Assistance.
    - Temporary Assistance for Needy Families Program.

- Job Opportunities and Basic Skills Program.
- Child Care Assistance Program.
- Eligibility for Basic Care.

- Quality Control.

- System Support and Development (Electronic).

- Training and Review.
  - Training Coordinator.
  - Regional representatives for Economic Assistance programs.

Major Accomplishments:

- Secured two Temporary Assistance for Needy Families (TANF) high performance bonuses, totaling $2,207,203 in additional TANF block grant funds.
  - Placing TANF recipients in employment.

- Improve supports for working families.

  - Pioneered simplification of Food Stamp eligibility requirements that had the effect of extending assistance to additional low income working families and elderly.

  - Revised the Child Care Assistance Program to limit the amount of an eligible family's income which must be spent on child care.

- Maintained measurably high quality administration of economic assistance programs.

Major Concerns:

- **Federal fiscal year 2002, ending September 30, 2002, is the final year of the TANF block grant authorization. Federal reauthorization is likely, but policy changes are also likely. Available block grant dollars after September 30, 2002 are unknown.**

- **TANF cash assistance caseload declines appear to be ending.**

- **Significant portions of the TANF block grant would be affected by development of tribal TANF plans.**

  - **State TANF grant reduced by the amount of tribal TANF grant.**

  - **Current federal policy may require continuing state TANF assistance to persons eligible for tribal TANF.**

- **Demand for child care assistance is out-pacing projections.**

- **Limitations of the TANF assessment process.**

Major Budget Increases and Decreases:

- **Salaries and wages.**

  - **Requested budget is $4,477,558.**

  - **$359,119 increase in salaries and wages is primarily attributable to Governor's recommended adjustments to salaries and benefits ($128,136 in salaries, $89,698 in benefits).**

- Recommended funding involves a $30,777 increase in general funds, a $372,740 increase in federal funds, and a $44,398 decrease in special funds.

- Operating expenses.

  - Requested budget is $11,212,078.

  - Requested operating expenses increase totals $4,122,994, most of increase would be paid to contractors in operating fees and services.
    - Increase payments to Citigroup, Food Stamps' Electronic Benefit Transfer contractor: $194,883 (from $945,117 to $1,140,000).
      - Lower caseload led Citigroup to insist on effectively higher "per case" charges
      - Federally required system changes
    - Job Opportunities and Basic Skills support services expansion: $245,352 (from $675,200 to $920,552).
      - Projected increase in contractor furnished support services due to more referrals
    - Job Opportunities and Basic Skills client services contract increase: $1,204,163 (from $2,818,153 to $4,022,316).
      - Higher proportion of remaining caseload is being referred
      - Contract will demand more of provider
      - Federal welfare-to-work funds are no longer available
    - Temporary Assistance for Needy Families work activities -- special projects increase: $2,496,501 (from $562,170 to $3,058,671).
      - Focus on local needs, local solutions
      - Remaining caseload has more severe and multiple barriers to employment
      - Sanctioning for non-cooperation has limited effect

- Plan to require participation in activities to address barriers, rather than excuse people from work activities

- The requested funding for operating expenses increases is federal funds ($3,929,331 increase) and special funds ($193,663 increase).

- Grants – Assistance Payments.

  - Requested budget is $125,776,379.

  - Requested grants increase totals $16,281,270.
    - Temporary Assistance for Needy Families (TEEM) benefit increase: $221,731 (from $25,404,325 to $25,626,056).
      - Projects slight upward caseload trend
    - Job Opportunities and Basic Skills transportation cost increase: $534,403 (from $1,309,800 to $1,844,203).
      - Recognized increase in fuel costs
      - Projected increase in referrals
    - Nutritional educational grant increase: $550,000 (from $1,250,000 to $1,800,000).
      - Federally funded grant to NDSU's extension service increases due to expansion to all 53 counties
    - Indian county allocation increase: $995,559 (from $1,776,420 to $2,771,979).
      - Fund distribution required by N.D.C.C. § 50-01.2-03.2(3)
    - Low Income Home Energy Assistance Program benefit increases: $1,806,304 (from $11,793,196 to $13,600,000).
      - Projected federal block grants at $6.8M per year.
      - Anticipate increases in demand due to a slight change in eligibility requirements, increased fuel costs.

- Five-year average cost of providing benefits, plus continuing weatherization activities, would require $11.9M.
- Anticipate obligating any excess grant funds, as provided in N.D.C.C. § 50-06-05.1(19), as a hedge against particularly bad weather.

- Child Care Assistance Program increases: $4,739,137 (from $16,507,896 to $21,247,033.
  - Single most critical support we offer to working families is child care.
  - Anticipate increases because of policy changes to:
    1. Avoid practices that penalized workers who received a raise from an employer that produced a decline in child care assistance.
    2. Limit the total proportion of family income that would be spent on child care.
    3. More realistically recognize child care costs of families with more than one small child.
- Food Stamp benefit increases: $7,787,300 (from $50,539,632 to $58,326,932).
  - Previously, families were ineligible if they had a motor vehicle with a market value of more than $4,650, or had $2,000 in savings.
  - Currently, Food Stamp benefits based solely on income.
- Request assumes a gradual increase in household participation through the biennium, with some seasonal adjustments.

- Requested funding for the proposed increases in grants includes a $12,332,403 increase in federal funds, a $4,918,786 in special funds, and a $969,919 decrease in general funds.

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
200-01 Economic Assistance	10	1001 SALARIES	2,237,885	17	3,159,367	3,307,690
200-01 Economic Assistance	10	1002 TEMP, OT & SHIFT DIFF	60,468	17	85,367	110,484
200-01 Economic Assistance	10	1008 BENEFITS	632,226	17	892,554	1,059,384
	10 Total		**2,930,578**		**4,137,288**	**4,477,558**
200-01 Economic Assistance	30	3002 IT-DATA PROCESSING	4,781	16	7,171	7,000
200-01 Economic Assistance	30	3003 IT-TELEPHONE	15,918	16	23,878	17,080
200-01 Economic Assistance	30	3004 TRAVEL	127,105	16	190,658	221,752
200-01 Economic Assistance	30	3005 IT - SOFTWARE - SUPPLIES	8,520	16	12,780	12,746
200-01 Economic Assistance	30	3006 UTILITIES	545	16	817	5,500
200-01 Economic Assistance	30	3007 POSTAGE	28,350	16	42,525	38,180
200-01 Economic Assistance	30	3011 LEASE - RENT EQUIP MENT	1,344	16	2,016	5,000
200-01 Economic Assistance	30	3012 LEASE - RE .T BLDG - LAND	66,241	16	99,362	97,550
200-01 Economic Assistance	30	3013 DUES & PROFESSIONAL DEV	25,288	16	37,932	38,139
200-01 Economic Assistance	30	3014 OPERATING FEES & SRVC	3,223,711	16	4,835,567	10,454,379
200-01 Economic Assistance	30	3016 REPAIRS	2,450	16	3,675	10,184
200-01 Economic Assistance	30	3018 PROFESSIONAL SERVICES	5,916	16	8,874	16,000
200-01 Economic Assistance	30	3021 OFFICE SUPPLIES	7,528	16	11,291	36,727
200-01 Economic Assistance	30	3024 PRINTING	97,717	16	146,576	177,125
200-01 Economic Assistance	30	3025 PROF SUPPLIES & MATERIALS	1,326	16	1,989	44,617
200-01 Economic Assistance	30	3030 BLDG GRNDS & VEH MTCE SUPP	63	16	94	3,524
200-01 Economic Assistance	30	3033 MISC SUPPLIES	6,339	16	9,509	26,575
200-01 Economic Assistance	30	6006 GRANTS, BENEFITS, & CLAIMS	181	16	272	-
	30 Total		**3,623,323**		**5,434,986**	**11,212,078**
200-01 Economic Assistance	40	4002 OFFICE EQUIP & FURN	898	16	1,347	1,950
	40 Total		**898**		**1,347**	**1,950**
200-01 Economic Assistance	50	5020 OTHER CAPITAL PYMNTS	640	16	961	1,724

1-16-01

#9

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
	50 Total		640		961	1,724
ECONOMIC ASSISTANCE Total			6,555,440		9,574,582	15,693,310

HB 1012

TESTIMONY BEFORE THE
SENATE APPROPRIATIONS COMMITTEE
REGARDING HOUSE BILL 1012
March 2, 2001

ECONOMIC ASSISTANCE POLICY – presented by Blaine L. Nordwall

Program Purpose Statements:

- Economic Assistance Policy is responsible for all aspects of administering benefits under the Child Care Assistance Program, the Food Stamp Program, the Low Income Home Energy Assistance Program (Energy Assistance), and the Temporary Assistance for Needy Families Program. Economic Assistance Policy is also responsible for eligibility determinations and policy in the Basic Care Program and the Medicaid Program. The program purpose statements, and the services included in these programs, are:

  - The purpose of the Child Care Assistance Program is to provide financial assistance for child care costs to eligible parents and guardians to the provider of their choice to support their employment or training.
    - Provide cash payments on behalf of eligible parents and guardians.

  - The purpose of the Food Stamp Program is to provide purchasing power to eligible individuals and families so they can buy additional food and raise nutritional levels in their households.
    - Deliver Food Stamp benefits to eligible individuals and families using an electronic benefits transfer card.
    - Provide nutritional education services to eligible individuals and families.

- The purpose of the Energy Assistance Program is to help low income individuals and families pay for heating and housing conservation costs.
  - Provide partial payments to fuel vendors on behalf of eligible individuals and families.
  - Provide emergency assistance for energy-related crises.
  - Provide weatherization services to conserve energy.

- The purpose of the Basic Care Assistance Program is to provide financial assistance for eligible aged, blind or disabled individuals so they can receive services in a licensed basic care facility.
  - Establish and provide written policies and procedures.
  - Produce effective training.
  - Furnish technical assistance on all aspects of basic care eligibility.

- The purpose of the Medicaid Eligibility unit is to provide clear policy, training, and technical assistance for county eligibility staff and regional representatives so they can accurately establish Medicaid eligibility.
  - Provide written policies and procedures.
  - Produce effective training.
  - Furnish technical assistance on all aspects of Medicaid eligibility.

- The purpose of the Temporary Assistance for Needy Families Program is to provide temporary cash assistance and, through the Job Opportunities and Basic Skills Program, to provide employment, education, and training opportunities to participating households so adult family members can increase self-sufficiency by securing and retaining employment.
  - Provide cash assistance.
  - Assess client need to identify potential barriers to self-sufficiency.

- Program orientation.
- Work assessment.
- Preparation of employability development plans.
- Case management.
- Referral to other services.

- The purpose of Quality Control is to provide federally mandated evaluations of sampled cases for the Food Stamp and Medicaid programs so they can monitor policy compliance.
  - Completes reviews of statistically valid, reliable, statewide random samples of Food Stamp and Medicaid active and denied or closed cases.
  - Provides data on the accuracy with which the county agency is applying eligibility and payment requirements for use as a management tool by state and federal administrators and as a fiscal audit to ensure the propriety of expenditures.
  - Use data to profile information in the national caseload.

- Economic Assistance Policy has six units.
  - Energy and Nutrition.
    - Food Stamp Program.
    - Energy Assistance Program.

  - Medicaid Eligibility.
    - Medicaid programs eligibility administration.
    - State Children's Health Insurance Program (Healthy Steps) eligibility consultation.

  - Public Assistance.
    - Temporary Assistance for Needy Families Program.

- Job Opportunities and Basic Skills Program.
- Child Care Assistance Program.
- Eligibility for Basic Care.

- Quality Control.

- System Support and Development (Electronic).
  - Systems Help Desk.
  - Systems end user training.
  - Program analysis and consultation.

- Training and Review.
  - Training Coordinator.
  - Regional representatives for Economic Assistance programs.

Major Accomplishments:

- Secured two Temporary Assistance for Needy Families (TANF) high performance bonuses, totaling $2,207,203 in additional TANF block grant funds.
  - Placing TANF recipients in employment.

- Improve supports for working families.

  - Pioneered simplification of Food Stamp eligibility requirements that had the effect of extending assistance to additional low income working families and elderly.

  - Revised the Child Care Assistance Program to limit the amount of an eligible family's income which must be spent on child care.

- Maintained measurably high quality administration of economic assistance programs.

Major Concerns:

- Federal fiscal year 2002, ending September 30, 2002, is the final year of the TANF block grant authorization. Federal reauthorization is likely, but policy changes are also likely. Available block grant dollars after September 30, 2002 are unknown.

- TANF cash assistance caseload declines appear to be ending.

- Significant portions of the TANF block grant would be affected by development of tribal TANF plans.

  - State TANF grant reduced by the amount of tribal TANF grant.

  - Current federal policy may require continuing state TANF assistance to persons eligible for tribal TANF.

- Demand for child care assistance is out-pacing projections.

- Limitations of the TANF assessment process.

Major Budget Increases and Decreases:

- Salaries and wages.

  - Requested budget was $4,477,553.

- House reduced total by $27,753 to reflect a change in salaries due to planned reclassification of a position.

- $359,119 increase in salaries and wages over current biennial total is primarily attributable to Governor's recommended adjustments to salaries and benefits ($128,136 in salaries, $89,698 in benefits).

- Recommended funding involves a $30,777 increase in general funds, a $372,740 increase in federal funds, and a $44,398 decrease in special funds.

- Operating expenses.

  - Requested budget is $11,212,078.

  - House reduced funding for operating by $60,000, expressing concerns about travel and professional development. We are committed to careful and measured use of funds in those areas.

  - Requested operating expenses increase totals $4,122,994, most of increase would be paid to contractors in operating fees and services.
    - Increase payments to Citigroup, Food Stamps' Electronic Benefit Transfer contractor: $194,883 (from $945,117 to $1,140,000).
      - Lower caseload led Citigroup to insist on effectively higher "per case" charges
      - Federally required system changes
    - Job Opportunities and Basic Skills support services expansion: $245,352 (from $675,200 to $920,552).
      - Projected increase in contractor furnished support services due to more referrals

- Job Opportunities and Basic Skills client services contract increase: $1,204,163 (from $2,818,153 to $4,022,316).
  - Higher proportion of remaining caseload is being referred
  - Contract will demand more of provider
  - Federal welfare-to-work funds are no longer available
- Temporary Assistance for Needy Families work activities – special projects increase: $2,496,501 (from $562,170 to $3,058,671).
  - Focus on local needs, local solutions
  - Remaining caseload has more severe and multiple barriers to employment
  - Sanctioning for non-cooperation has limited effect
  - Plan to require participation in activities to address barriers, rather than excuse people from work activities

▪ The requested funding for operating expenses increases is federal funds ($3,929,331 increase) and special funds ($193,663 increase).

• Grants – Assistance Payments.

▪ Requested budget is $125,776,379.

▪ Requested grants increase totals $16,281,270.
  - Temporary Assistance for Needy Families (TEEM) benefit increase: $221,731 (from $25,404,325 to $25,626,056).
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  - Job Opportunities and Basic Skills transportation cost increase: $534,403 (from $1,309,800 to $1,844,203).
    - Recognized increase in fuel costs
    - Projected increase in referrals

- Nutritional educational grant increase: $550,000 (from $1,250,000 to $1,800,000).
  - Federally funded grant to NDSU's extension service increases due to expansion to all 53 counties
- Indian county allocation increase: $995,559 (from $1,776,420 to $2,771,979).
  - Fund distribution required by N.D.C.C. § 50-01.2-03.2(3)
  - House reduced this total by $387,095, and amended N.D.C.C. § 50-01.2-03.2(3) consistent with that reduction.
- Low Income Home Energy Assistance Program benefit increases: $1,806,804 (from $11,793,196 to $13,600,000).
  - Projected federal block grants at $6.8M per year.
  - Anticipate increases in demand due to a slight change in eligibility requirements, increased fuel costs.
  - Five-year average cost of providing benefits, plus continuing weatherization activities, would require $11.9M.
  - Anticipate obligating any excess grant funds, as provided in N.D.C.C. § 50-06-05.1(19), as a hedge against particularly bad weather.
- Child Care Assistance Program increases: $4,739,137 (from $16,507,896 to $21,247,033.
  - Single most critical support we offer to working families is child care.
  - Anticipate increases because of policy changes to:
    1. Avoid practices that penalized workers who received a raise from an employer that produced a decline in child care assistance.
    2. Limit the total proportion of family income that would be spent on child care.

3. More realistically recognize child care costs of families with more than one small child.

- Food Stamp benefit increases: $7,787,300 (from $50,539,632 to $58,326,932).
  - Previously, families were ineligible if they had a motor vehicle with a market value of more than $4,650, or had $2,000 in savings.
  - Currently, Food Stamp benefits based solely on income.
- Request assumes a gradual increase in household participation through the biennium, with some seasonal adjustments.

- Requested funding for the proposed increases in grants includes a $12,332,403 increase in federal funds, a $4,918,786 in special funds, and a $969,919 decrease in general funds.

North Dakota Department of Human Services

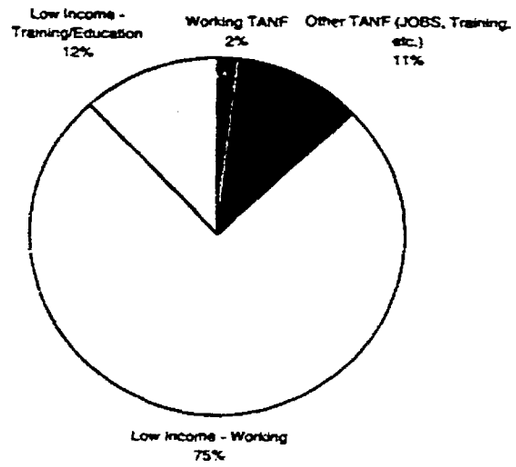
Child Care Assistance Program

Percent of Families Receiving Benefits by Work Activity and Grant Type

HB 1012 to House to Senate

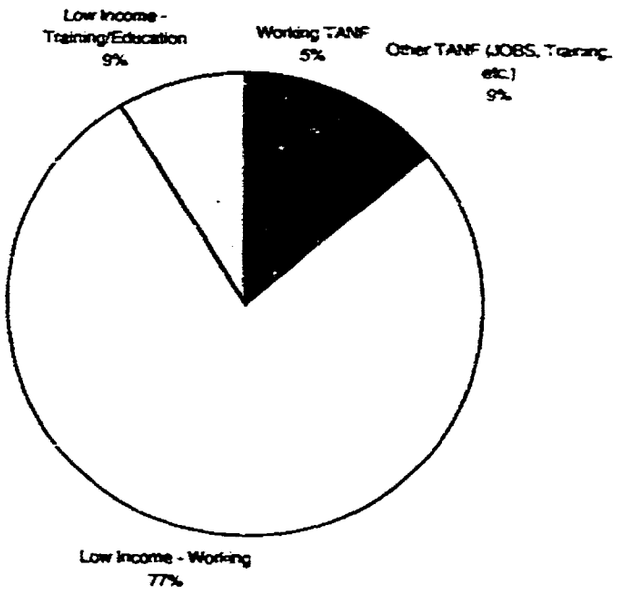
2001 – 2003 BIENNIUM

Use of Child Care Assistance Grants for FFY 2000



Represents a monthly average of $587,738

Use of Child Care Grants Projected for 2001 - 2003 Biennium



Represents a monthly average of $885,293

Sources: DF.181210 Tape SS0C40 and ACF 801 Report Sept. 1999.

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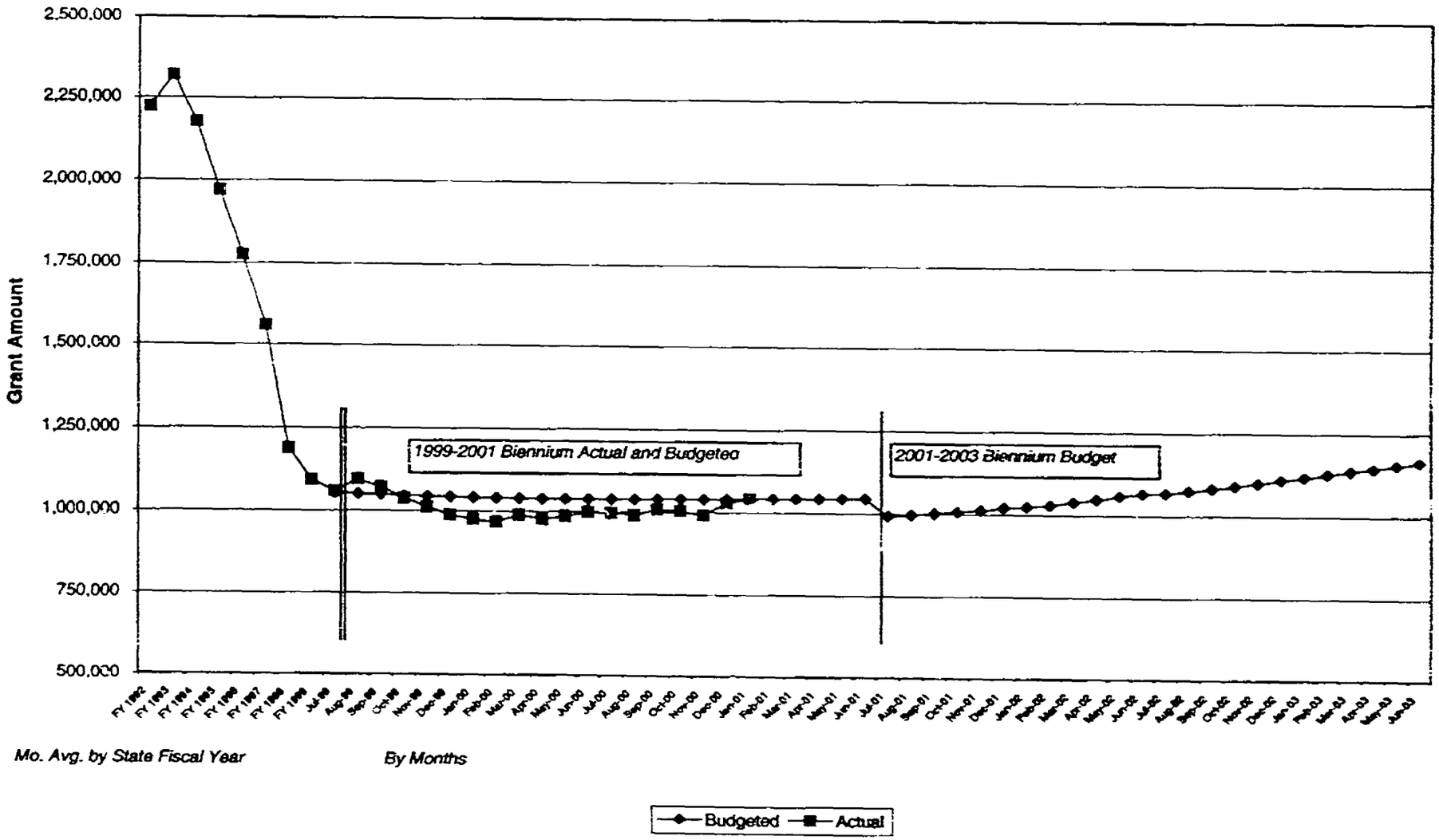
North Dakota Department of Human Services

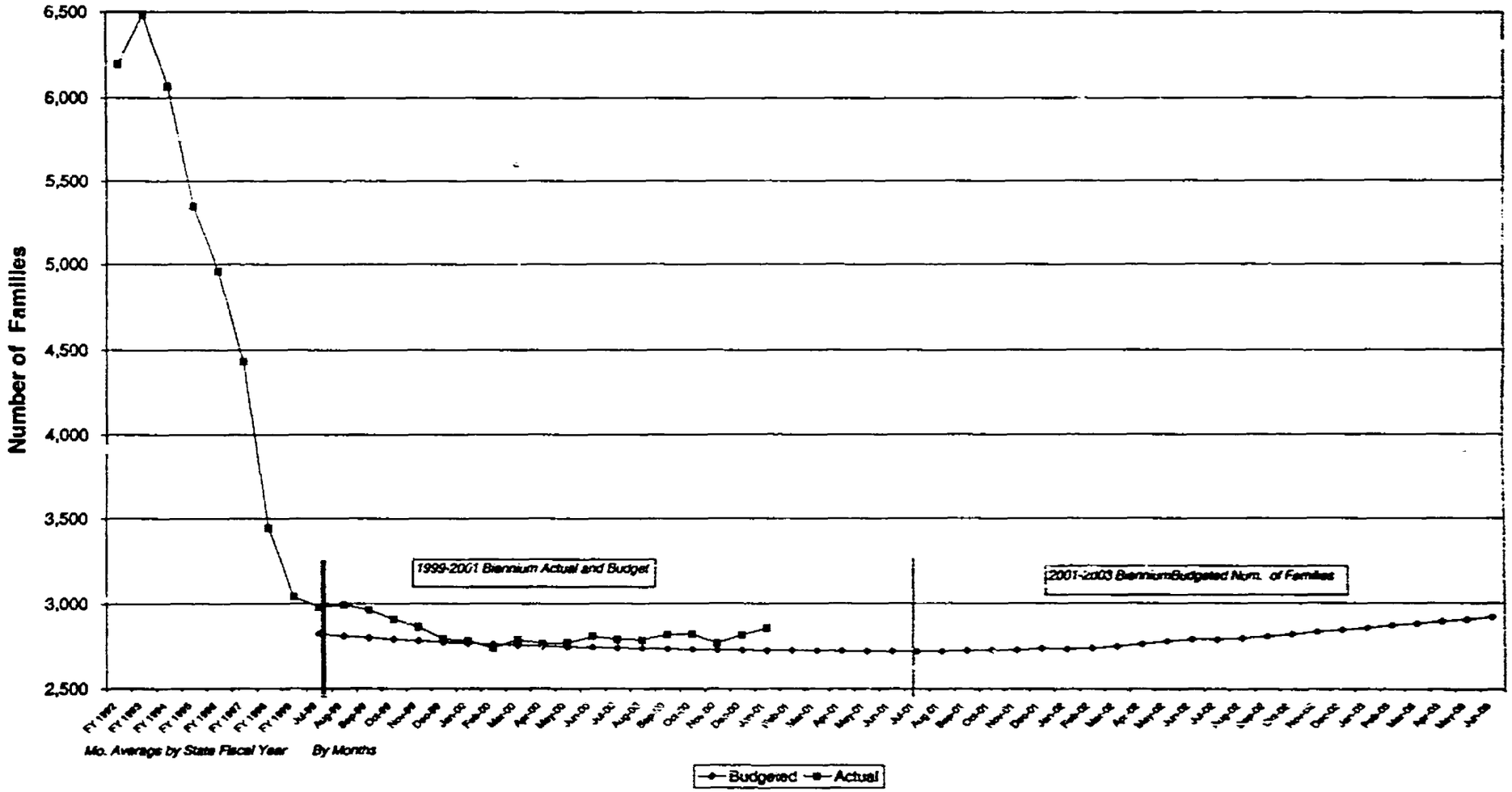
AFDC/TANF Grant Expenditures -- Actual Compared to Budget

HB 1012 to House to Senate

2001 -- 2003 BIENNIUM



North Dakota Department of Human Services
AFDC/TANF Caseload -- Actual Compared to Budget
HB 1012 to House to Senate
2001 -- 2003 BIENNIUM



North Dakota Department of Human Services

Number of Recipients By Program and Year

State Fiscal Years 1997 - 2000

North Dakota Department of Human Services
Summary of TANF, Food Stamps, LIHEAP, & Medicaid Programs
State Fiscal Years 1997 - 2000

County	Fiscal Year 1997 Number	Fiscal Year 1998 Number	Fiscal Year 1998 Percent Change from Previous Year	Fiscal Year 1999 Number	Fiscal Year 1999 Percent Change from Previous Year	Fiscal Year 2000 Number	Fiscal Year 2000 Percent Change from Previous Year	Percent Change from [illegible]
TANF Program - Monthly Average Number of Recipients								
Indian Counties	4,506	4,242	-7.70%	3,873	-8.70%	3,652	-5.71%	[illegible]
Rest of Counties	7,222	4,953	-31.42%	4,322	-12.74%	3,886	-10.09%	-46.19%
Total:	*11,818*	*9,195*	*-22.19%*	*8,195*	*-10.88%*	*7,538*	*-8.02%*	*-36.22%*
Food Stamps Program - Monthly Average Number of Persons								
Indian Counties	8,402	7,843	-6.65%	7,624	-2.79%	7,289	-4.39%	-13.25%
Rest of Counties	29,643	26,164	-11.74%	25,909	-0.97%	24,841	-4.12%	-16.20%
Total:	*38,045*	*34,007*	*-10.61%*	*33,533*	*-1.39%*	*32,130*	*-4.18%*	*-15.55%*
LIHEAP Program - Unduplicated Number of Recipients								
Indian Counties	3,222	2,942	-8.69%	2,449	-16.76%	2,686	9.68%	-16.64%
Rest of Counties	30,780	25,670	-16.60%	24,153	-5.91%	25,103	3.93%	-18.44%
Total:	*34,002*	*28,612*	*-15.85%*	*26,602*	*-7.03%*	*27,789*	*4.46%*	*-18.27%*
Medicaid Program - Monthly Average Eligible Recipients (Not Cases)								
Indian Counties	5,482	3,231	-4.58%	5,160	-1.36%	5,144	-0.31%	-6.17%
Rest of Counties	28,278	27,308	-3.43%	27,107	-0.74%	27,709	2.22%	-2.01%
Total:	*33,760*	*32,539*	*-3.62%*	*32,267*	*-0.34%*	*32,853*	*1.82%*	*-2.69%*

North Dakota Department of Human Services

TANF

Monthly Average Number of Recipients By County

Fiscal Years 1997 - 2000

County	Undupicated Number of Recipients: Fiscal Year 1997 Number	Fiscal Year 1998 Number	Fiscal Year 1998 Percent Change from Previous Year	Fiscal Year 1999 Number	Fiscal Year 1999 Percent Change from Previous Year	Fiscal Year 2000 Number	Fiscal Year 2000 Percent Change from Previous Year	Percent Change from Fiscal Year 1997
Indian Counties								
Benson	654	570	-12.84%	503	-11.[illegible]%	513	[illegible]	[illegible]
Dunn	52	43	-17.31%	34	-20.93%	33	-2.94%	[illegible]
McKenzie	294	277	-5.78%	276	-0.36%	225	-18.48%	[illegible]
McLean	144	110	-23.61%	91	-17.27%	100	7.89%	[illegible]
Mountrail	260	220	-15.38%	251	14.09%	239	-4.78%	[illegible]
Rolette	2,482	2,423	-2.38%	2,263	-6.60%	2,116	-6.50%	[illegible]
Sioux	710	599	-15.63%	456	-24.04%	426	-6.37%	[illegible]
Total:	4,596	4,242	-7.70%	3,873	-8.70%	3,652	-5.71%	[illegible]
Rest of Counties								
Adams	4	3	-25.00%	1	-66.67%	1	0.00%	-75.00%
Barnes	154	89	-42.21%	72	-19.10%	51	-29.17%	-66.88%
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Bottineau	56	40	-28.57%	38	-5.00%	28	-26.32%	-50.00%
Bowman/Slope	19	8	-68.42%	12	100.00%	9	-25.00%	-52.63%
Burke	15	12	-20.00%	7	-41.67%	4	-42.86%	-73.33%
Burleigh	1,096	728	-33.58%	555	-23.76%	576	3.78%	-47.45%
Cass	1,103	810	-26.56%	823	1.60%	765	-7.05%	-30.64%
Cavalier	35	16	-54.29%	15	-6.25%	27	80.00%	-22.86%
Dickey	38	24	-36.84%	13	-45.83%	16	23.08%	-57.89%
Divide	6	5	-16.67%	10	100.00%	6	-40.00%	0.00%
Eddy	21	17	-19.05%	17	0.00%	9	-47.06%	-57.14%
Emmons	19	8	-57.89%	1	-87.50%	0	-100.00%	-100.00%
Foster	34	22	-35.29%	21	-4.55%	11	-47.62%	-67.65%
G. Valley/Billings	13	8	-38.46%	5	-37.50%	8	60.00%	-38.46%
G. Forks	1,009	599	-40.63%	492	-17.86%	420	-14.63%	-58.37%
Grant	18	13	-27.78%	20	53.85%	14	-30.00%	-22.22%
Griggs	21	11	-47.62%	6	-45.45%	4	-33.33%	-80.95%
Hettinger	16	9	-43.75%	9	0.00%	5	-44.44%	-68.75%
Kidder	6	5	-16.67%	9	80.00%	1	-88.89%	-83.33%
LaMoure	24	10	-58.33%	15	50.00%	19	26.67%	-20.83%
Logan	5	2	-60.00%	2	0.00%	2	0.00%	-60.00%
McHenry	61	42	-31.15%	28	-33.33%	19	-32.14%	-68.85%
McIntosh	14	3	-78.57%	1	-66.67%	5	400.00%	-64.29%
Mercer	72	45	-37.50%	54	20.00%	50	-7.41%	-30.56%
Morton	391	355	-9.21%	293	-17.46%	277	-5.46%	-29.16%
Nelson	7	6	-28.57%	8	60.00%	5	-37.50%	-28.57%
Oliver	10	11	10.00%	13	18.18%	14	7.69%	40.00%
Pembina	54	46	-14.81%	47	2.17%	39	-17.02%	-27.78%
Pierce	18	18	0.00%	18	0.00%	20	11.11%	11.11%
Ramsey	278	211	-24.10%	167	-20.85%	140	-16.17%	-49.64%
Ransom	36	16	-55.56%	16	0.00%	20	25.00%	-44.44%
Renville	16	20	25.00%	10	-50.00%	3	-70.00%	-81.25%
Richland	188	143	-23.94%	110	-23.08%	81	-26.30%	-56.91%
Sargent	38	19	-50.00%	10	-47.37%	10	0.00%	-73.68%
Sheridan	25	10	-60.00%	13	30.00%	13	0.00%	-48.00%
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Stark	377	241	-36.07%	208	-13.69%	138	-33.65%	-63.40%
Steele	10	9	-10.00%	5	-44.44%	5	0.00%	-50.00%
Stutsman	250	198	-20.80%	138	-30.30%	128	-7.25%	-48.80%
Towner	28	12	-57.14%	12	0.00%	12	0.00%	-57.14%
Traill	69	38	-44.93%	44	15.79%	29	-34.09%	-57.97%
Walsh	163	111	-31.90%	81	-27.03%	96	18.52%	-41.10%
Ward	1,026	725	-29.34%	699	-3.59%	618	-11.59%	-39.77%
Wells	19	18	-5.26%	10	-44.44%	8	-20.00%	-57.89%
Williams	360	220	-38.89%	194	-11.82%	180	-7.22%	-50.00%
Total:	7,222	4,953	-31.42%	4,322	-12.74%	3,886	-10.09%	-46.19%
Grand Total								
	11,818	9,195	-22.19%	8,195	-10.88%	7,538	-8.02%	-36.22%

R&S ms-1-23-01 T:\mike\(caseloads for fs,tanf,liheap,medical.xls]Tanf recipients

North Dakota Department of Human Services

Food Stamp Program

Monthly Average Number of Persons By County

State Fiscal Years 1997 - 2000

County	Fiscal Year 1997 Number	Fiscal Year 1998 Number	Fiscal Year 1998 Percent Change from Previous Year	Fiscal Year 1999 Number	Fiscal Year 1999 Percent Change from Previous Year	Fiscal Year 2000 Number	Fiscal Year 2000 Percent Change from Previous Year	Percent Change from Fiscal Year 1997 to 2000
Indian Counties								
Benson	1,242	1,067	-14.90%	997	-5.88%	992	-0.50%	[illegible]
Dunn	126	110	-12.70%	106	-3.64%	113	6.60%	[illegible]
McKenzie	712	639	-10.25%	614	-3.91%	525	-14.50%	[illegible]
McLean	450	414	-9.61%	144	7.25%	428	-3.50%	[illegible]
Mountrail	527	467	-11.39%	483	3.43%	516	6.83%	[illegible]
Rolette	4,113	4,008	-2.55%	3,861	-3.67%	3,689	-4.45%	[illegible]
Sioux	1,224	1,148	-6.21%	1,119	-2.53%	1,026	-8.31%	[illegible]
Total:	8,402	7,843	-6.65%	7,624	-2.79%	7,289	-4.39%	[illegible]
Rest of Counties								
Adams	101	87	-13.86%	72	-17.24%	68	-5.56%	-32.67%
Barnes	696	594	-14.66%	577	-2.86%	531	-7.97%	-23.71%
[redacted]								
Bottineau	400	344	-14.00%	332	-3.49%	308	-7.23%	-23.00%
Bowman/Slope	111	93	-16.22%	108	16.13%	102	-5.56%	-8.11%
Burke	99	81	-18.18%	81	0.00%	78	-3.70%	-21.21%
Burleigh	3,522	3,117	-11.50%	2,915	-6.48%	2,967	1.78%	-15.76%
Cass	4,479	3,904	-12.84%	3,942	0.97%	3,976	0.86%	-11.23%
Cavalier	196	183	-6.63%	160	-12.57%	139	-13.13%	-29.08%
Dickey	286	303	5.94%	294	-2.97%	279	-5.10%	-2.45%
Divide	91	89	-2.20%	88	-1.12%	69	-21.59%	-24.18%
Eddy	126	121	-3.97%	127	4.96%	90	-29.13%	-28.57%
Emmons	131	98	-25.19%	84	-14.29%	85	1.19%	-35.11%
Foster	170	154	-9.41%	130	-15.58%	107	-17.69%	-37.06%
G. Valley/Billings	96	96	0.00%	86	-10.42%	96	11.63%	0.00%
G. Forks	3,521	2,957	-16.02%	3,121	5.55%	3,043	-2.50%	-13.58%
Grant	172	188	9.30%	178	-5.32%	153	-14.04%	-11.05%
Griggs	156	136	-13.92%	112	-17.65%	110	-1.79%	-30.38%
Hettinger	120	93	-22.50%	75	-19.35%	80	6.67%	-33.33%
Kidder	94	75	-20.21%	67	-10.67%	63	-5.97%	-32.98%
LaMoure	144	120	-16.67%	114	-5.00%	106	-7.02%	-26.39%
Logan	84	95	13.10%	81	-14.74%	66	-18.52%	-21.43%
McHenry	382	359	-6.02%	354	-1.39%	290	-18.08%	-24.08%
McIntosh	162	108	-33.33%	103	-4.63%	80	-22.33%	-50.62%
Mercer	280	247	-11.79%	240	-2.83%	222	-7.50%	-20.71%
Morton	1,605	1,568	-2.31%	1,475	-5.93%	1,311	-11.12%	-18.32%
Nelson	93	58	-37.63%	66	13.79%	62	-6.06%	-33.33%
Oliver	64	65	1.56%	77	18.46%	63	-18.18%	-1.56%
Pembina	326	273	-16.00%	243	-10.99%	236	-2.88%	-27.38%
Pierce	215	206	-4.19%	202	-1.94%	209	3.47%	-2.79%
Ramsey	992	903	-8.97%	900	-0.33%	841	-6.56%	-15.22%
Ransom	157	116	-26.11%	132	13.79%	145	9.85%	-7.64%
Renville	78	80	2.56%	95	18.75%	76	-20.00%	-2.56%
Richland	813	706	-13.16%	705	-0.14%	621	-11.91%	-23.62%
Sargent	189	122	-35.46%	111	-9.02%	104	-6.31%	-44.97%
Sheridan	144	136	-5.56%	132	-2.94%	145	9.85%	0.69%
[redacted]								
Stark	1,612	1,403	-12.97%	1,483	5.70%	1,295	-12.68%	-19.67%
Steele	97	88	-9.28%	89	1.14%	91	2.25%	-6.19%
Stutsman	1,187	1,098	-7.50%	998	-9.11%	1,000	0.20%	-15.75%
Towner	134	108	-19.40%	125	15.74%	75	-40.00%	-44.03%
Traill	397	331	-16.62%	348	5.14%	348	0.00%	-12.34%
Walsh	736	637	-13.45%	576	-9.56%	579	0.52%	-21.33%
Ward	3,554	3,238	-8.89%	3,269	0.96%	3,210	-1.80%	-9.68%
Wells	278	233	-16.19%	199	-14.59%	170	-14.57%	-38.85%
Williams	1,352	1,153	-14.72%	1,243	7.81%	1,152	-7.32%	-14.79%
Total:	29,643	26,164	-11.74%	25,909	-0.97%	24,841	-4.12%	-16.20%
Grand Total								
	38,045	34,007	-10.61%	33,533	-1.39%	32,130	-4.18%	-15.55%

North Dakota Department of Human Services

LIHEAP

Unduplicated Number of Recipients By County

Federal Fiscal Years 1997 - 2000

County	Unduplicated Number of Recipients: Fiscal Year 1997 Number	Fiscal Year 1998 Number	Fiscal Year 1998 Percent Change from Previous Year	Fiscal Year 1999 Number	Fiscal Year 1999 Percent Change from Previous Year	Fiscal Year 2000 Number	Fiscal Year 2000 Percent Change from Previous Year	Percent Change [illegible]
Indian Counties								
Benson	527	414	-21.44%	340	-17.87%	371	[illegible]	[illegible]
Dunn	177	144	-18.64%	144	0.00%	171	[illegible]	[illegible]
McKenzie	364	353	2.54%	298	-17.01%	298	[illegible]	[illegible]
McLean	440	398	-9.55%	348	-12.56%	377	[illegible]	[illegible]
Mountrail	374	295	-9.12%	233	-22.07%	270	[illegible]	[illegible]
Rolette	1,349	1,229	-8.90%	989	-19.5[illegible]%	1,106	[illegible]	[illegible]
Sioux	101	95	-5.94%	97	2.11%	95	[illegible]	[illegible]
Total:	3,222	2,942	-8.69%	2,449	-16.76%	2,688	[illegible]	[illegible]
Rest of Counties								
Adams	337	292	-13.35%	204	-30.14%	226	10.29%	-33.23%
Barnes	843	765	-9.25%	705	-7.84%	713	1.13%	-15.42%
[redacted]								
Bottineau	751	683	-9.06%	672	-1.61%	635	-5.51%	-15.46%
Bowman/Slope	176	173	-1.70%	222	28.32%	204	-8.11%	15.91%
Burke	170	124	-27.06%	117	-5.65%	132	12.82%	-22.35%
Burleigh	2,217	1,836	-17.19%	1,622	-11.66%	1,800	10.97%	-18.81%
Cass	3,451	2,865	-16.98%	2,663	-7.05%	3,204	20.32%	-7.16%
Cavalier	333	318	-4.50%	299	-5.97%	322	7.69%	-3.30%
Dickey	575	516	-10.26%	61	-10.66%	460	0.22%	-20.00%
Divide	178	171	-3.93%	159	-7.02%	161	1.26%	-9.55%
Eddy	241	227	-5.81%	175	-22.91%	171	-2.29%	-29.05%
Emmons	506	388	-23.01%	358	-7.53%	338	-5.82%	-33.60%
Foster	254	221	-12.99%	158	-28.51%	128	-18.99%	-49.61%
G. Valley/Billings	147	150	2.04%	137	-8.67%	157	14.60%	6.80%
G. Forks	2,521	2,106	-16.46%	2,035	-3.37%	2,059	1.18%	-18.33%
Grant	424	383	-9.67%	345	-9.92%	329	-4.64%	-22.41%
Griggs	279	272	-2.51%	220	-19.12%	243	10.45%	-12.90%
Hettinger	220	193	-15.35%	147	-2[illegible].83%	130	-11.58%	-42.98%
Kidder	246	187	-23.67%	163	-12.83%	157	-3.68%	-35.92%
LaMoure	397	307	-22.67%	255	-16.94%	272	6.67%	-31.49%
Logan	226	202	-11.40%	158	-21.78%	146	-7.59%	-35.98%
McHenry	763	642	-15.66%	593	-7.63%	542	-8.60%	-28.98%
McIntosh	338	277	-18.05%	279	0.72%	188	-32.62%	-44.08%
Mercer	496	358	-28.23%	369	3.05%	337	-8.67%	-32.06%
Morton	1,872	1,531	-18.22%	1,351	-11.76%	1,374	1.70%	26.60%
Nelson	261	173	-33.72%	183	5.78%	187	2.19%	-28.35%
Oliver	117	80	-31.62%	95	18.75%	56	-41.05%	-52.14%
Pembina	473	389	-17.76%	290	-25.45%	401	38.28%	-15.22%
Pierce	526	521	-0.95%	470	0.79%	457	-2.77%	-13.12%
Ramsey	972	826	-15.12%	725	-12.12%	738	1.79%	-24.07%
Ransom	384	261	-32.03%	238	-8.81%	228	-4.20%	-40.63%
Renville	165	154	-6.67%	204	32.47%	183	-10.29%	10.91%
Richland	787	583	-25.92%	616	5.66%	612	-0.65%	-22.24%
Sargent	315	251	-20.32%	183	-27.09%	159	-13.11%	-49.52%
Sheridan	260	247	-1[illegible].79%	252	2.02%	256	1.59%	-8.57%
[redacted]								
Stark	1,407	923	-34.40%	1,070	15.93%	931	-12.99%	-33.83%
Steele	177	137	-22.60%	150	9.49%	145	-3.33%	-18.08%
Stutsman	1,101	841	-23.81%	849	0.95%	912	7.42%	-17.17%
Towner	266	230	-13.53%	243	5.65%	199	-18.11%	-25.19%
Traill	655	425	-23.42%	431	1.41%	476	10.44%	-14.23%
Walsh	820	741	-9.63%	665	-10.26%	789	18.65%	3.78%
Ward	2,427	2,195	-9.56%	2,055	-6.38%	2,355	14.60%	-2.97%
Wells	466	372	-20.51%	290	-22.04%	358	23.45%	-23.50%
Williams	1,309	1,140	-12.91%	1,279	12.19%	1,236	-3.36%	-5.58%
Total:	30,780	25,670	-16.60%	24,163	-5.91%	25,103	3.93%	-18.44%
Grand Total								
	34,002	28,612	-15.85%	26,602	-7.03%	27,789	4.46%	18.27%

R&S mo-1-23-01 T:\mike\caseloads for fs.tanf.liheap.medical xls]Liheap recipients

North Dakota Department of Human Services

Medicaid

Eligible Recipients (Not Cases) Monthly Average by County

State Fiscal Years 1997 - 2000

County	Monthly Average Number of Eligible Recipients (Not Cases)							
	Fiscal Year 1997	Fiscal Year 1998		Fiscal Year 1999		Fiscal Year 2000		
	Number	Number	Percent Change from Previous Year	Number	Percent Change from Previous Year	Number	Percent Change from Previous Year	Percent Change from FY97-FY00
Indian Counties								
Benson	698	686	-1.72%	647	-5.69%	690	6.65%	[illegible]
Dunn	177	171	-3.39%	166	-2.92%	171	3.01%	[illegible]
McKenzie	440	427	-2.95%	409	-4.22%	416	1.71%	[illegible]
McLean	524	475	-9.35%	491	3.37%	496	1.02%	-5.34%
Mountrail	577	511	-11.44%	532	4.11%	576	8.27%	[illegible]
Rolette	2,614	2,559	-2.10%	2,520	-1.52%	2,426	-3.73%	-7.19%
Sioux	462	402	-11.06%	395	-1.74%	369	-6.58%	-18.36%
Total:	5,482	5,231	-4.58%	5,160	-1.36%	5,144	-0.31%	[illegible]
Rest of Counties								
Adams	131	124	-5.34%	128	3.23%	127	-0.78%	-3.05%
Barnes	730	665	-8.90%	674	1.35%	725	7.57%	-0.68%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bottineau	340	340	0.00%	333	-2.06%	342	2.70%	0.59%
Bowman/Slope	149	152	2.01%	150	-1.32%	155	3.33%	4.03%
Burke	80	71	-11.25%	77	8.45%	69	-10.39%	-13.75%
Burleigh	3,527	3,452	-2.13%	3,393	-1.71%	3,457	1.89%	-1.98%
Cass	4,429	4,432	0.07%	4,482	1.13%	4,693	4.71%	5.96%
Cavalier	206	193	-6.31%	181	-6.22%	195	7.73%	-5.34%
Dickey	409	401	-1.96%	392	-2.24%	391	-0.26%	-4.40%
Divide	120	108	-10.00%	104	-3.70%	101	-2.88%	-15.83%
Eddy	208	220	5.77%	211	-4.09%	191	-9.48%	-8.17%
Emmons	154	136	-11.69%	126	-7.35%	125	-0.79%	-18.83%
Foster	203	206	1.48%	190	-7.77%	161	-15.26%	-20.69%
G. Valley/Billings	71	75	5.63%	67	-10.67%	69	2.99%	-2.82%
G. Forks	2,589	2,311	-10.74%	2,225	-3.72%	2,388	7.33%	-7.78%
Grant	154	173	12.34%	176	1.73%	163	-7.39%	5.84%
Griggs	149	147	-1.34%	128	-12.93%	128	0.00%	-14.09%
Hettinger	128	133	3.91%	112	-15.79%	116	3.57%	-9.38%
Kidder	122	115	-5.74%	125	8.70%	114	-8.80%	-6.56%
LaMoure	208	189	-9.13%	175	-7.41%	176	0.57%	-15.38%
Logan	138	125	-9.42%	121	-3.20%	119	-1.65%	-13.77%
McHenry	331	324	-2.11%	292	-9.88%	268	-8.22%	-19.03%
McIntosh	219	215	-1.83%	211	-1.86%	212	0.47%	-3.20%
Mercer	351	311	-11.40%	298	-4.18%	299	0.34%	-14.81%
Morton	1,465	1,493	1.91%	1,432	-4.09%	1,447	1.05%	-1.23%
Nelson	198	182	-8.08%	186	2.20%	179	-3.76%	-9.60%
Oliver	35	35	0.00%	41	17.14%	41	0.00%	17.14%
Pembina	343	305	-11.08%	292	-4.26%	308	5.48%	-10.20%
Pierce	282	285	1.06%	281	-1.40%	264	-6.05%	-6.38%
Ramsey	927	919	-0.86%	901	-1.96%	922	2.33%	-0.54%
Ransom	283	265	-6.36%	244	-7.92%	260	6.56%	-8.13%
Renville	88	93	5.68%	103	10.75%	88	-14.56%	0.00%
Richland	791	773	-2.28%	754	-2.46%	723	-4.11%	-8.60%
Sargent	176	138	-21.59%	121	-12.32%	118	-2.48%	-32.95%
Sheridan	103	105	1.94%	107	1.90%	118	10.28%	14.56%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stark	1,466	1,404	-4.23%	1,460	3.99%	1,464	0.27%	-0.14%
Steele	43	46	6.98%	45	-2.17%	38	-15.56%	-11.63%
Stutsman	1,391	1,330	-4.39%	1,329	-0.08%	1,347	1.35%	-3.16%
Towner	165	144	-12.73%	139	-3.47%	127	-8.63%	-23.03%
Traill	315	285	-9.52%	292	2.46%	299	2.40%	-5.08%
Walsh	661	610	-7.72%	594	-2.62%	612	3.03%	-7.41%
Ward	2,699	2,643	-1.93%	2,938	3.27%	3,082	4.97%	6.31%
Wells	329	307	-6.69%	309	0.65%	307	-0.65%	-6.69%
Williams	1,172	1,128	-3.75%	1,170	3.72%	1,181	0.94%	0.77%
Total:	28,278	27,308	-3.43%	27,107	-0.74%	27,709	2.22%	-2.01%
Grand Total								
	33,760	32,539	-3.62%	32,267	-0.84%	32,853	1.82%	-2.69%

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20

TANF Block Grant
Revenue / Estimated Expenditures
1999 - 2001 Biennium

	TANF Block Grant	Estimated Expenditures 1999 - 2001	Estimated CarryForward to 2001 - 2003
REVENUE			
1999 Carryforward	14,008,927	14,008,927	-
2000	26,399,809	26,399,809	-
2000 High Perf. Bonus	887,212	887,212	
Transfer to Child Care	(500,000)	(500,000)	
2001 @ 75%	19,799,856 [1.]	9,012,005	10,787,851
2001 High Perf. Bonus	1,319,990	-	1,319,990
	61,915,794	49,607,953	12,107,841

[1.] FFY 2001 begins on October 1, 2000 and ends on September 30, 2001. Therefore only 75% of the grant is attributable to expenditures incurred in the 1999-2001 biennium.

	Total	Federal	General	Special
ESTIMATED EXPENDITURES				
Assistance to Needy Families				
TEEM Benefit	24,554,021	9,158,201	8,353,847	7,041,973
TANF Child Care	2,107,775	2,107,775		
Job Preparation				
TANF Work Activity - Sp Pymts	562,170	562,170	-	-
JOBS - Transportation	1,320,939	1,320,939	-	-
JOBS - Client Services	2,422,894	2,422,894	-	-
JOBS - Support Services	675,200	675,200	-	-
Subtotal	4,981,203	4,981,203	-	-
Formation & Maintenance of Families				
Family Focused Services	1,180,600	1,180,600	-	-
Child Abuse & Neglect Investigations	3,462,701	3,462,701	-	-
Parent Aid	1,356,768	1,356,768	-	-
Intensive In-Home Services	1,279,325	1,279,325	-	-
Foster Care Emergency Assistance	11,023,838	10,374,957	60,538	588,343
Subtotal	18,303,232	17,654,351	60,538	588,343
Other				
Systems Maint. & Operations	3,586,019	3,586,019	-	-
Systems - Financed Development	3,348,515	3,348,515	-	-
County:				
Emergency Assist. - Case Mgmt.	2,795,308	2,650,000	-	145,308
TANF Assessments	698,333	698,333	-	-
Subtotal	10,428,175	10,282,867	-	145,308
Administration				
JOBS Contract Admin.	404,868	404,868	-	-
State Office Admin.	2,193,551	2,193,551	-	-
County Admin.	3,025,137	3,025,137	-	-
Subtotal	5,623,556	5,623,556	-	-
Child Care MOE	2,034,072	-	-	2,034,072
Subtotal	2,034,072	-	-	2,034,072
Total Estimated Expenditures	68,032,034	49,607,953	8,414,385	9,609,696

CSF

Tex

County

TANF block grant

#21

TANF Block Grant
Revenue / Estimated Expenditures
1999 - 2001 Biennium

	Total	Federal	Non-Federal
Administration Ceiling			
Federal Expenditures	49,807,953	49,807,953	-
General Fund	8,414,385	-	8,414,385
Special Fund	9,809,696	-	9,809,696
Total Estimated Expenditures	68,032,034	49,807,953	18,224,081
15% Admin. Limitation	10,204,805	7,471,193	2,733,612
Less: Admin. Expenditures *	5,623,556	5,623,556	-
Admin. Under (Over) Ceiling	**4,581,249**	**1,847,637**	**2,733,612**

* TANF Admin. Expenditures are estimated to be 8.3%.

		Total	1997 - 1999	1999 - 2001	2001 - 2003
MOE Expenditures					
FFY 99	TANF	8,052,324	6,712,500	1,339,824	-
	Child Care	1,017,036	1,017,036	-	-
	Subtotal	9,069,360	7,729,536	1,339,824	-
FFY 00	TANF	8,052,324	-	8,052,324	-
	Child Care	1,017,036	-	1,017,036	-
	Subtotal	9,069,360	-	9,069,360	-
FFY 01	TANF	8,052,324	-	6,797,861	1,254,463
	Child Care	1,017,036	-	1,017,036	-
	Subtotal	9,069,360	-	7,814,897	1,254,463
Total MOE Expenditures		**27,208,080**	**7,729,536**	**18,224,081** 2.)	**1,254,463**

2.) The MOE total of $ 18,224,081 is comprised of $ 8,414,385 in General funds and $ 9,809,696 in special funds, detailed on page 1.

#22

TANF Block Grant
Revenue / Estimated Expenditures
2001 - 2003 Biennium

	TANF Block Grant	Estimated Expenditures 2001 - 2003	Estimated CarryForward to 2003 - 2005
REVENUE			
2001	18,707,794	18,707,794	
2002	26,399,809	26,399,809	
2003	19,799,856 2.)	10,906,274	8,893,582 1.)
	64,907,459	56,013,877	8,893,582

1.) Carryforward Estimate Due to Reauthorization.

	Total	Federal	General	Special
ESTIMATED EXPENDITURES				
Assistance to Needy Families				
TEEM Benefit	25,651,056	11,175,551	3,950,382	10,525,123
TANF Child Care	5,657,871	5,657,871		
Job Preparation				
TANF Work Activity - Sp Pymts	3,058,671	3,058,671	-	-
JOBS - Transportation	1,860,379	1,811,486	36,523	12,370
JOBS - Client Services	4,022,316	4,022,316	-	-
JOBS - Support Services	920,552	920,552	-	-
Subtotal	9,861,918	9,813,025	36,523	12,370
Formation & Maintenance of Families				
Family Focused Services	1,902,500	1,902,500	-	-
Child Abuse & Neglect Investigations	777,500	777,500	-	-
Parent Aid	1,326,000	1,326,000	-	-
Intensive In-Home Services	655,995	655,995	-	-
Foster Care Emergency Assistance	11,564,869	11,564,869	-	-
Subtotal	16,226,864	16,226,864	-	-
Other				
Systems Maint. & Operations	2,396,518	2,396,518	-	-
Systems - Financed Development	502,729	502,729	-	-
County:				
Emergency Assist. - Case Mgmt.	3,891,038	3,891,038	-	-
TANF Assessments	720,000	720,000	-	-
Subtotal	7,510,285	7,510,285	-	-
Administration				
JOBS Contract Admin.	418,328	418,328	-	-
State Office Admin.	2,117,485	2,117,485	-	-
County Admin.	3,094,468	3,094,468	-	-
Subtotal	5,630,281	5,630,281	-	-
Child Care MOE	2,034,072	-	-	2,034,072
Subtotal	2,034,072	-	-	2,034,072
Total Estimated Expenditures	72,572,347	56,013,877	3,986,905	12,571,565

#23

TANF Block Grant
Revenue / Estimated Expenditures
2001 - 2003 Biennium

	Total	Federal	Non-Federal
Administration Ceiling			
Federal Expenditures	56,013,877	56,013,877	-
General Fund	3,986,905	-	3,986,905
Special Fund	12,571,565	-	12,571,565
Total Estimated Expenditures	72,572,347	56,013,877	16,558,470
15% Admin. Limitation	10,885,853	8,402,082	2,483,771
Less: Admin. Expenditures *	5,630,281	5,630,281	-
Admin. Under (Over) Ceiling	**5,255,572**	**2,771,801**	**2,483,771**

* TANF Admin. Expenditures are estimated to be 7.8%.

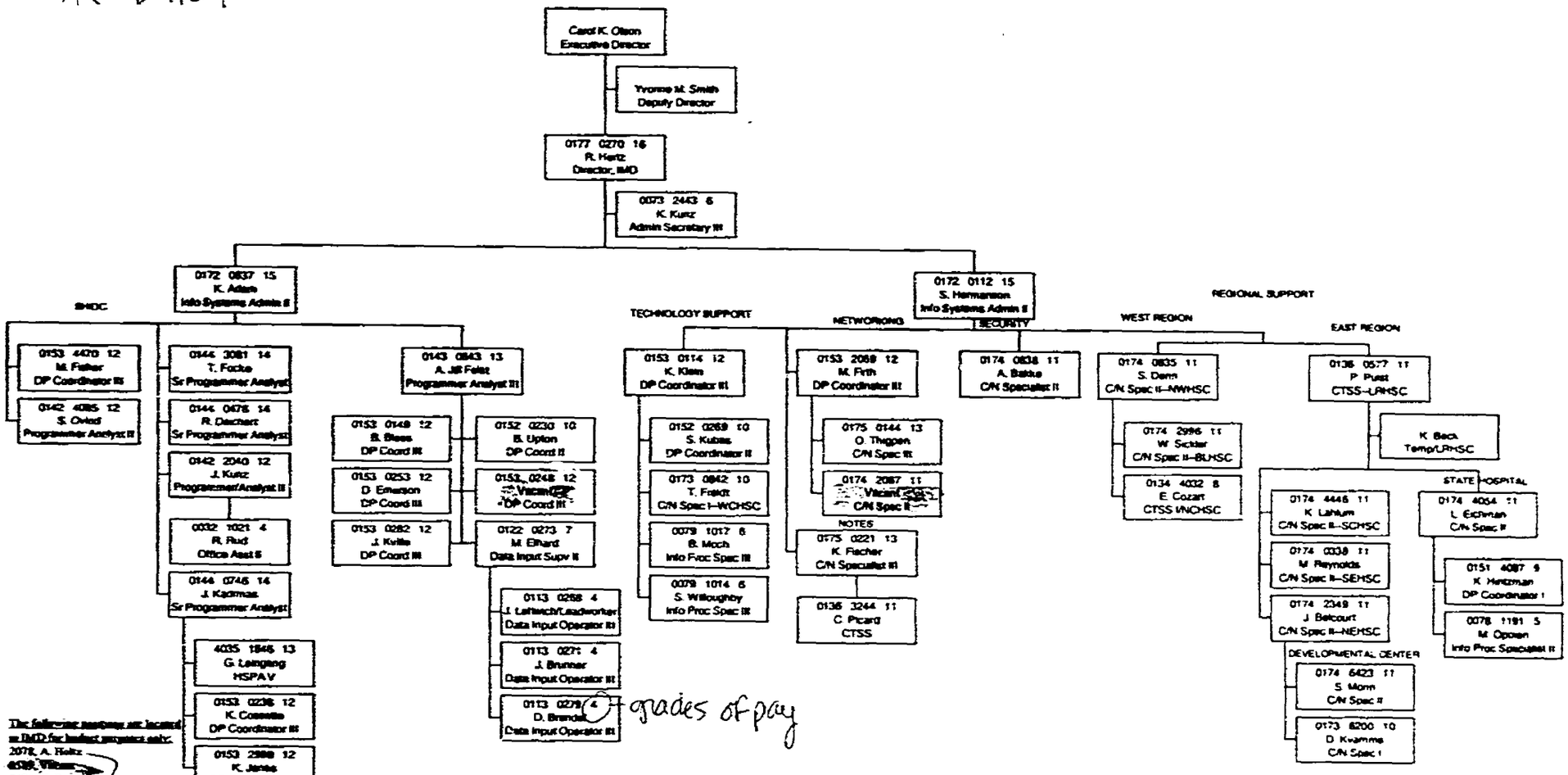
		Total	1999 - 2001	2001 - 2003	2003 - 2005
MOE Expenditures					
FFY 01	TANF	8,052,324	6,797,861	1,254,463	-
	Child Care	1,017,036	1,017,036	-	-
	Subtotal	9,069,360	7,814,897	1,254,463	-
FFY 02	TANF	8,052,324	-	8,052,324	-
	Child Care	1,017,036	-	1,017,036	-
	Subtotal	9,069,360	-	9,069,360	-
	Total MOE Requirement	**18,138,720**	**7,814,897**	**10,323,823**	**-**
Additional Non-Federal Budget:					
FFY 03	TANF 1.)	5,217,611	-	5,217,611	-
	Child Care	1,017,036	-	1,017,036	-
	Subtotal	6,234,647	-	6,234,647	-
Budgeted Non-Federal		**24,373,367**	**7,814,897**	**16,558,470**	**-**

2.) FFY 2002 is the 6th and final year of the TANF block grant allotment as authorized under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. It is unknown what federal funds will be appropriated for 2003 with the passage of new federal legislation. Also unknown is the amount of state match or MOE that maybe required for 2003.

Roger Hertz

North Dakota Department of Human Services
Information Management Division

* 42 FTE positions



Both have been filled

#1

79?5= Bills-01 #2

CONTACT LEGISLATIVE COUNCIL FOR COPY

Prepared by the North[illegible]
Legislative Council [illegible]
September 1996

#3

DUES AND MEMBERSHIP FEES PAID BY STATE AGENCIES AND INSTITUTIONS
FOR THE PERIOD JULY 1, 1995, THROUGH JUNE 30, 1996[1]

The following schedule lists dues and membership fees paid by state agencies and institutions to national and regional (out-of-state) organizations for fiscal year 1996:

Budget Number	Agency	General Fund	Federal Funds	Other Funds	Total Expenditures
101	Office of the Governor				
	Midwest Governors Council	$ 100			$ 100
	National Council of Lieutenant Governors	500			500
	National Governors Association (NGA)[2]				
	Western Governors Association (WGA)[2]				
	Total	$ 600			$ 600
108	Secretary of State				
	Nat'l Assn. of Secretaries of State	$ 1,156			$ 1,156
	Total	$ 1,156			$ 1,156
110	Office of Management and Budget				
	National Management Association	$ 1,250			$ 1,250
	Nat'l Assn. of State Auditors	2,600			2,600
	Council of State Government	54,300			54,300
	Government Finance Officers	1,045			1,045
	Government Finance Officers	110			110
	National Management Association	100			100
	GFOA	115			115
	Nat'l Assn. of State Auditors	2,600			2,600
	GASB Research Activity	1,000			1,000
	Division of Architectural Study	150			150
	American Compensation Association	127			127
	Nat'l Assn. of State Personnel Executives	1,100			1,100
	Nat'l Assn. of Government Graining and Development Directors	525			525

House Appropriations Committee
HB 1012
Mike Timm, Chairman
January 4, 2001

Chairman Timm and members of the House Appropriations Committee, my name is Roger Hertz and I am the Director of the Information Management Division (IMD) of the Department of Human Services (DHS). I will be providing you with an overview of the Department's requested technology budget for the 2001-2003 biennium. I will also be discussing the Health Insurance Portability and Accountability Act (HIPAA) budget request, which is located in the Managerial Support Division.

PROGRAM PURPOSE STATEMENT

The purpose of the Information Management Division is to provide customer services relating to technology and information management to DHS staff so they have the technology and information they need.
The Department's technology exists for the sole purpose of supporting the goals and objectives of the Department.

SERVICES INCLUDED

- Operation and administration of the network.
- Technology purchasing.
- Technology support for hardware and software.
- Project management of technology projects.
- Software maintenance and development.
- Data entry.
- Information technology consulting.
- Coordinate technology training.

MAJOR ACCOMPLISHMENTS

- Medicaid /TANF project on schedule and budget.
- Medicaid Management Information System - Decision Support System completed on time and within budget.
- Child Support System (FACSES) received federal certification and has received a favorable verbal review for PWORA certification requirements.
- HIPAA project has begun the planning phase.
- Year 2000 project completed with no interruptions in technology services.
- DHS network redesigned and upgraded.
- Technology standards established for the Department.
- Project managers trained in project management techniques.
- Technology support for the Regional Human Service Centers, State Hospital, and the Developmental Center has been consolidated.
- Continuing coordination and planning with ITD has occurred.
- Planning activities with County Directors Association has been established.
- Operation and maintenance of the Department's computer network that connects 2000 individuals was completed. This network provides the infrastructure for the business functions and spans state and county governments in the delivery of human services.
- Maintenance and operation of the Department's 35 major computer systems was completed. These systems support the delivery of human services across the state.

CONCERNS

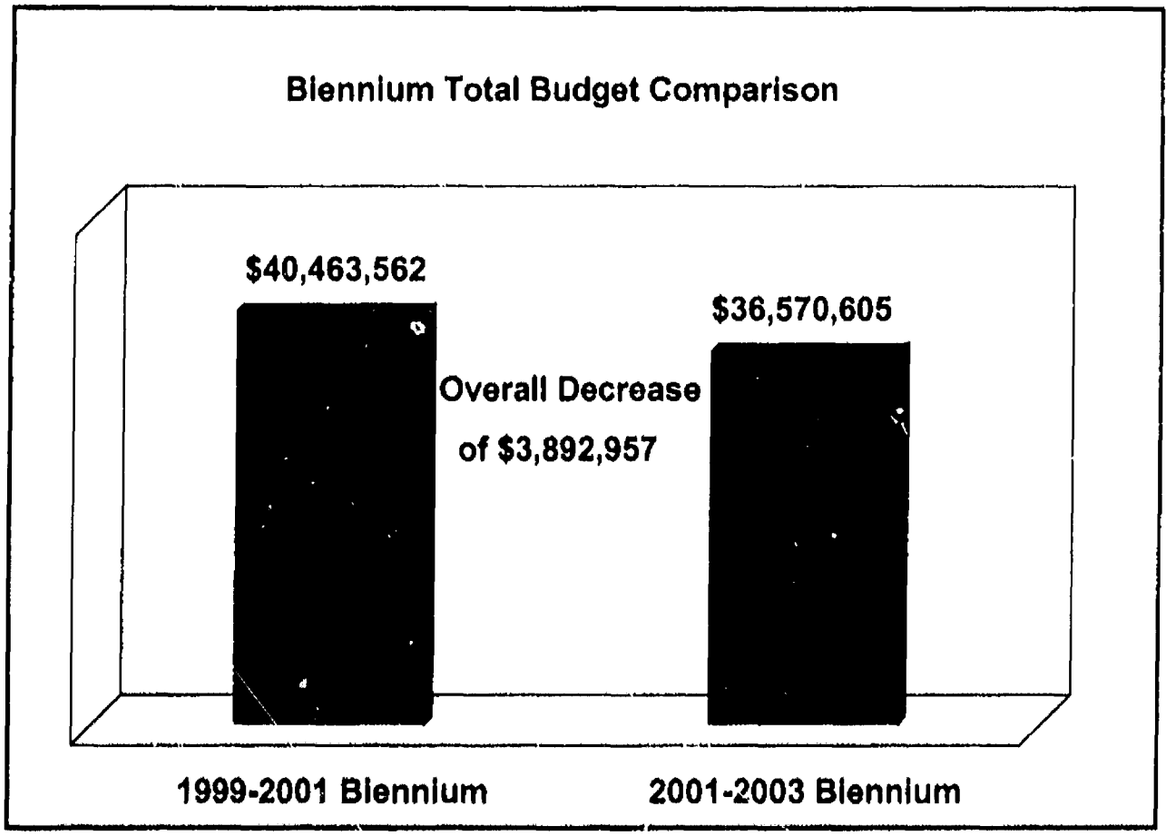
- **Retention and Recruitment of Technology Staff.**

  The demand for technology staff continues to produce a growing national shortage of skilled technology staff. As we continue to use more technology to support our business needs, the need to recruit and retain skilled technology staff becomes strategically critical.

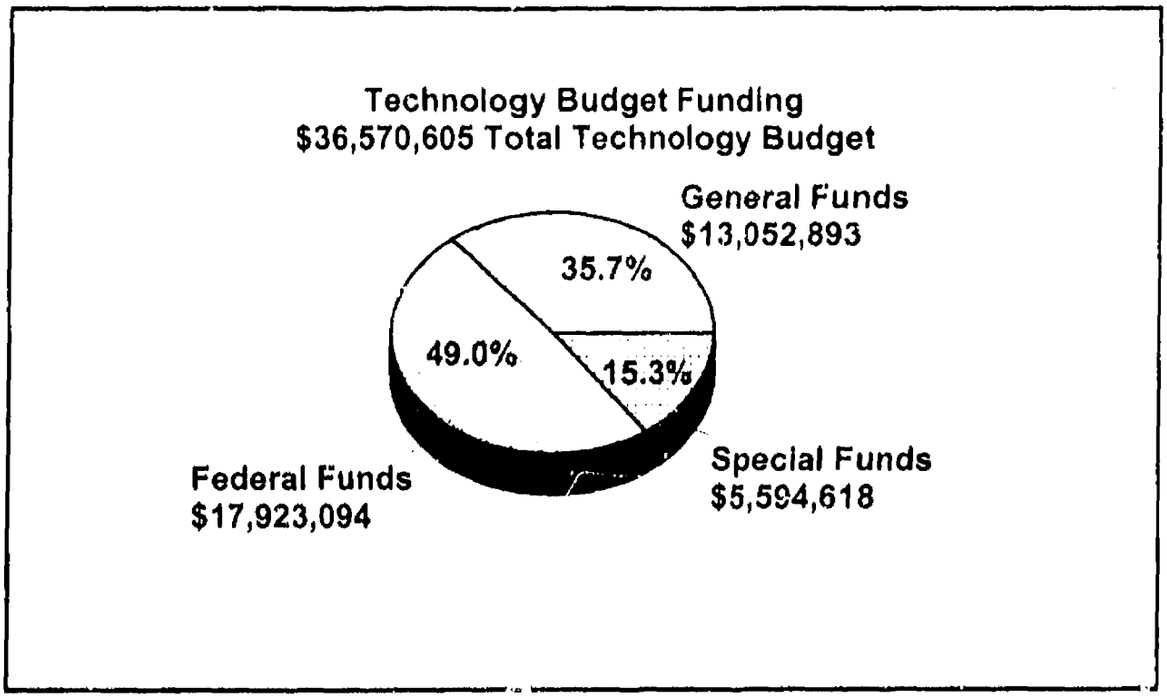
  I am concerned as the gap widens between the public and private sector salaries that we will experience higher levels of turnover. Turnover is very expensive in that we generally pay the replacement as much, if not more than the person who left. Additionally, we have to provide training and teach them about our business. The inability to recruit and retain information technology staff results in increased operational costs and lost opportunities. We need to be able to find ways to retain the staff we have invested in and recruit staff needed to fill vacancies.

TOTAL INFORMATION TECHNOLOGY BUDGET

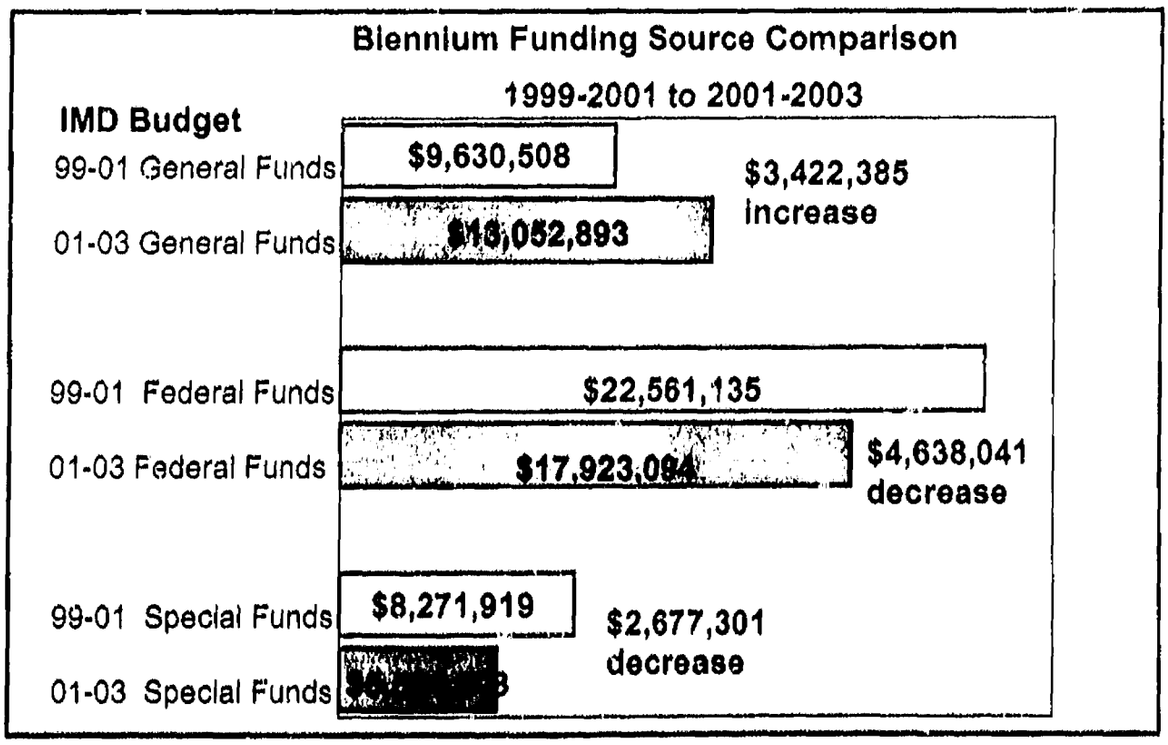
The budget for information technology for the 2001-2003 biennium is $36,570,605, a decrease of $3,892,957. The following chart reflects that change in the 2001-2003 information technology budget from the 1999-2001 biennium:



The following chart outlines the overall funding sources for the $36,570,605 technology budget:



The following chart outlines the differences in funding sources from the 1999-2001 biennium to the 2001-2003 biennium.



BUDGET INCREASES / DECREASES

Salaries

$468,149 increase, with a general fund increase of $133,546.
This increase is due to the recommended salary package and increases planned for retention and recruitment of information technology staff.

Operating Expenses

$4,308,228 decrease in total, with a general fund increase of $2,939,287.
Major areas affected are:

- $3,527,013 decrease due to the repayment of a large part of the TEEM contract payments that were financed. This will leave a remaining balance of $565,651 to be paid off in the 2001-2003 biennium.
- $2 million increase for ITD services, based upon their new rates.
- Technology projects:
  - ✓ Enhancements to the existing systems. $3,161,714

    These enhancements are for improvements to existing computer systems across the entire Department.

  - ✓ Windows 2000. $453,320

    This project will convert all of the current Windows operating systems to the Windows 2000 operating system. Microsoft has indicated that it will be discontinuing support for the current Windows operating system. This conversion will be a part of a statewide (all agency) conversion and will become the technology standard for operating systems for all of state government.

- ✓ Child Support changes. $1,416,440

  This project will implement other federal required changes to the child support program.

- ✓ Document Management System. $250,000

  This will allow us to better manage electronic documents. By better management of these documents we can avoid the expense of having to pay for storage of documents not needed.

- ✓ Departmental Case Management Additions. $1,500,000

  This would build upon the Departmental Case Management system to be implemented for the Regional Office as a part of HIPAA. It would move us towards the goal of a single Department Case Management system.

  This project would add the case management needs of the Children and Family Services division into a department-wide case management system for services.

<u>Equipment</u>

This increased by $447,784, with a general fund increase of $399,552. The increase is primarily for the Department's share of equipment or $412,225 for the new ATM network equipment that will be paid to ITD. It also includes funding for replacement of our computer equipment, which is on a six-year replacement cycle.

Grants

This amount was reduced by $401,477, no general funds involved. During the 1999-2001 biennium we provided grants to the counties to pass through the enhanced federal share to purchase equipment for the Medicaid TANF project. This allowed the Department to pass through the 90% federal match, with the counties providing the 10% non-federal share. We do not anticipate providing this pass though in the 2001-2003 biennium since we have purchased the equipment needed for the Medicaid TANF project.

Network Technology

$100,000 was included in the 1999-2001 budget. This amount was removed from our budget, resulting in a $50,000 decrease in general funds. During the 1999-2001 biennium we used the funds in a pilot mode to provide technology support to the counties that administer the programs supervised by the Department. From this effort we have now determined what technology services the Department will provide. For the technology services that are not the Department's responsibility we are encouraging the counties to use the Association of Counties to provide the support.

Health Insurance Portability and Accountability Act

Brenda Weisz has testified that $8.9 million of the Managerial Support budget request is attributed to HIPAA, funded with $5.0 million in federal dollars and $3.9 million in special funds (Intergovernmental Transfer (IGT) dollars.) I will be providing you with more information about HIPAA since IMD has been working closely with this project.

The Department has centralized the information technology budget for all of the Human Services, within the Information Management Division. HIPAA was not included in the Information Management Division's budget.

When the budget was developed it was believed that a variety of costs for HIPAA would be outside the technology area. Therefore, this budget would be better housed in the Managerial Support budget. We now know that the vast majority of the cost for HIPAA will be technology related.

The HIPAA federal regulations provide very specific time frames for implementation. Therefore, we are declaring this an emergency measure due to the required timeframes for completion.

HIPAA's basic concept is to standardize how health care information is shared electronically. HIPAA affects health care organizations that are either providers or payers of health care services. There are nine regulations that address electronic transactions, national provider identifiers, employer identifiers, security, and privacy. Note that HIPAA affects the entire health care industry, both public and private.

HIPAA affects the Department where we are a payer of medical claims such as in Medicaid, Children's Special Health Services, Developmental Disabilities, Disability Determination Services, and Vocational Rehabilitation. It also affects the Department were we are providers of health care such as at the State Hospital, Developmental Center, and the Regional Offices. Ultimately, HIPAA will require the Department to make a number of major changes to many computer systems in order to implement the requirements in the regulations.

As each of the HIPAA regulations are finalized they must be implemented within two years and 60 days. The first set of regulations was finalized in August 2000. These regulations mandated changes for electronic transactions and must be implemented by October 2002.

Penalties do apply for choosing not to implement or failure to implement timely. While the rules for penalties have not been finalized, some computations place the maximum annual penalty at over $1 million and counting, depending on interpretations of the penalty regulations.

In summary, in order to implement the changes required by HIPAA, it will require a very large effort for the entire health care industry. Since the timeframe for completion has started, the Department will need to aggressively move forward in order to complete HIPAA on schedule.

Thank you and I would be happy to address any questions.

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level		LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
100-20	Information Management Division	10	1001	SALARIES	1,497,282	17	2,113,810	3,068,382
100-20	Information Management Division	10	1002	TEMP, OT & SHIFT DIFF	136,756	17	193,068	-
100-20	Information Management Division	10	1008	BENEFITS	443,619	17	626,285	948,919
100-20	Information Management Division	10	1900	SALARY BUDGET ADJUSTMENT	-	16	-	233,865
		10 Total			**2,077,657**		**2,933,163**	**4,251,166**
100-20	Information Management Division	30	3002	IT-DATA PROCESSING	15,863,565	16	23,795,347	19,252,027
100-20	Information Management Division	30	3003	IT-TELEPHONE	20,832	16	31,248	34,770
100-20	Information Management Division	30	3004	TRAVEL	74,273	16	111,409	290,197
100-20	Information Management Division	30	3005	IT - SOFTWARE - SUPPLIES	383,553	16	575,330	1,534,169
100-20	Information Management Division	30	3006	UTILITIES	365	16	547	-
100-20	Information Management Division	30	3007	POSTAGE	160	16	240	-
100-20	Information Management Division	30	3008	IT - CONTRACTUAL SERVICES	313,907	16	470,860	172,945
100-20	Information Management Division	30	3011	LEASE - RENT EQUIP MENT	322,649	16	483,974	645,853
100-20	Information Management Division	30	3012	LEASE - RENT BLDG - LAND	108,777	16	163,166	124,812
100-20	Information Management Division	30	3013	DUES & PROFESSIONAL DEV	28,738	16	43,108	141,076
100-20	Information Management Division	30	3014	OPERATING FEES & SRVC	4,028,975	16	6,043,462	1,053,513
100-20	Information Management Division	30	3016	REPAIRS	9,927	16	14,891	3,648
100-20	Information Management Division	30	3018	PROFESSIONAL SERVICES	1,869	16	2,804	132
100-20	Information Management Division	30	3021	OFFICE SUPPLIES	5,801	16	8,702	24,100
100-20	Information Management Division	30	3024	PRINTING	2,634	16	3,951	3,072
100-20	Information Management Division	30	3025	PROF. SUPPLIES & MATERIALS	7,418	16	11,128	33,434
100-20	Information Management Division	30	3030	BLDG GRNDS & VEH MTCE SUPP	2,135	16	3,203	-
100-20	Information Management Division	30	3033	MISC SUPPLIES	22,494	16	33,740	4,400
100-20	Information Management Division	30	3900	OPERATING BUDGET ADJUSTMENT	-	16	-	6,791,554
		30 Total			**21,198,072**		**31,797,110**	**30,109,782**
100-20	Information Management Division	40	4003	IT - EQUIPMENT	1,024,316	16	1,536,474	2,208,429
		40 Total			**1,024,316**		**1,536,474**	**2,208,429**
100-20	Information Management Division	50	5020	OTHER CAPITAL PYMNTS	446	16	668	1,308

1-15-01
4.18

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
	50 Total		**446**		**668**	**1,308**
100-20 Information Management Division	76	3014 OPERATING FEES & SRVC	14,681	16	22,021	-
	76 Total		**14,681**		**22,021**	**-**
INFORMATION MANAGEMENT DIVISION Total			**24,315,172**		**36,289,436**	**36,570,685**

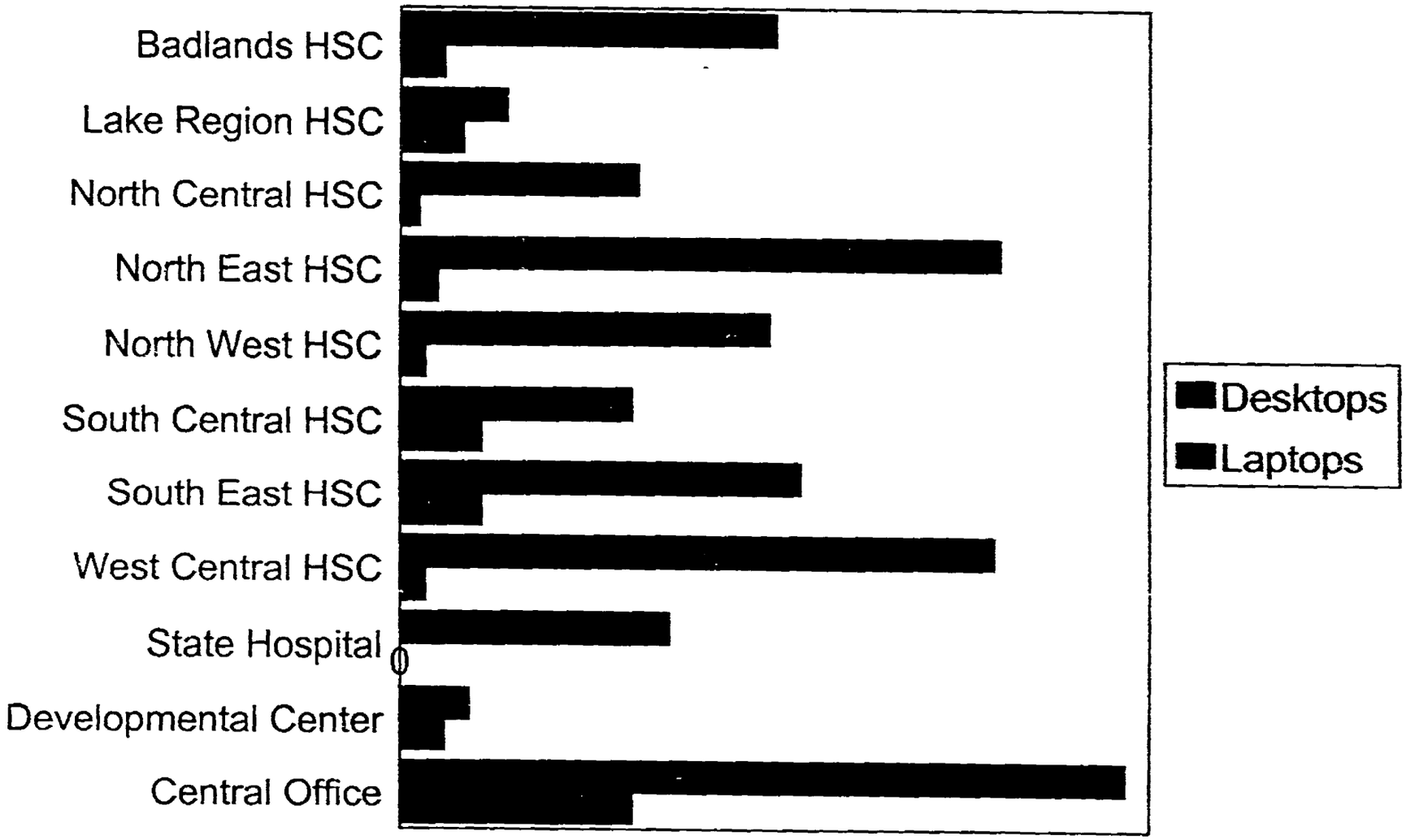
North Dakota Department of Human Services
House Human Resource Committee
HB 1012
January 15, 2001

Project	Project Budget	Object Code 3002 Data Processing	Object Code 3005 Software	Object Code 4003 IT - Equipment
Enhancements	$3,161,714	$3,161,714		
Windows 2000	$453,320		$453,320	
Child Support	$1,416,440	$1,415,886	$554	
Document Management	$250,000		$250,000	
Departmental Case Management	$1,500,000	$1,500,000		
Other	$10,080	$6,202	$3,878	$12,250
ATM Network Equipment				$412,225
	$6,791,554	**$6,083,802**	**$707,752**	**$424,475**

HIPAA Project Budget

	Object Code	Amount
Temp. Salaries	1002	$41,000
Data Processing	3002	$2 564,433
IT Contractual Services	3008	$5,827,908
Lease Rent of Bldg	3012	$82,800
Office Supplies	3021	$10,000
Hardware	4002	$400,000
		$8,926,141

North Dakota Department of Human Services
Information Management Division
Hardware Replacement Plan - Personal Computers
HB 1012 to House Human Resources
2001- 2003 Biennium



January 15, 2001

North Dakota Department of Human Services

Information Management Division
HB 1012 to House Human Resources
2001-2003 Biennium

Items Requested and Attached:

✓ Hardware Detail

✓ Project and Enhancement Summary Sheet

- Enhancement Detail, with Funding Sources
- HIPAA Detail Data Processing Costs (Included In HIPAA Packet)
- HIPAA Detail IT Contractual Services Costs (Included In HIPAA Packet)

✓ Operating Budget Detail

- Object Code 3021- Office Supplies
- Object Code 3025- Professional Supplies & Materials
- Object Code 3033 Miscellaneous Supplies

January 25, 2001

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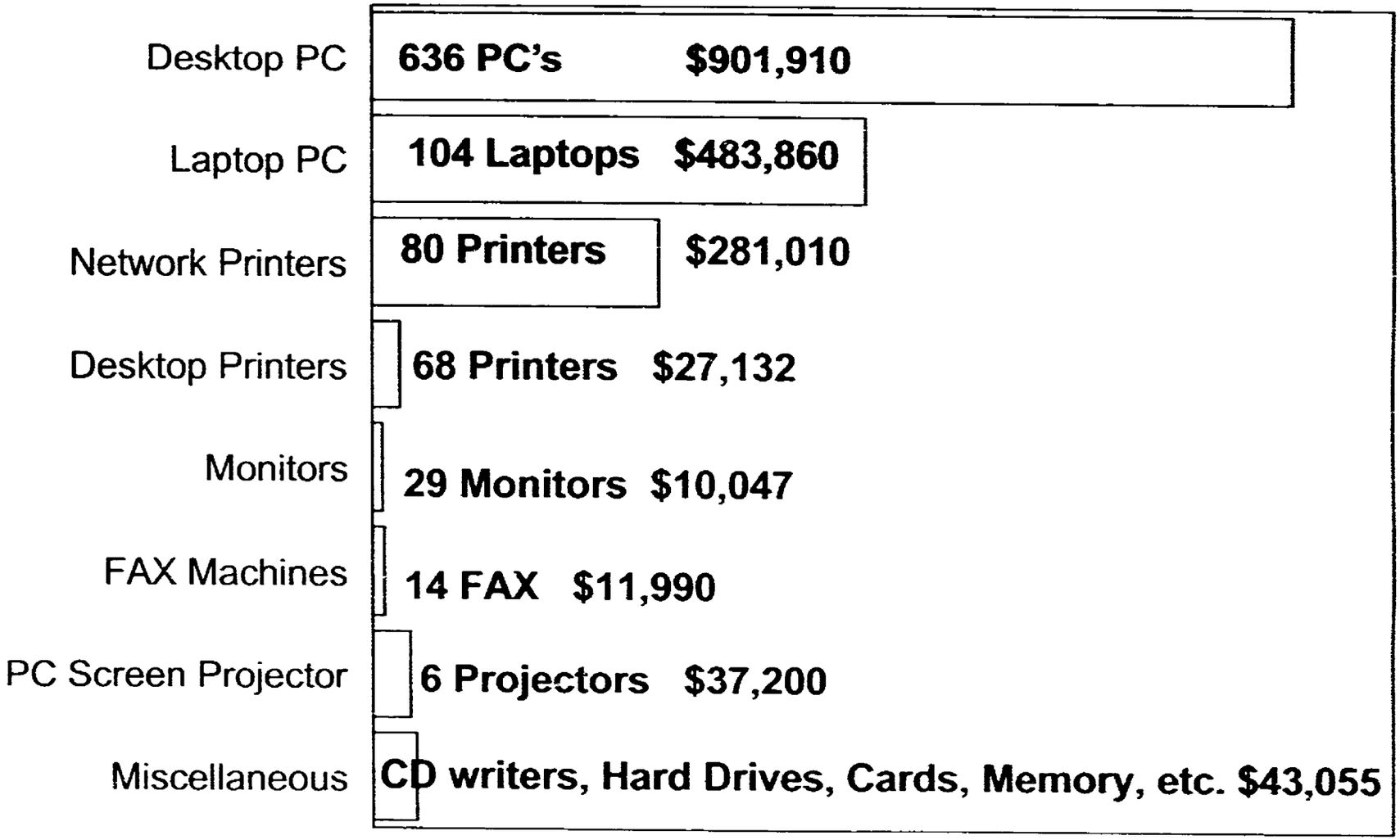
North Dakota Department of Human Services

Information Management Division

Hardware Budget Detail- Object Code 4003

HB 1012 to House Human Resources

2001- 2003 Biennium



2001-2003 Enhancements - OAR

t:/2001-2003 budget documentation/Final Documentation/Development/2001-2003 budget - detail - base and enhancements

Division	Cost Center	Status	Ennancement Desc.	OAR	General	Federal
Medical Services	0701			0 00		
MMIS	0702		Add living arrangement and drug name to the worksheet. Currently have to manually copy all the worksheets for claims that suspend for insurance. This requires added copier costs and staff time.			
			Youth Correctional Center. This wil allow pharmacy provider to bill electronically for Youth Correctional claims.			
			Nursing Homes bill using UB92 forms The state currently processes nursing homes and swing beds on 3 different forms using state assigned procedure codes.			
			Process crossover claims like regular claims. The Balanced Budget Act of 1997 allowed states the option to pay claims for dually eligible Medicare/Medicaid recipients like other claims with third party insurance.			
			CLIA-HCFA was mandated that states only pay non-exempt lab procedures to labs that are CLIA certified We currently obtain the CLIA certificates at the time of enrollment but we don't technically meet the federal requirements.			
Total				**83,769.00**	22,190 00	61,579 00
TECS	0703		TPQY direct access			
TECS	0703		Complete the Web Enablement portion of the TANF Medicaid project from the 99-01 biennium, including the conversion to the new inference engine necessary to multi-thread.			
			moved from base budget to OAR			
Total				**1,129,675.00**	507,281 00	622,394 00

Child Support	0705	Improve operations comprehensive CSE system must perform all functional requirements within legislated timeframes specified. We have many maintenance requests to fix or enhance the existing FACSES system that have not been addressed at this time due to trying to meet the certification requirements.			
		We have several needs for overall managing our data information			
		Currently, new hire information is either faxed or mailed in. We would like to see the form electronically available to the employers.			
		Massive amounts of receipts on a daily basis. Six months worth of receipts covers an entire wall of filing in one area alone. Need Receipts on CD's.			
		The massive amounds of space used for keeping case files has become a major space issue that has to be addressed Case Files on CD filing system			
		There is great demand from the public for this service and it will help collection efforts on our end. Need electronic funds transfer available from checking/savings acounts.			
		Electronic funds transfer into checking/savings accounts for disbursement of child support. There is great demand from the public and it will help our disbursement effors			
		Web - Home page update. The data is dated and adding new stuff takes a long time. Need to keep the information current and timely adding the new data			
		Credit card receipts. Anticipate accepting credit card payments in the near future.			
		Scan technology for checks. Manually copying checks that do not have remittals with them. If thechnology has the capability to recognize the check amount, the VIPRS data entry will be considerably reduced. We want to use it it/when available.			
Total			**382,500 00**	130 050 00	252 450 00

Foster Care - CCWIPS 0706

ARIS	0707	Ans Modules - These modules will make the entry and editing of services more reliable by limiting staff to correct codes. The use of additional modules will add in the monitoring of medications, help with alerts for insurance purposes. Part of the implementation would include developing on-going system to download data to centers for their day to day use.			
Total			**122,874.00**	112,087 00	10,787 00
TEEM	0708	Enhance system to add applicant diversion criteria			
		Enhance system to add pay after performance criteria			
		Enhance system to include Tribal demonstration project which would encompass tribal federal TANF reporting			
		Enhance TEEM assessment, both question changes and rules for administration.			
		Build processing for ADB in household with children			
Total			**1,087,196.00**	285,646 00	801,550 00
ASSIST	0709	Need ability to select all addresses associated with an ARP (Agency Related Person).			
Total			**9,900.00**	9,900 00	0 00
Developmental Center	0710		0 00		
State Hospital	0710	Collection and retrieval of PPD and immunization record Information is carried forward from episode to episode Involves adding new data, updating data, display data to screen and printing of report.			
		Currently users enter the episode number or do a name search for one patient. Change to be able to select more than one patient and process each patient one at a time Similar to the Pharmacy processing queue where more than one order can be selected.			
		Ability to display a list of orders on the screen that will expire withing the next n number of days (default n=3) for the current physician, another physician, or by all patient on a unit. A list would display and the physician can select which orders			

		Currently expired orders need to be discontinued. Change the program so that expired orders are not discontinued by the user. Instead they would be marked as expiring naturally and would not be displayed with the current active orders.			
		First DataBank's DTMS database with Pharmacy. Drug-food and drug-drun interaction screening.			
		When entering discharge medications, provide a list of current medications which the physician can choose from instead of having to enter the order from scratch. The ability to enter new orders that are not currently on the active order list.			
		Need to be able to print one or more extra copies of an order to specific locations around the hospital when a user enters a new, renew, or d/c's an order. Would require NDSH to fill out tables that indicate which order type, order code and location.			
		Add an option that will list all non-verified orders on the screen, regardless of which user entered the order that needs to be verified. Thy physician can select one or more orders. Each order will be displayed one at a time			
		Develop new screens that allow users to fill out requests forms and have the request form print multiple copies to other locations. Each reques form is associated with an order type.			
		Various PCR's			
Total			**147,342.00**	147,342.00	0.00
Vocational Rehabilitation	0711	911 Report - add new fields, screen changes, file changes and data element additions for a 911 report.			
Total			**13,680.00**	2,914.00	10,766.00
Liheap	0713		0.00		
IMD	0805		0.00		
Research	0816		0.00		
Provider Audit	0817		0.00		

Human Resources	0818			0 00		
Executive Director	0820			0 00		
Audit Resolution	0821			0 00		
Fiscal	0821	0816	Web Development Post data and information for public and legislative review.			
		0818	Automation of PMRS			
		0818	Automation of PMRS			
		0818	Electronic Form Creation Transfer an Security			
		0818	PMIS replacement to client server			
		0818	Web development, applicant recruitment and related information			
		0818	Merit System / Recruitment. Convert from Access to Lotus Notes.			
Total				37,800.00	20,721 00	17,079 00
Multidivisional	0822			0 00		
DD Council	0823			0 00		
Food Stamps	0824			0 00		
Child Care Admin.	0825		Maintenance issues			
Total				18,000 00	0 00	18,000 00
Basic Care	0827			0 00		
CSHS	0828		Changes are needed to CSHS application database to the clinic maintenance portion			
			Several changes to the CSHS application database The application is not working correctly.			
			Changes needed to fix a problem When they execute the HCIP return report and then try to execute it again, the program completely boos us out and shuts down			

		Changes to the Roster of children served by care coordination report, medicaid status is not correct. Care coordination of caseload/contracts report is low compared to what is should actually be.			
		F3 was setup as a short cut to enter new clients. When finished entering a client's information, and hitting f3 to save they get an error and it boots them out of the system.			
		Should not be allowing duplicates in the claims screen.			
		Changes to the Cardiac build list function in clinic maintenance should bring the last release date, but allows to enter a new release if it has changed.			
		Need to download the ICD-10 codes when Medicaid implements this change.			
		Content changes needed in CSHS pages of DHS web site.			
Total			**11,708.00**	5,034.00	6,674.00
Aging Services	0829		0.00		
Child Care	0830-0831		0.00		
Foster Care Admin.	0832		0.00		
Refugee	0833		0.00		
Mental Health & Sub. Abuse	0834	MHSIP database contains statistical information on Mental Health clients and is used for analysis and to generate various reports. Maintenance on this System.			
		MH/SA existing webpage, customers need access various materials thru our webpage. These materials include, but are not limited to, RFPs, the Prevention Resource Center catalog and PRC materials request forms.			
Total			**18,000.00**	0.00	18,000.00
DD Part H	0837		0.00		
Alcohol & Drug	0838		0.00		

Economic Assistance	0842	Add report like At-a-Glance to website. At a glance currently created from multiple source files that would need to be linked in some manner.			
		Would like to put more informtion on the web site regarding Medicaid eligibility for certain groups. May also want an interactive site that includes a worksheet that browsers can use to estimate eligibility.			
		DHS adminisrative rules, manuals, federal statuses and rules. There is a desire that these be easily downloadable and printable in a format that would be not unlike current (or agreed on future paper documents.			
		Create TANF Policy Manual - On-line and accessible from the TEEM Application.			
Total			**9,180.00**	1,908.00	7,272.00
Northwest	0843		0.00		
North Central	0844		0.00		
Lake Region	0845		0.00		
Northeast	0846		0.00		
Southeast	0847		0.00		
South Central	0848		0.00		
West Central	0849		0.00		
Division	**Cost Center**		**OAR**		
Badlands	0850		0.00		
Quality Control	0851	Automate revised federal Quality Control Food Stamps worksheet			
		Add Quality Control to the DHS webpage			

Total	**90,090.00**	42,608.00	47,482.00
	3,161,714.00	**1,287,681.00**	**1,874,033.00**

North Dakota Department of Human Services

Information Management Division

HB 1012 to House Human Resources

2001-2003 Biennium

Operating Budget Detail

Object Code 3021 Office Supplies

- What's Included 3021 Office Supplies
  - Office Supplies
  - IT Equipment Under $750
    - Increase in this Area Due to:
      - All IT equipment under $750 will now be purchased for State Hospital and Development Center
      - Previously, only Central Office and Regions IT Equipment under $750 were included.

North Dakota Department of Human Services

Information Management Division
HB 1012 to House Human Resources
2001-2003 Biennium
Operating Budget Detail
Object Code 3025 Professional Supplies and Materials

- What's Included in 3025 Professional Supplies and Materials
  - Technical Reference Books on Technology
  - Resource Guides- how to guides for using technology
  - Technical Support
    - CD's containing technical service manuals
    - Hours of Technical Services from Companies such as Microsoft and IBM.
- Spent to date in for these Items is $27,339
- Projected spending for 1999-2001 Biennium is approximately $35,000

North Dakota Department of Human Services

Information Management Division
HB 1012 to House Human Resources
2001-2003 Biennium
Operating Budget Detail
Object Code 3033 Miscellaneous Supplies

- What's Included in 3033 Miscellaneous Supplies

  - Miscellaneous Operating Expenses

  - Decrease due mostly to IT Equipment Under $750 included in 3021- Office Supplies

HB 1012

Senate Appropriations Committee

HB 1012

David Nething, Chairman

March 5, 2001

Chairman Nething and members of the Senate Appropriations Committee, my name is Roger Hertz and I am the Director of the Information Management Division (IMD) of the Department of Human Services (DHS). I will be providing you with an overview of the Department's requested technology budget for the 2001-2003 biennium. I will also identify the areas where the House has changed the Executive Budget and discussing the technology needs related to implementing the federal requirements of the Health Insurance Portability and Accountability Act (HIPAA). The budget request for HIPAA is contained in HB 1196.

PROGRAM PURPOSE STATEMENT

The purpose of the Information Management Division is to provide customer services relating to technology and information management to DHS staff so they have the technology and information they need.

The Department's technology exists for the sole purpose of supporting the goals and objectives of the Department as outlined in our strategic business plan.

SERVICES INCLUDED

- Operation and administration of the network.
- Technology purchasing.
- Technology support for hardware and software.

- Project management of technology projects.
- Software maintenance and development.
- Data entry.
- Information technology consulting.
- Coordinate technology training.

MAJOR ACCOMPLISHMENTS

- Medicaid/TANF project on schedule and budget.
- Medicaid Management Information System - Decision Support System completed on time and within budget.
- Child Support System (FACSES) received federal certification and has received a favorable verbal review for PWORA certification requirements.
- HIPAA project has begun the planning phase.
- Year 2000 project completed with no interruptions in technology services.
- DHS network redesigned and upgraded.
- Technology standards established for the Department.
- Project managers trained in project management techniques.
- Technology support for the Regional Human Service Centers, State Hospital, and the Developmental Center has been consolidated.
- Continuing coordination and planning with ITD has occurred.
- Planning activities with County Directors Association has been established.
- Operation and maintenance of the Department's computer network that connects 2000 individuals was completed. This network provides the infrastructure for the business functions and spans state and county governments in the delivery of human services.

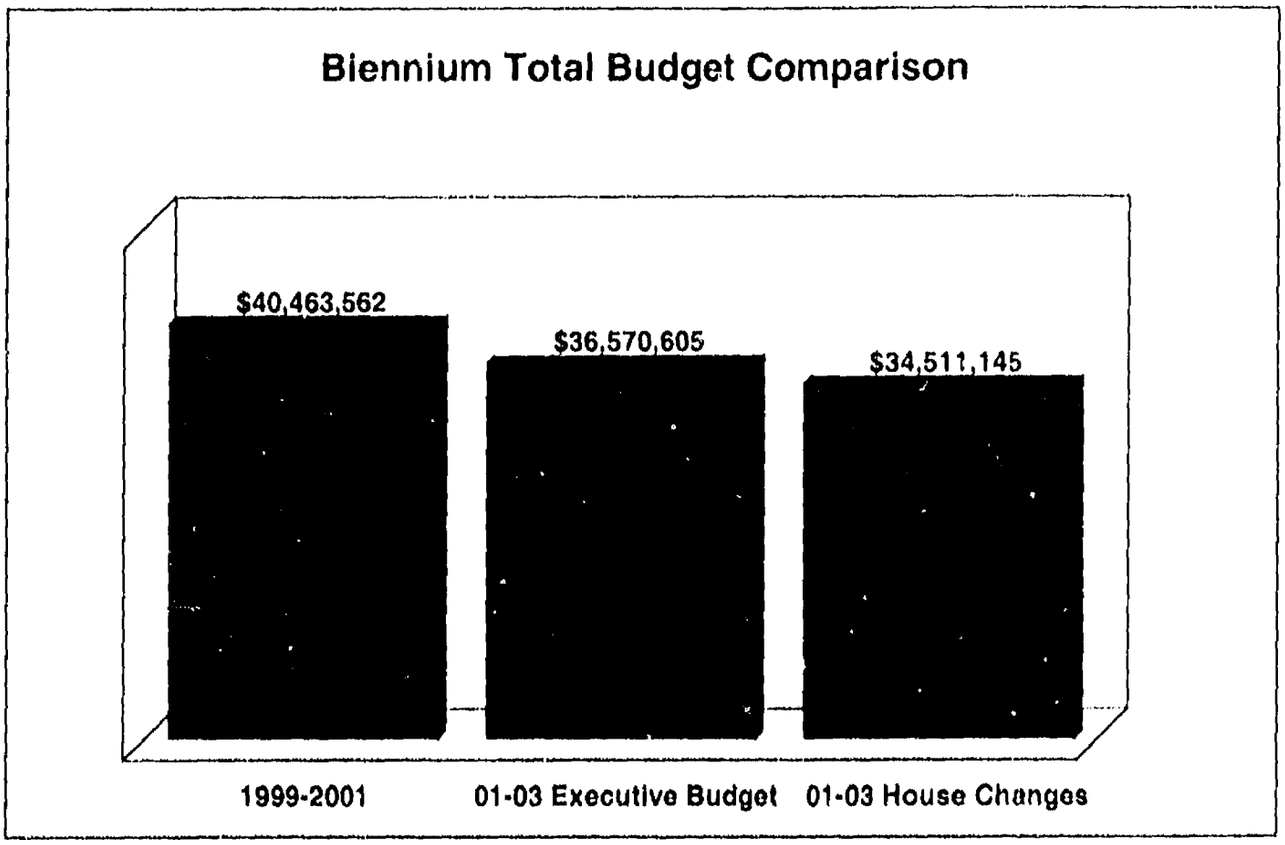
- Maintenance and operation of the Department's 35 major computer systems was completed. These systems support the delivery of human services across the state.
- We continue to plan, coordinate, and implement technology solutions through our partnership with the Information Technology Department (ITD).

CONCERNS

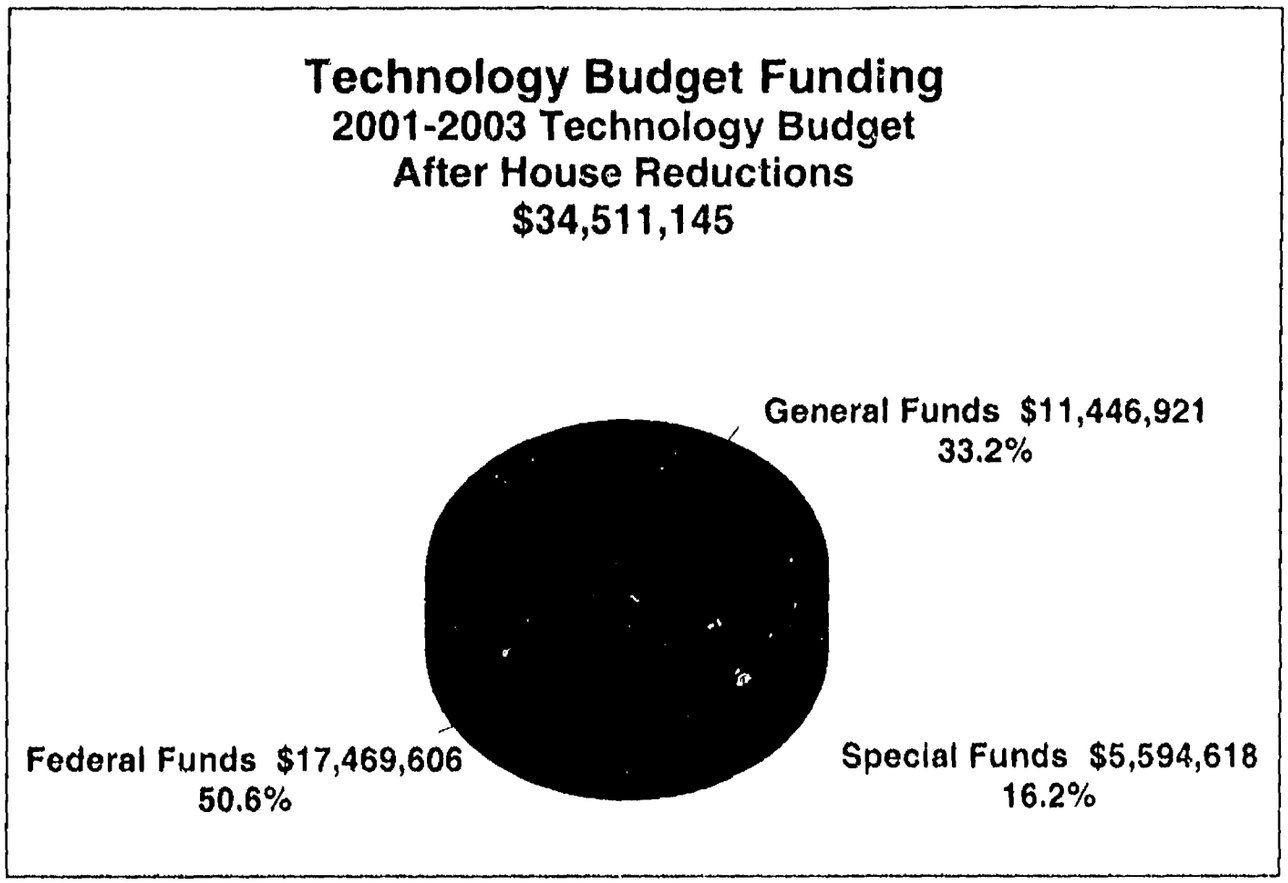
- Retention and Recruitment of Technology Staff.
  - The demand for technology staff continues to produce a growing national shortage of skilled technology staff. As we continue to use more technology to support our business needs, the need to recruit and retain skilled technology staff becomes strategically critical.
  - I am concerned as the gap widens between the public and private sector salaries that we will experience higher levels of turnover. Turnover is very expensive in that we generally pay the replacement as much, if not more than the person who left. Additionally, we have to provide training and teach them about our business. The inability to recruit and retain information technology staff results in increased operational costs and lost opportunities. We need to be able to find ways to retain the staff we have invested in and recruit staff needed to fill vacancies.

TOTAL INFORMATION TECHNOLOGY BUDGET

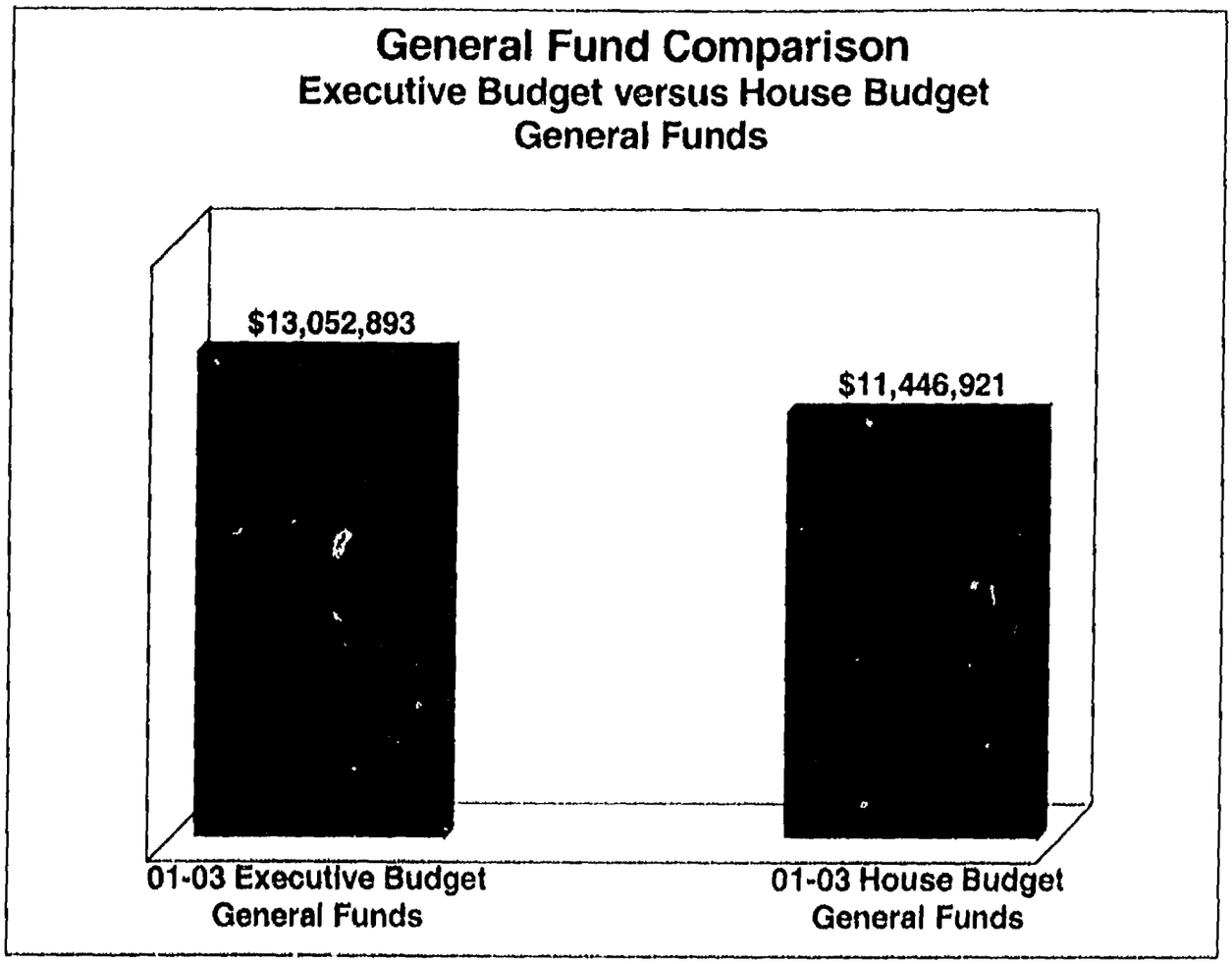
The following chart reflects the technology budget from the 1999-2001 biennium, the 2001-2003 Executive Budget, and the 2001-2003 Budget after the house reductions were made.



The following chart outlines the overall funding sources for the $34,511,145 technology budget after the House reductions.



The following chart outlines the differences in funding sources from the 1999-2001 biennium to the 2001-2003 biennium.



BUDGET INCREASES / DECREASES:

Salaries

- $468,149 increase with a general fund increase of $133,546.
  - This increase is due to the recommended salary package, and increases planned for retention and recruitment of information technology staff.

Operating Expenses Major Changes

I would like to review the other major changes that affect the 2001-2003 operating budget. Those major changes are:

- $3,527,013 decrease due to the repayment of a large part of the TEEM contract payments that were financed. This will leave a remaining balance of $565,651 to be paid off in the 2001-2003 biennium.

- ITD rate changes in processing, programming, and network services as follows:
  - Programming rates increased on average of 9%.
  - Network rates increased from 38% to 69%.
  - Processing rates decreased by 10%, but the decrease will be offset by a trend to increased utilization.

- $412,225 allocation of cost to the Department for the new ATM network hardware, all general funds.

- $766,196 increased ITD costs for County Regional Child support processing costs. This was determined to be a "SWAP" cost and this is the first budget cycle that we included it.

- All enhancements to existing systems and technology projects is in one optional budget adjustment, OAR 205. The balance of the operating budget contains base costs to operate the existing technology across the entire Department.

Operating Expenses and Reductions Made by the House

The Executive Budget for operating expenses was $30,109,702.

The House of Representatives reduced this by $1,036,735 with a $583,792 reduction in general funds.

The following are the House changes to the operating budget, along with the impact on the Department:

1. Reduction of $101,500 in general funds from operating.

    - The impact of this will be that the reduction will have to be absorbed from our base operating costs. Most of the funding in the operating budget is for base costs that we have little discretion over.

2. Reduction of $637,000 in general funds from operating for proposed system enhancements. The House then restored $250,000 in general funds, which could be used in either operating or equipment. We plan to use this in operating for system enhancements since we believe this is a higher priority. Therefore, the total reduction is $387,000.

    - This reduction will have a significant negative impact on being able to complete these needed

enhancements. These enhancements are needed to implement federal changes of $619,000, to fund over $1 million in base operating costs that could not be funded in the base budget, and to make other improvements in the Department's computer systems.

3. Eliminating of the Windows 2000 project $453,320 and $249,326 in general funds. The impact on the Department is best expressed by the reasons for requesting funding for this project, which are:

- This project would have been a part of a statewide direction that we have been planning with the Information Technology Department (ITD).

- The Department of Human Services is currently using and therefore having to support three different operating systems, Windows 95, Windows 98, and Windows NT. This project would convert the Department to a single operating system, which would allow more efficient technical support.

- Microsoft has indicated that it will be discontinuing support for these operating systems in the next biennium. Without implementing Windows 2000, our mission critical technology would be operating on a product that is no longer supported by Microsoft.

- Windows 2000 contains increased security functions, which we believe will be needed as we implement HIPAA.

- Windows 2000 provides improved security to share information from one agency to another. We currently share information with several other state agencies such as Job Service, Department of Transportation, and the Department of Public Instruction.

- The Windows 2000 project is also directly related to our equipment budget. In order to convert to Windows 2000, a personal computer with a minimum processing power is required. Without funding for our full replacement cycle of personal computers, we will not be able to provide the minimum processing power required to fully implement Windows 2000 across the entire Department. I will follow up on this more as I discuss the House reductions in equipment.

4. Reduction of $250,000 in general funds from the Departmental Case Management project. The House reduced the general funds for this project from $750,000 to $500,000 and this reduced the project total from $1,500,000 to $1,250,000.

    - This project would build upon the Departmental Case Management system to be implemented for the Regional Offices as a part of our HIPAA solution. It

would move us towards the goal of a single Department Case Management system.

- This project would add the case management needs of the Children and Family Services division into a department-wide case management system for services.

- The estimate for this project was based upon completing a basic case management project. The impact on this reduction is that it will have to be scaled back.

5. Moving $412,225 in general funds from equipment to operating in order to pay ITD for the ATM network equipment. This was a correction to the budget to place these funds in the correct area. This change has no impact on the budget.

6. Miscellaneous operating amounts of $8,640 was eliminated when requests for technology for new positions were eliminated.

Additionally, the following technology projects were funded:

- Child Support changes. $1,416,440 and general funds of $934,851
  - This project will implement other federal required changes to the child support program.

- Document management system. $250,000 and general funds of $112,976.

- This will allow us to better manage electronic documents. By better management of these documents we can avoid the expense of having to pay for storage of documents not needed.

Equipment

The Executive Budget proposed $2,208,429. This increased by $447,784 with a general fund increase of $399,552 to a total of $1,705,045.

The House reduced the general funds and moved funds from equipment to operating, which together reduced the request for equipment from $2,208,429 to $1,185,704. Details of the House changes are:

1. A correction in the budget to move $412,225 from equipment to the operating budget. This amount represents the Department's share of equipment for the new ATM network equipment. Since this amount would be payable to the Information Technology Department (ITD), this amount should have been in the operating budget rather than the equipment budget.

2. Miscellaneous equipment tied technology for new positions, which was eliminated by the House in the amount of $10,500.

3. Reduced the general funds by $600,000. Most of this budget funds our six-year replacement cycle for equipment. In our testimony for the 1999-2001 biennium we had testified that the Department was using a four-year replacement cycle. Through the use of "best practices" in the management of

technology and the skill of our technology staff, we have now increased our replacement cycle to six years.

- The impact of this House reduction will be to increase our computer replacement cycle from six years to at least an eight-year replacement cycle. We believe that a six-year replacement cycle is very conservative. The following chart identifies our replacement cycle compared to others in state government.

Cycle Years	Agency
6	Department of Human Services
4	Legislative Assembly
3	Information Technology Department
4	University of North Dakota
4	Department of Transportation
3	North Dakota State University
3	Bank of North Dakota
3	Job Service North Dakota
4	Department of Public Instruction
3	Workers Compensation Bureau

- The Windows 2000 project cannot be fully implemented if the funding for that project is restored. As I testified earlier, in order to convert to Windows 2000 a personal computer with a minimum processing power is required. Without funding for our full replacement cycle of personal computers, we will not be able to provide the minimum processing power required to fully implement Windows 2000 across the entire Department.

We are asking that the Senate strongly consider restoring the $600,000 general fund reduction made by the House. The periodic replacement of equipment is recognized as a best practice in the management of information technology.

Grants

This amount was reduced by $401,477 with no general funds involved. During the 1999-2001 biennium we provided grants to the counties to pass through the enhanced federal share to purchase equipment for the Medicaid TANF project. This allowed the Department to pass through the 90% federal match, with the counties providing the 10% non-federal share. We do not anticipate providing this pass though in the 2001-2003 biennium. The time has expired for the 90% funding that made this possible.

Network Technology

$100,000 was included in the 1999-2001 budget. This amount was removed from our budget, resulting in a $50,000 decrease in general funds. During the 1999-2001 biennium we used the funds in a pilot mode to provide technology support to the counties that administer the programs supervised by the Department. From this effort we have now determined what technology services the Department will provide. For the technology services that are not the Department's responsibility we are encouraging the counties to use the Association of Counties to provide the support.

Health Insurance Portability and Accountability Act (HIPAA) - HB 1196

The funding for HIPAA is contained in HB 1196.

The Executive Budget request for the HIPAA project was $8,926,141. HIPAA was funded with $5,055,347 in federal dollars and $3,870,794 in special funds from the Health Care Trust Fund.

The House reduced the funding for HIPAA by $870,794 from the Health Care Trust Fund, reduced the total project budget to $8,055,347, and moved funding to HB 1196. The discussion with the House on the reduction was that they wanted to slow the funding for the areas without final rules, which would have been the privacy rules. Since the privacy part of HIPAA is funded at 50/50 the actual effect of the reduction is that the total project budget becomes $7,184,553 ($870,794 X 2 or $1,741,588).

Before I discuss the impact of the House change I will provide a brief overview of HIPAA.

- HIPAA affects the entire health care industry, both government and private.

- HIPAA's basic concept is to standardize how health care information is shared electronically.
    - Before HIPAA - currently there are many different formats used to exchange electronic information by the health care industry.
    - After HIPAA - There will be one format that all of the healthcare industry will use.

- HIPAA affects health care organizations that are:
  - Payers of health care.
  - Providers of health care services.

- HIPAA affects the Department, as it is both a payer and a provider.
  - HIPAA affects the Department where we are a payer of medical claims such as in Medicaid, Children's Special Health Services, Developmental Disabilities, Aging, and Basic Care.
  - HIPAA affects the Department where we are providers of health care such as at the State Hospital, Developmental Center, and the Regional Human Service Center Offices.

- HIPAA regulations are comprised of nine standards, all of which is being released one at a time.

  1. Electronic transactions
  2. Privacy
  3. Security
  4. Provider Identifiers
  5. Employer Identifiers
  6. Health Plan Identifiers
  7. Claims Attachments
  8. Enforcement
  9. Individual Identifiers

I have included two attachments at the end of my testimony that will provide you with information on HIPAA in general and the nine standards of HIPAA.

- Requirements of each rule must be implemented in 2 years and 60 days from the date of final rules. The reason for the deadlines is to ensure that the entire health care industry gets this implemented and implemented through a coordinated effort. Implementing HIPAA will not achieve its objectives if one organization has completed it and others have not. Without a coordinated implementation, dual systems would have to be operated, increasing costs.

- Electronic Transaction rules were the first to be finalized on August 17, 2000. Compliance is required by October 16, 2002.

- Privacy rules were finalized on December 28, 2000. Compliance is required by April 14, 2003.

- HIPAA rules require all business partners to implement the rules or an organization is prevented from doing business with those partner.

- There is much discussion since President Bush took office that he will delay or extend implementation timeframes.
  - Health Care Organizations are pushing for extended timeframes.
  - Consumer groups are pushing for implementation as scheduled.

- Early indications are that health care organizations are not waiting to see what will happen but are moving ahead, given the timeframes for implementation.

- Penalties do apply for failure to implement timely. While the rules for penalties have not been finalized, some computations place the penalty at over $1 million for violation of just one of the standards.

In summary, implementation of the changes required by HIPAA will require a very large effort for the entire health care industry. Ultimately HIPAA will require the Department to make a number of major changes to many computer systems and business processes. Unless the timeframes for completion are extended, the Department will need to move forward very aggressively in order to avoid penalties. Therefore, we are requesting this as an emergency measure to allow us to begin the work to convert our systems to comply with HIPAA regulations.

Impact of House Reductions on HIPAA

As I previously testified, the House reduced the Executive Budget by $870,794 in special funds from the health care trust.

The HIPAA budget was developed based upon three of the nine regulations that we felt we would have to implement in the 2001-2003 biennium. These are electronic transactions, security, and privacy. The electronic transactions appear that they will move ahead, while there is some question if a delay will be granted for privacy.

The House reduction will force us to be unable to implement the privacy rules as planned. Since the privacy rules were final on December 28, 2000 they will have to be implemented by April 14, 2003 to avoid penalties, unless the federal government takes additional steps. The privacy regulations carry with them very heavy penalties, as their intent is to protect patient's health care information. Major risk exists in not

We could debate whether the $8,055,347 (or $7,184,553 which will be the total project dollars matchable with the available state funds) included by the House is adequate to provide for all the needs of HIPAA. To further try to substantiate our project budget for HIPAA, we reviewed what other states are planning on spending for HIPAA implementation. The following estimates are just to implement the Medicaid changes (the payer changes). Keep in mind the Department is both a payer and provider and must implement changes in both areas. The estimates from other states are:

State	Planning	Implementation
Montana	$10 Million	
Florida	$1.2 Million for planning	$16 Million for implementation
Arizona	$1.5 Million for planning	$14.3 Million for implementation
Maryland	$10.3 Million They are only a payer, no provider functions	
West Virginia	$900,000 for planning	$15 Million for implementation

While there are certainly differences from state to state, I believe this demonstrates that our original $8.9 million estimate in the Executive Budget is a reasonable and perhaps a low estimate for a project of this size, complexity, and fixed implementation schedules.

We have also discussed with Noridian what their estimate is to implement HIPAA. Noridian is estimating between $6 and $12 million to implement HIPAA. Keep in mind Noridian will only have to comply with the payer functions, while the Department must comply with both the payer and provider functions. During a House Human Resources meeting, Noridian indicated they were assigning 80 staff (17 new FTEs and 63 existing FTE's) to the HIPAA project.

indicated they were assigning 80 staff (17 new FTEs and 63 existing FTE's) to the HIPAA project.

Very recently a vendor provided us with an overview of HIPAA and a preliminary assessment of the Department's current plan for HIPAA. While they concluded the Department had done a lot of good planning, they also indicated that we had a long way to go. They provided us with a $1 to $1.5 million estimate to help us with our total assessment phase. This is just the assessment and does not include the most expensive piece, which will be implementation.

What all this information strongly suggests is we will need, at a minimum, the entire $8.9 million appropriation that was requested in the Executive Budget.

In review of HIPAA here is what the Department must deal with:

1. Mandatory yet staggered timeframes for completion.
2. Timeframes for completion have started on August 17, 2000.
3. Substantial penalties for non-compliance.
4. Coordination with our business partners.
5. Implementation will require major changes in the Department's technology. HIPAA will take us into some new areas of technology with which we have little or no experience.
6. The Executive Budget for this project was based on a number of unknowns; therefore, the proposed budget may not be adequate.
7. The 1999-2001 technology budget did not contain funding for HIPAA.

Our conclusions in reviewing the requirements of HIPAA are:

- The Department's opportunity to appropriate adequate funds for this project is now. Once the legislature completes their work, the next opportunity is in two years. We need adequate funding now as the two years and sixty days allowed to implement is elapsing.

- There is great financial risk for the Department for not complying.

- There is risk to the confidentiality of health information for the people we serve.

- There is risk of increased costs for the private sector to do business with the Department should we not comply.

All of these facts force us to ask, is this a project we can afford to take a chance on not being adequately funded? If we should fail in the project, we could incur substantial financial penalties, while still being required to spend the funds to comply.

We are asking that the Senate strongly consider restoring the $870,794 special fund reduction made by the House.

In summary, we ask for your consideration in restoring the funds for the critical areas of HIPAA and equipment that Carol Olson highlighted in her testimony.

Thank you and I would be happy to address any questions.

Attachment 1

RACING TOWARD AN INFORMATION AGE OVERHAUL

By Tod Newcombe, Features Editor

IF STATES THOUGHT Y2K WAS BEHIND THEM AND THE ROAD TO ELECTRONIC GOVERNMENT WAS WIDE OPEN, THEY'D BETTER LOOK AGAIN. That fast-approaching object in the rearview mirror is an ungainly set of regulations known as the Health Insurance Portability and Accountability Act (HIPAA). Signed into law by President Clinton in 1996, HIPAA's full impact will be felt in two years when all health-care organizations, including state Medicaid programs, must comply with stringent regulations governing the electronic management of medical information or face severe penalties.

These regulations are aimed at dramatically improving the privacy and confidentiality of medical patient information and standardizing the reporting and billing processes for all health and medical related information. Like Y2K, there is a hard and fast deadline for meeting HIPAA requirements. But unlike the millennium bug, which was just a technology glitch, HIPAA has legal, regulatory, process and security issues, in addition to technology concerns, which must be evaluated and addressed over the next 24 months.

> "WHILE THE GOAL OF STANDARDIZATION IS LOGICAL IN TODAY'S ELECTRONIC WORLD, IT MAY NOT MAKE SENSE IN ALL SITUATIONS."-- *LISA DOYLE, A MEDICAID INFORMATION SPECIALIST OF THE WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES*

How big an issue is it? Most experts agree that HIPAA is the largest government action in health care since Medicare was introduced. Every health-care system, from the smallest practice to the largest hospital and insurance provider, will be affected by the new rules. A number of state and local government agencies and departments will feel the impact of HIPAA as well. No organization will be more affected than state Medicaid programs. "Medicaid is the big gorilla here," said Doug Schneider, vice president of The MedStat Group, a health information company based in Ann Arbor, Mich.

Not surprisingly, state officials are growing concerned. "Everybody is nervous," exclaimed Jack Frost, CIO of the Maryland Department of Health and Mental Hygiene (DHMH). "If all we had to do was change an automated system, that wouldn't be all that difficult. But we're dealing with numerous other organizations that send or receive data, and we have to coordinate the interfaces between state agencies, HMO's and departments internal to Medicaid."

In addition to the headaches of trying to simplify a complex system for handling claims and transactions, states face a huge bill for the expensive overhaul they must undertake. The U.S. Department of Health and Human Services (HHS) pegs the conversion and related privacy costs for the entire health-care industry at a conservative $3.8 billion over five years. But the BlueCross BlueShield Association released a report last year that forecasts costs going as high as $43 billion for the same period. Other experts place the final bill at around $12 billion. But nobody really knows for sure.

The Gartner Group has told health-care payers, which include state Medicaid programs, that HIPAA-mandated changes could cost as much as four times their Y2K budget. For state agencies -- such as DHMH, which spent $9 million on fixing Y2K problems -- the final bill for HIPAA could be astronomical. And as Frost points out, there's no federal money earmarked to cover HIPAA. "This will come out of our hide," he said.

Giving Something Back

Congress may have rejected Hillary and President Clinton's universal health-care plan in 1993, but they also knew Americans were in favor of improved coverage, greater privacy and lower costs for the nation's health-care system. In an effort to give the public something in the wake of the health-care fiasco, Congress and the president agreed to a series of regulations that would:

* close gaps in health insurance portability;
* protect the privacy of personal health information;
* reduce fraud and abuse; and
* simplify the reporting and billing of transactions.

HIPAA was signed into law in 1996 and gave Congress a deadline of August 21, 1999 by which to set standards for information security, privacy and transactions. When Congress failed to meet its self-imposed, two-year deadline, HHS took over and issued its own regulations. The first nine standards were adopted in June 2000 and gave the health-care industry until August 2002 to comply.

Privacy standards, perhaps the thorniest issue from a political standpoint, have yet to be finalized. Proposed rules call for health-care providers and insurance companies to advise patients of their rights and tell them how personal medical information might be disclosed. HIPAA also limits unauthorized access to patient records and sets penalties that can reach as high as $250,000 and up to 10 years in jail when privacy is breached for financial gain. For state IT directors, complying with HIPAA's privacy requirements is primarily a matter of computer security, a task already under way as agencies conduct more and more business

over the Internet. "Security of medical information is what we have to do for electronic government anyway," said Frost.
What excites most experts and concerns many Medicaid directors about HIPAA are the requirements for "administration simplification." By setting uniform national transaction standards -- based on electronic data interchange (EDI) -- for all health plans, employers, providers, payers and clearinghouses, HIPAA potentially could drive down the administrative costs of health care.

By stripping away many manual processes and using computer-to-computer transactions driven by EDI, health-care providers could save as much as $9 billion annually, while payers, such as federal and state governments, could save as much as $26 billion per year, according to the Workgroup for Electronic Data Interchange (WEDI). Other studies put the savings around $1.30 for every claim filed. Either way, HIPAA could squeeze huge savings out of the country's enormous health-care system.

IMPLEMENTATION STRATEGIES
MEDICAID IMPLEMENTATION STRATEGIES FOR HIPAA:
* CREATE AWARENESS CAMPAIGN.
* CONDUCT COMPREHENSIVE INVENTORY OF DATA SYSTEMS.
* CONDUCT RISK ASSESSMENT FOR EACH DATA SYSTEM.
* ESTABLISH COMPLIANCE PLAN FOR EACH DATA SYSTEM.
* CREATE TASK ORDER, SOLICIT VENDORS AND SELECT FINALIST.
* MONITOR VENDOR PROGRESS.
* MONITOR ONGOING SECURITY AND PRIVACY.
SOURCE: STATE OF MARYLAND

Besides cost savings, state Medicaid programs could also benefit from having standardized information, which they can analyze and compare with other states. "The data will allow states to compare different Medicaid plans, as well as compare themselves with the rest of the industry in a standardized way," explained Karen White, vice president of The Medstat Group. "The data will allow states to identify cost areas that are particularly high relative to neighboring states with similar demographic statistics."

Such comparisons will allow state Medicaid programs to more accurately evaluate which services and programs work and which ones don't, she added.

The reason states can't do that today has to do with the pervasive use of local codes. Because state Medicaid programs serve some of the most disadvantaged people in the country, they have to provide services that generally are not recognized by other payers. As a result, Medicaid agencies have created their own set of "local" codes to process claims for these unique needs.

Local codes used by state Medicaid programs cover a variety of claims transactions. More than 22 categories have been identified, including services for private nursing, mental health and emotional disorders, eyewear, free

immunization for children, targeted case management programs, school-based programs and so on. The codes also enable the system to conduct more comprehensive fraud and abuse audits. Although these local codes provide Medicaid programs with a great deal of detail about these unique transactions, they have made it difficult, if not impossible, to compare data from one system with another, or to standardize the transmission of claims data from one system to the next.

All of these local codes have been eliminated by HIPAA and have been replaced by standardized code sets determined by HHS. "Medicaid has relied upon those codes tremendously in the past," explained White. "But under the new rules, they can no longer use them."

Under HIPAA, a code set is any set of codes used for encoding data elements, such as tables of terms, medical concepts, medical diagnosis codes or medical procedure codes. Specifically, HHS-approved code sets cover a range of medical conditions, such as diseases and injuries, or drugs and medical procedures.

"IT'S LIKE Y2K, BUT THERE ARE UNENDING CHOICES THAT HAVE TO BE MADE."
-- JACK FROST, CIO OF MARYLAND'S DEPARTMENT OF HEALTH AND MENTAL HYGIENE

But states are not about to give up their codes without a fight. Speaking before the HHS Committee on Vital and Health Statistics in July, Stan Rosenstein, assistant deputy director of California's Medical Care Services, declared that the new set of standard codes set down by HIPAA "do not adequately support the current business needs of the Medicaid program.

Prohibiting Medicaid agencies from using local codes will preclude our ability to respond to providers and consumers, as well as hamper our ability to process claims and data efficiently," he said.

Rosenstein pointed out that, in California, local codes allow the state's Medical system to:

* react faster in providing new treatments as they become available;
* promote stricter pricing controls;
* closely monitor the use of services on a detailed level;
* respond to legislative actions affecting Medical; and
* respond to court orders within a short period of time.

By dropping its local codes and switching to the new national standards, Rosenstein said the state would be unable to support the current business needs of the Medicaid program.

Emphasizing the same point, Lisa Doyle, a Medicaid information specialist of the Wisconsin Department of Health and Family Services, told the committee that local codes are integral to the business of Medicaid. "While the goal of standardization is logical in today's electronic world, it may not make sense in all situations."

For instance, no national standards have been set for so-called "closed-loop transactions," where Medicaid is the only source of payment for specialized services.

Coordination Challenges

In addition to the code problem, Medicaid programs face the onerous task of coordinating interfaces between various state agencies, providers and departments within state Medicaid programs. "There are well over 50 interfaces in Maryland," said Frost. "It's not likely they will be ready [by 2002]."

The technology that will underpin HIPAA's new standards for simplification is an EDI translator, which will convert old transaction formats into the new standards. But, as Frost points out, there's nothing off-the-shelf that will do this for the states. "Because there's a lot of home-grown codes out there, we're going to have to write our own conversion programs," he explained.

Right now, Maryland is assessing its needs, trying to get its arms around what will soon become one of the most significant projects in the history of the Medicaid program. According to Medstat's Schneider, states like Maryland are a bit behind others that have already established budgets to cover HIPAA. All indications are that states will be making a significant effort to be compliant.

HIPAA RESOURCES:
WORKGROUP FOR ELECTRONIC DATA INTERCHANGE (WEDI)
WWW.WEDI.ORG
MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE: HIPAA WEB SITE
WWW.DHMH.STATE.MD.US/HIPAA
HIPAACOMPLY: SOURCE OF INFORMATION REGARDING PRIVACY AND CONFIDENTIALITY
WWW.HIPAACOMPLY.COM
HIPAA PREPAREDNESS: ONLINE FORUM ON HIPAA WWW.HIPAA-IQ.COM/
THE MEDSTAT GROUP: HEALTH INFORMATION COMPANY
WWW.MEDSTAT.COM/
SOURCE: STATE OF MARYLAND

That's not entirely the case in the commercial sector. Less than 25 percent of hospitals and less than five percent of physician practices have initiated HIPAA-compliance activities, according to KPMG. Many providers and practices complain that Y2K has drained them of the resources necessary to cover HIPAA. Rumors are rife that some providers and physicians will revert completely back to paper, rather than comply with the new regulations. "If that happens, we'll have to

gear up transcription services to handle the paperwork," said an exasperated Frost.

Despite the long and arduous task ahead, and the risks that go with such a system overhaul, most experts say the effort will be worth it. "There are significant benefits to receiving data in a standardized format," emphasized Schneider. Even Frost, who is unsure whether all benefits will pan out, said protecting medical information and improving the quality of the data is a benefit to everyone involved.

Still, there's a certain gnawing fear that HIPAA could overwhelm state resources as Medicaid agencies race against the clock to become compliant. "I don't know if we'll make it," cautioned Frost. "We might get bogged down in the complexities. That's what scares me the most. It's like Y2K, but there are unending choices that have to be made."

By Tod Newcombe, Features Editor

HIPAA Overview:

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) was enacted as public law 104-191 on August 21, 1996. Title II of the law, Administrative Simplification, affects the entire health care industry, including providers, health plans (payers), clearinghouses, and individuals. The intent is to:

- Simplify administrative and financial data transactions.
- Regulate the security and privacy of electronically stored and transmitted patient health information.

To accomplish the intent of the law, the Secretary of Health and Human Services is required to adopt standards in the following areas:

Standard	Description	Status of Rule	Date of required compliance
Electronic Transactions	Standard codes and formats for eight electronic health care transactions	Final Rule Published August 17, 2000	October 16, 2002
Privacy	Standards for how an individual's health information is used	Final Rule Published December 28, 2000	April 14, 2003
Provider Identifier	A national identifier for every provider	Proposed Rule published May 7, 1998	Final rule expected Q2 2001, compliance required by Q2 2003

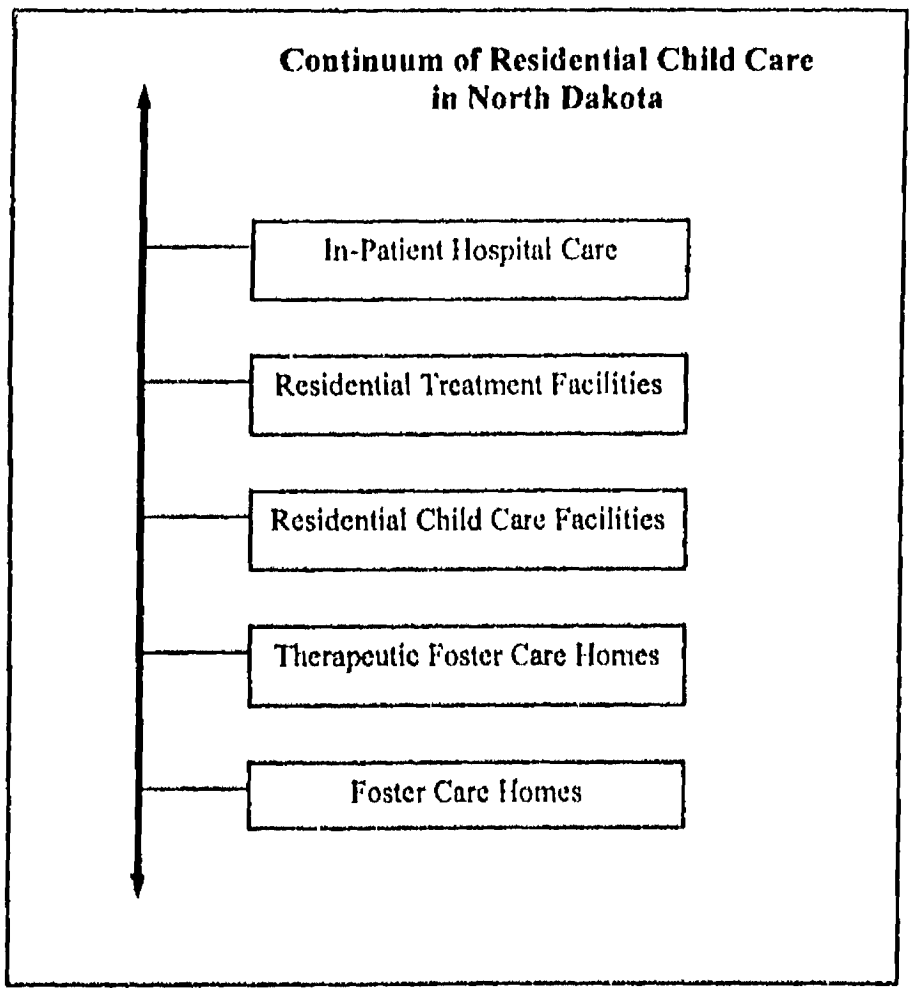
Employer Identifier	A national identifier for every employer	Proposed Rule published June 16, 1998	Final rule expected Q2 2001, compliance required by Q2 2003
Security and Electronic signature	Standards for the protection of information	Proposed Rule published August 12, 1998	Final rule expected Q2 2001, compliance required by Q2 2003
Health Plan Identifier	A national identifier for every health plan	Proposed Rule expected 2001	
Claims Attachments	Standard format for electronic claims attachments	Proposed Rule expected Q2 2001	
Enforcement	Details of how standards will be enforced	Proposed Rule expected 2001	
Individual Identifier	A national identifier for every individual	Proposed Rule not published	

H.B. 1012

RCCF Association Testimony
Human Services: Senate Appropriations Committee
3/01/2001

Chairman Nething and members of the Senate Appropriations Committee.

My name is Tim Eissinger. I presently serve as Chairman of the Residential Child Care Facilities Association for North Dakota. The RCCF Association is made up of privately owned and operated, not-for-profit residential child care facilities and group homes from across the state. Membership includes Home on the Range in Sentinel Butte and Fargo, Prairie Learning Center near Raleigh, Charles Hall Youth Services in Bismarck, Eckert Youth Homes in Williston, and Dakota Boys Ranch in Minot and Fargo. This group has the combined capacity to serve over 250 young people and their families.



My comments are given in support of the proposed $50 Optional Adjustment Request proposed in the ND Department of Human Services budget. Historically, reimbursement for the social service component of residential childcare has been capped at $300 per child per month. In place since July of 1997, this cap on the social service rate has always presented a measure of challenge to those providing this level of care.

Present North Dakota reimbursement guidelines reimburse residential child care facilities for approximately 80% of the cost of care. Individual agencies have been responsible for raising the balance of their operating costs.

Agencies licensed at this level account for the shortfall in revenues through area church and community donations, agency foundations, thrift store operations, grants and other forms of charitable contributions.

When viewed from a humanistic viewpoint, this model represents much of what is great about North Dakota. Citizens, Churches, communities and foundations coming together to ensure appropriate care for the children of North Dakota. As a business model, however, this presents increasing challenges.

On the one hand, the competition for grants is increasing and accessing charitable dollars has become more challenging. It takes significant resources and time to pursue grants, develop fund-raising programs or set up foundation oversight. At years end, there are typically few, if any dollars left over, that can be invested in program enhancements.

On the other hand, the children we are presently serving at the RCCF level have become more challenging. As North Dakota has enhanced it's continuum of care for emotionally disturbed children, it's caused population shifts within the care system. Many children served at the RCCF level of care in the past, can now be served at the therapeutic foster care level. Children formerly served at an in-patient hospital level are now being seen at the residential treatment level and residential treatment level children are now being seen at the RCCF level.

Evidence of this shift is not difficult to find. A recent admission to an RCCF group home was covering his medical history with the agency nurse. As a part of that exam, he showed her the scar from the gunshot wound to his leg and the scar from the knife wound on his left arm. Both of these scars were due to gang violence. At that same group home, a 17 year old girl stepped out of her room with a shoe lace wrapped twice and knotted around her throat. Staff did not have enough time to undo the knots, so it had to be cut off with a scissors.

As RCCF's are challenged to design services and bring skilled social service staff on-board to help youth like these, they frequently are confronted by the social service cap. The $50 increase in the social service rate, supported by the Department of Human Services, brings us closer to covering the costs of helping these children. It is our sincere hope that you, too, will see the value in making this rate adjustment possible.

Thank you for your attention,

Respectfully,

Tim Eissinger, M.Ed., LSW
Chairman, Residential Child Care Facilities Association.

1-15-01 Public Comment #25

Tape 2-side B

Mr. Chairman and members of the Human Resources Division of the House Appropriations Committee_

My name is Ronald Hett. I am the Chief Operations Officer for The Dakota Boys Ranch Association which provides Residential Treatment and Residential Child Care Services in Minot, Fargo, and Mandan, North Dakota.

The Dakota Boys Ranch is a member of the North Dakota Coalition of Residential Treatment Providers whose members include 4 privately owned and 3 publically owned facilities within the State. DBR also is a member of The North Dakota Residential Child Care Association whose members include all of the private owned RCCF facilities across the State.

The Coalition and The Association have indicated that they support a continued moratorium on any expansion of licensing either RTC or RCCF beds in North Dakota and have requested that I present their reasons to you.

The Coalition and The Association believe that the networking their member agencies have been doing the past few years with other private and public providers has helped children and families access community based services. These collaborations have successfully reduced the reliance on institutional care for behaviorally and emotionally disturbed youth in North Dakota. Less children are needing to be placed out of their homes and the lengths of stay for those who are placed have lessened considerably.

The RTC and the RCCF facilities have been experiencing a reduction in overall bed utilization during this same period. Less than 5 years ago these agencies had their beds filled to capacity with fairly extensive waiting lists. Today, the management of bed utilization is much more efficient with referral sources having quicker access for placements.

The average lengths of stay have been significantly shortened. Dakota Boys Ranch has seen a reduction from an average length of stay of 18 months in their RCCF programs to 9 to 12 months. Length of stays in DBR's RTC programs have went from 12 months to average of 4 months.

The providers believe that the current number of out-of-state placements has been successfully reduced and stabilized as a result of the networking and the reduced over-reliance on institutional care.

#25

In our discussions with the Department of Human Services, we found that the Department is in support of continuing the moratorium. We are dedicated to work together with the Department of Human Services to continue to refocus existing resources toward opportunities to help keep families together or appropriately reunite them as soon as possible. Limiting the expansion of institutional beds would serve to support the direction of this work.

Thank you for your attention.

Respectfully,

Ronald R. Hett
Chief Operations Officer
Dakota Boys Ranch Association

Attach 10

Home On The Range Testimony
Program and Policy Subdivision
Children and Family Services
Senate Appropriations Committee
3/1/01

Chairman Nething and Senators serving on the Appropriations Committee.

My name is Diane Szudera. I have worked at Home On The Range for the past 17 years. Home On The Range is a licensed Residential Child Care Facility, with locations in Sentinel Butte and Fargo, North Dakota.

In November 1998, the Budget Committee on Government Services submitted a report to the Legislative Council. This report was a result of Resolution No. 4001 which directed the Legislative Council to, among other things, "monitor methods of setting and levels of reimbursements for residential child care facilities."

One of the conclusions this Committee reported was that...

> *"The reimbursement formula provides for a maximum monthly reimbursement rate for s[illegible]al service costs of $300 per child per month. Because most facilities' cost for social service related activities exceed the $300 maximum, facilities must rely on fund-raising to support these activities at an appropriate level."*

This conclusion was reached using figures from 1996. Since that time, Residential Child Care Facilities' costs have continued to rise. Many facilities have created new programs to meet the needs of the kids being referred to us--programs for on-site drug and alcohol treatment, sexual offender treatment, specialized programs for younger children, children involved in gangs and low-functioning children to name a few. Due to the large number of children in placement on medication and psychotropic drugs, specialized training of staff to deliver medication has been necessary. Facilities find it increasingly difficult to fill the gap between the cost of operating and the amount we are funded.

I would like to present you with a couple examples of children recently placed at our Residential Child Care Facility:

John is 15 years old. He has a history of stealing, vandalism and anger problems. He recently threatened a peer with a knife. He is a victim of sexual abuse and is a sex offender. He is diagnosed with Mood Disorder, ADHD, Disruptive Behavior Disorder and Emotional Disturbance. He has been in residential treatment and several foster homes since he was 12 years old.

Jane is also 15 years old. She has a history of creating conflict wherever she goes. She was charged with simple assault for kicking and punching a peer at her last placement. She has chemical dependency issues and has been hospitalized numerous times for threatening suicide and carving on herself. She is a victim of sexual abuse. Jane has been in numerous out of home placements since the age of 12.

These are typical kids placed at our facility. Years ago, these kids would have been placed in the State Hospital or Residential Treatment. Residential Treatment facilities and the State Hospital receive full reimbursement for their cost of social services–Residential Child Care Facilities do not.

In conclusion, the Residential Child Care Facilities request your support of the $50 per month increase in social service reimbursement. This increase is supported by the Department of Human Services and is included in their budget as an O.A.R. (Optional Adjustment Request).

Thank you for your attention,

Diane Taylor Szudera
Business Administration Director
HOME ON THE RANGE

Gin Ohnstad

1-30-01

#6

Good Afternoon, Chairman Swedgan and committee members. I am Ohnstad from Fargo. I am here to testify in regards to House Bill 1012 concerning budget cuts with the Dept of Human Services. This would affect my son Thomas Ohnstad and myself. At this time Thomas is in Residential treatment placement out of state. We did use intensive inhome therapy in 1996-1997, which I feel without it Thomas would of been placed in residential much earlier. If this change would of happened during the time we were using intensive inhome therapy. Thomas would of not understood that it had nothing to do with him. But he would have seen it as another time someone gave

up on him. The work that had started to make a difference in our life would of been thrown out the window. In other words it would be another layer of manure thrown on the existing manure pile which really stinks. Hopefully within this year Thomas will be coming home. I can see the benefits and importance of using intensive in home therapy again. He has been in the state custody since June 6, 1998. So I feel so very grateful that the state has put out this money for Thomas. Without IFT it would leave a gap in services. All the money and time may be hindered by not having this service. I hope you will see how important these dollars are to children in partnerships.

I would also like to address

the issue of cutting the budget affecting family supports. The Federation of Families children mental Health organization. Has given me so much supports with Advocacy, the Training, trainings, Legislative Knowledge, support meetings, Myself to be a Advocate for my son, to be a Parent support specialist for other families. To empower myself and help with self-confidences.

It has been a blessings to have this option in our region, and state. I feel so privileged to have had this service to use. Without it my son may not be alive. When I had to admit my son the first time into children's Mental Hospital became he was uncontrollable

aggressive and with suicidal thoughts.
He was want in unlocking doors
and on the way out by myself
without Thomas. With doors locked
behind me. Leaving him with
complete strangers. Wondering
if I would see him again or
not. But with the help of
Federation of families I was
connected with parents that had
gone through it before. Help me
understand that my feelings were
natural and okay. That I was
doing the right thing. Since then
~~my son~~ Thomas has told me thanks.
Without ~~that~~ this support I may
have never heard his words or I

may have changed my world and not gotten the services he needed. The Federation of Families empowered me with knowledge about my son's disorders and what services would benefit him. Ultimately reducing the cost of care for this child and save the state money. He would of been the seed of expense for the state. Instead he is the seed of the future, bringing lots of wisdom with him. I urge you to ~~struggle~~ strongly consider the value of these services to children and families. I welcome any questions you may have. I would like to thank you for your time and attention.

Planting the seeds of the future.

If you love, respect + value children...

they will grow up to love, respect + value others... There is no greater inheritance.

TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE

HB 1012

MIKE TIMM, CHAIRMAN

JANUARY 4, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

DIVISION OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

I. Introduction

- Current research identifies the biological basis for both mental illness and substance abuse.
  - An increased understanding of the structural and neurochemical functioning as well as the genetic influence of the brain has produced an understanding of the correlation of biological changes with environmental factors.
  - The emergence of increasingly effective psychotropic medication as well as tested psychosocial approaches to service are increasing opportunities for positive outcomes for consumers of mental health services.
- Despite advances in the understanding of the biological basis for mental illness and substance abuse, the complex nature of the brain interrelated with environmental, physical health, and other stressors does impact long-term management and response of mental illness and substance abuse problems.
- Children do experience biological/genetically-based mental disorders, referred to in children as serious emotional disorders (SED). Because of the potential impact of multiple systems on a child's life, research suggests that a collaborative systems approach can show positive outcomes.
- Substance abuse/dependence is a complex illness with research showing that long-term abuse can result in significant changes in brain function that persist long after the

individual stops using mind altering substances. Among these known changes is the compulsion to keep using or return to using despite adverse consequences.

  - According to several studies, drug treatment reduces substance use by 40-60% and significantly decreases criminal activity during and after treatment.
  - No single treatment is appropriate for all individuals experiencing mental health and/or substance abuse problems.
- Attachments A - E show the estimated incidence/prevalence and service needs for persons with serious emotional disturbances, serious mental illness, acute psychiatric, and/or substance abuse problems.

II. Program Purpose Statement/Department Objectives

- The North Dakota Department of Human Services' objective for these populations is to assist people with serious persistent mental illness, substance abuse and addiction disorders, and serious emotional disorders, or acute mental health needs to receive services in the least restrictive, appropriate setting.
- The Division coordinates with the eight regional human service centers and the North Dakota State Hospital to achieve their results in the following stated program purpose statements:
  - The purpose of the Clinical Services Program is to provide evaluation and treatment to people with emotional or relationship problems so they can reduce or eliminate the impact of the problem.
  - The purpose of the Children's Mental Health System of Care is to provide therapeutic and supportive services to children with serious emotional disorders (SED) and their families so they

can manage their disorder and live in the community in the least restrictive setting.

- The purpose of the Serious Mental Illness (SMI) System of Care is to provide therapeutic and supportive services to adults with a serious mental illness so they can manage their illness and productively live in the community in the least restrictive setting.
- The purpose of the Substance Abuse System of Care is to provide therapeutic and supportive services to individuals who abuse or are dependent upon alcohol or other drugs so they can manage their illness and live in the community in the least restrictive setting.

- In addition, the Division is responsible for the following program purpose statements:
  - The purpose of the Division of Mental Health and Substance Abuse Services Administration is to provide system-wide education, regulation, technical assistance, and training for public and private service providers so they can achieve their program results.
  - The purpose of the Substance Abuse Prevention Services Program is to provide services to citizens of North Dakota so they can prevent or reduce the harmful effects of alcohol and drug abuse.

III. Services

- Administration and Management of the public mental health and substance abuse service delivery system including the following:
  - The provision of technical assistance and consultation
  - The development of conferences/training/continuing education opportunities

- The provision of treatment center licensure including:
  - The regional human services centers as assigned by the Department of Human Services' Executive Office
  - Child and Adolescent Residential Treatment Centers
  - Public and Private Alcohol and Drug Treatment Services
- System planning and alignment for mental health and substance abuse services
- Disseminating access to funding
- Prevention Services
- Coordination as team leaders of the identified systems of care
- Administration of non-competitive grants and their implementation in the field
- Facilitating a systems approach via work with the Extended Care coordinators, Residential Treatment Center directors, Alcohol and Drug Abuse Services supervisors, Clinical Services Forum representatives, Partnerships coordinators, regional directors and the State Hospital superintendent, representatives of the child welfare system
- Spearheading efforts to strengthen collaboration and integration for mental health and substance abuse services with other major systems such as criminal justice, education, health, and housing

IV. Accomplishments

- Children's Mental Health System of Care
  - During the current biennium we have overseen the transition of the Partnerships grant into a statewide children's mental health system of care.
  - Recent Partnerships outcome data supports the research calling for a multi-systems approach to services for children with SED (Attachment F).

- There is now a more intentional, formalized process for the inclusion of families and the child in planning for and receiving services.

- Serious Mental Illness System of Care
  - Current efforts to measure client outcome in the Extended Care Outcome Project have generally shown improvement in consumers' lives (Attachments G & H).
  - During this biennium, there was a successful pilot of the Mental Health Statistics Improvement Program (MHSIP) at Badlands Human Service Center. Plans are to implement this program statewide.
  - There has been an increase in consumer involvement as evidenced by increased consumer membership on the North Dakota Mental Health Planning Council, continued funding of the North Dakota Consumer Network, and funding for statewide training in the Wellness Recovery Action Plan (WRAP) model.

- Substance Abuse System of Care
  - The system began utilizing outcome measures derived from the Addiction Severity Index (ASI). Substance abuse service units at the eight regional human service centers and the State Hospital began collecting discharge information and this information will be supplied to a contracted private provider who is conducting scheduled follow-ups. It is anticipated we will have our first analysis of the outcome data in about one year.

- Substance Abuse Prevention Service
  - The Division has developed six regional and two tribal substance abuse prevention coordination contracts for the purpose of developing prevention services infrastructure throughout the State (please see Attachment I).

- 70 primary prevention programs have been funded Statewide ranging from parenting to mentoring programs.
- 35 local enforcing underage drinking efforts have been funded.

- Crisis Counseling Program (CCP)
  - During the past biennium the Division applied for and received three crisis counseling grants from the Federal Emergency Management Agency and the Center for Mental Health Services.
  - The Crisis Counseling Program is Federally funded and is meant to provide a short-term, community-based, grassroots response to a Presidential-declared disaster.
  - Approximately 36,305 North Dakota disaster survivors have received services over the life of these three grants.

V. Challenges

- Maintenance of Effort requirements for the Community Mental Health Services Block Grant (CMHS) and the Substance Abuse Prevention and Treatment Block Grant (SAPT) require close monitoring and careful planning at all levels of the system.
- We must continue to refine and assure the integrity of the Children's Mental Health System of Care, which was begun with the Partnerships Grant.
- It is necessary that we further develop assurances that adults with mental illness and/or substance abuse problems have access to adequate community-based services.
- We are called to increase development of a data driven system while facing the challenge of capturing data from populations that face many barriers.
- It is necessary to develop high-level integration of and collaboration with the judiciary, corrections, law enforcement, primary care, and other systems to adequately respond to the

needs of consumers of both mental health and substance abuse services .

- Based on population trends in North Dakota, we must develop effective and cost efficient outreach while meeting needs of consumers.
- It is necessary to address the needs of special populations such as elderly persons with mental health and/or substance abuse problems, young people transitioning from the children's mental health system of care into the adult system, services for those with co-occurring disorders, and services for women with children.
- A pivotal role of the Division is to assure adequate training for providers.
- We are being called to address Federal mandates regarding the use of seclusion and restraints in non-hospital settings .
- We need to adequately address cost analysis of institutional versus community-based services including all of the complex variables that come into play.
- In concert with any cost analysis, we must be able to demonstrate an increase in the quality of life of consumers receiving services.

VI. Budget Highlights (Attachments J - M)

- Funding Sources:
  - CMHS Block Grant
  - SAPT Block Grant
  - PATH Grant
  - State Needs and Demands Assessment Grant
  - Governors Portion of the Safe and Drug Free Schools and Communities Grant
  - Enforcing Underage Drinking Grant

- Special Funds
- General Funds

- The 2001-03 proposed budget for the Division demonstrates an overall decrease in General Funds of $123,644. This is inclusive of:
  - The shifting of funding for Extended Services from the Division's budget to the North Dakota State Hospital for specified use with a target population,
  - The recommended salary package for Division staff,
  - The addition of a half-time FTE transferred into the Division to perform data management functions for the Division and the field.
- In addition, the budget reflects an increase in Federal funding of $1.23 million. This is inclusive of:
  - Substance Abuse Prevention and Treatment Block Grant services for targeted populations,
  - Increase in the Enforcing Underage Drinking Grant due to anticipated funding for a full biennium,
  - Decrease in crisis counseling program funding due to the ending of the most recent program,
  - Decrease in Partnerships funding due to ending of the grant program.
- A reduction in Special Funds occurs as a result of:
  - Not budgeting for $50,000 for the compulsive gambling program presently found in the current budget,
  - A small portion of this Special Funding is the underfunding of the recommended salary package.

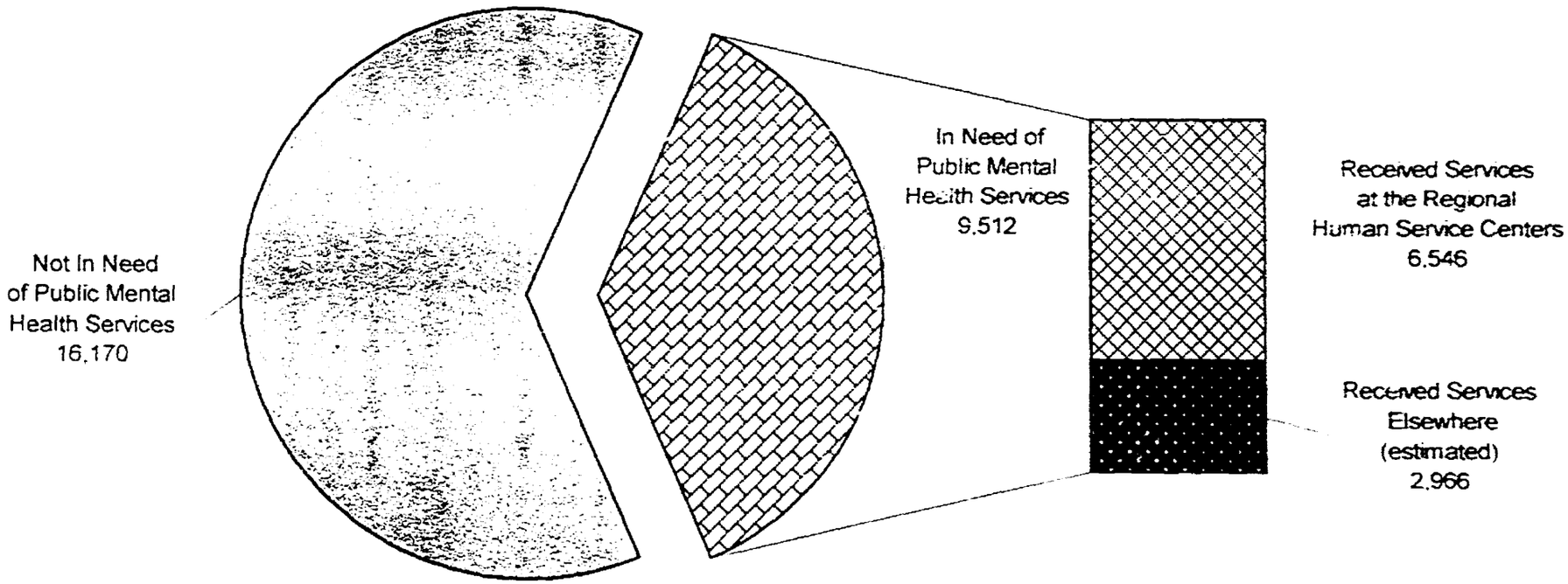
Attachment A

North Dakota Department of Human Services

Adults With A Serious Mental Illness in North Dakota

N = 25,682*

HB 1012 to Senate
2001-2003 Biennium



* Based on Federal estimates for North Dakota of 5.4% of total State Adult Population - Federal Register/Vol. 64, No.121.

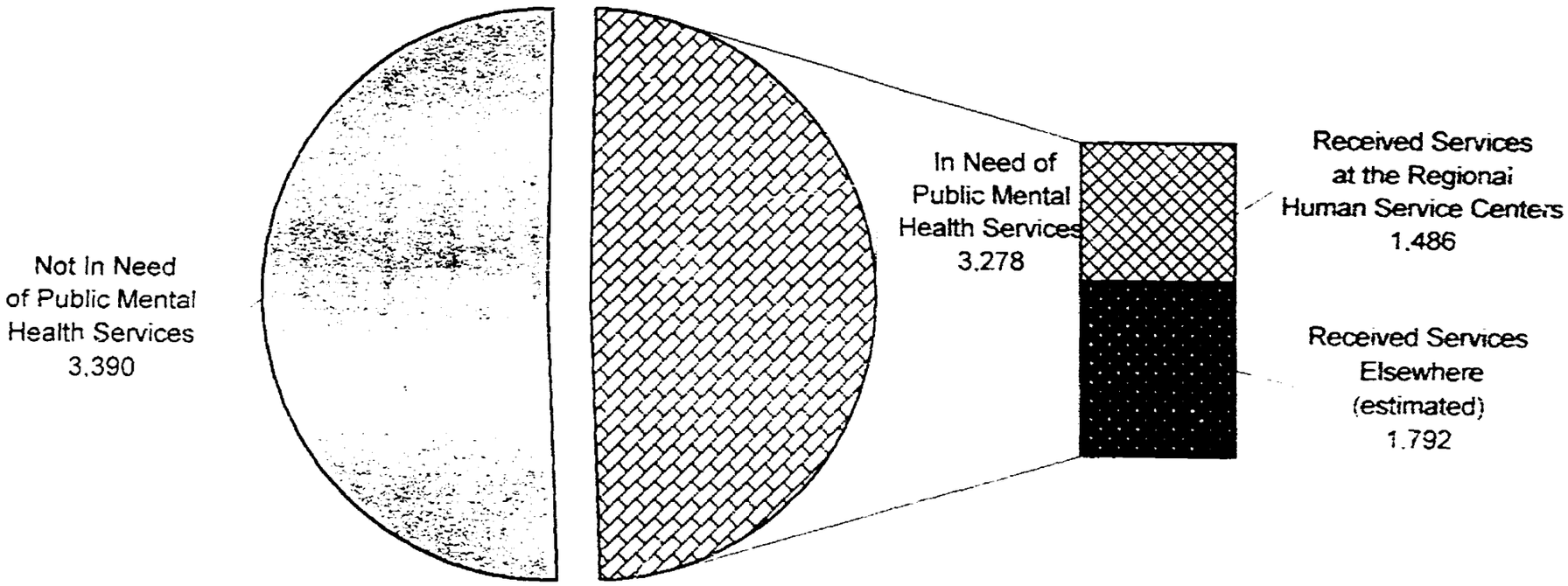
Attachment B

North Dakota Department of Human Services

Children With A Serious Emotional Disturbance in North Dakota

N = 6,668*

HB 1012 to Senate
2001-2003 Biennium



* Based on estimates for North Dakota of 4.1% of total State Population of Individuals Under Age 18

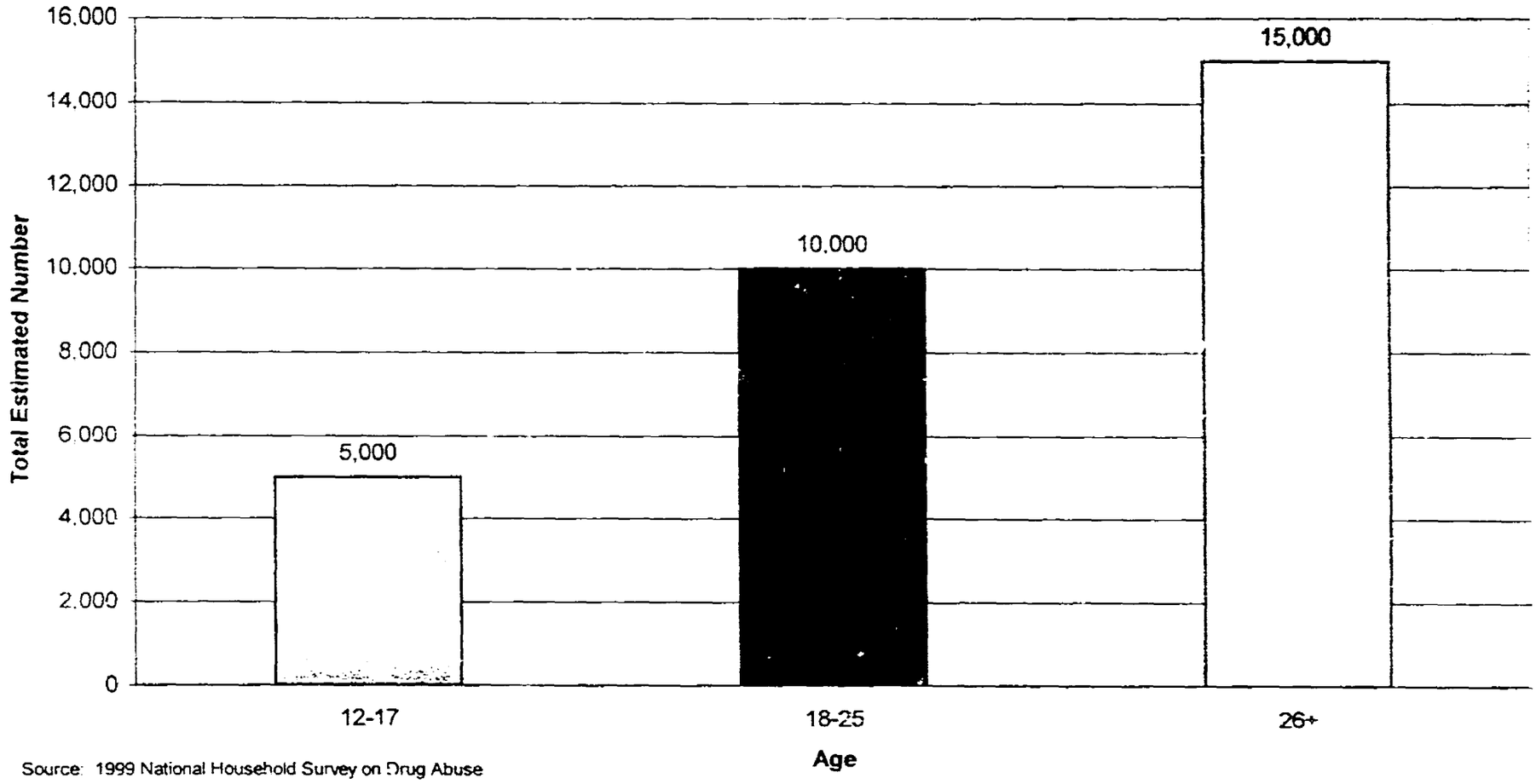
Attachment C

North Dakota Department of Human Services

Past Year Dependence on Illicit Drugs or Alcohol for Ages 12 and Older

HB 1012 to Senate

2001-2003 Biennium

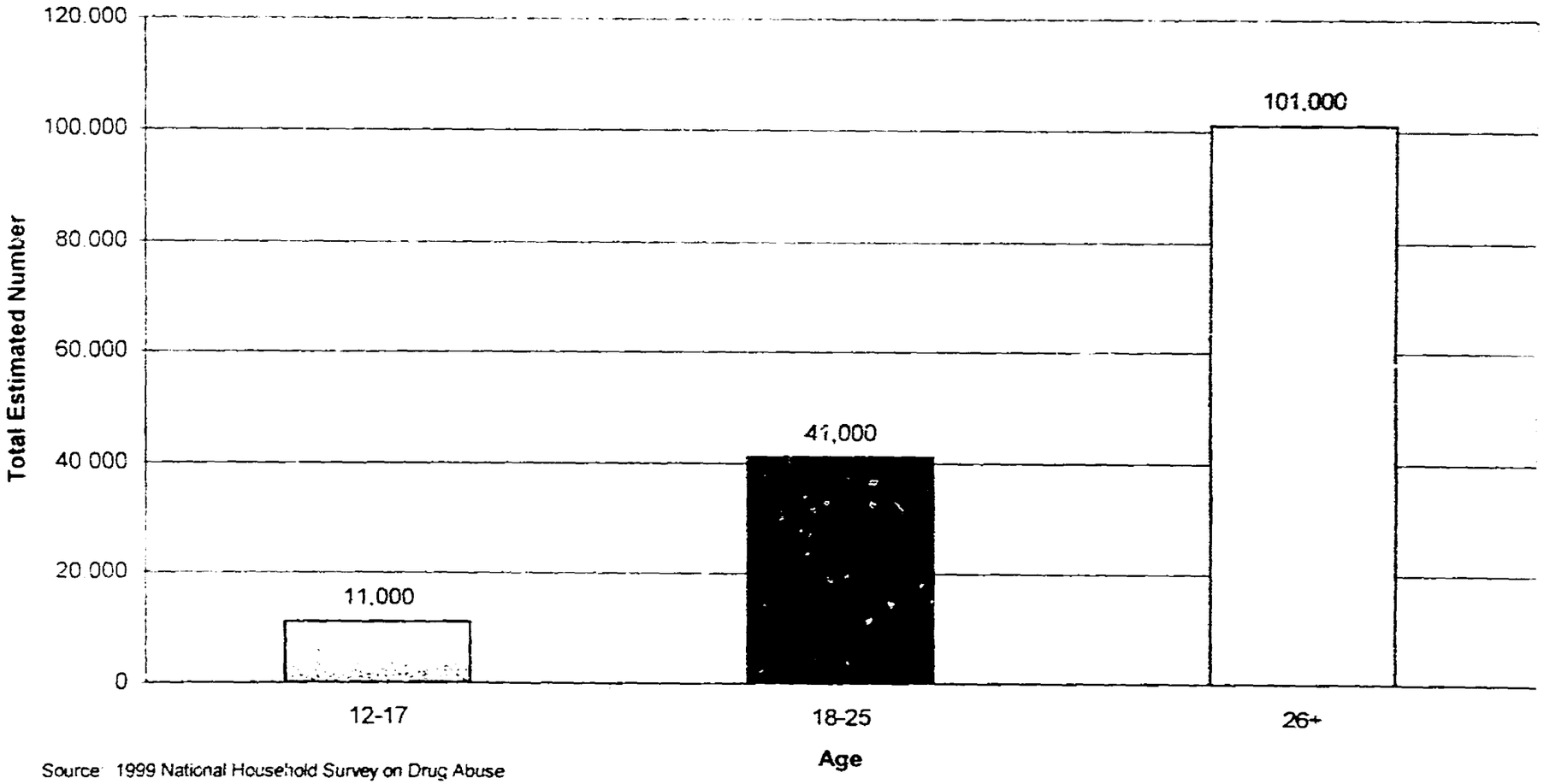


Source: 1999 National Household Survey on Drug Abuse

Attachment D

North Dakota Department of Human Services

Binge Drinking for Persons Aged 12 and Over
HB 1012 to Senate
2001-2003 Biennium



Source: 1999 National Household Survey on Drug Abuse

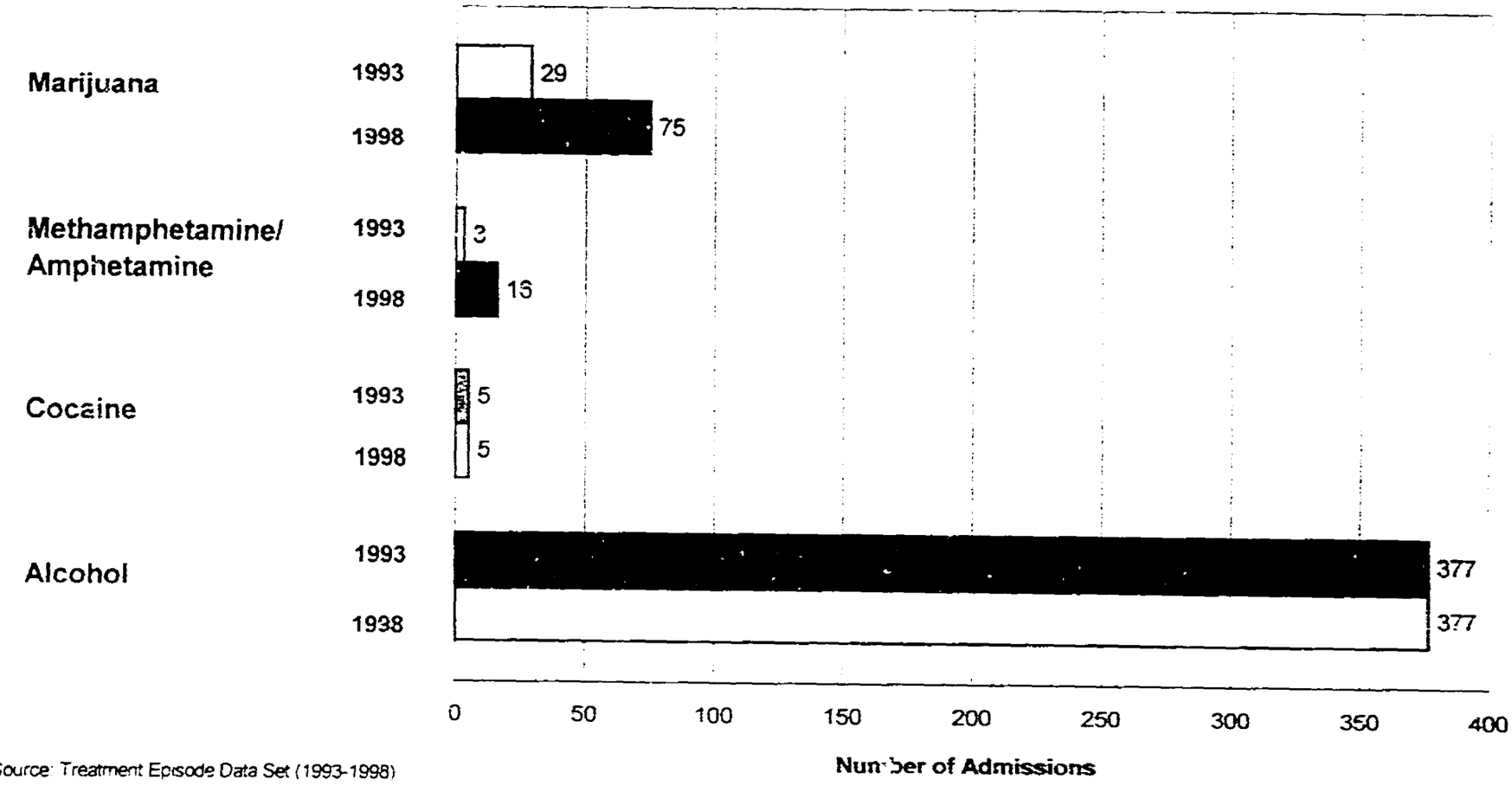
Attachment E

North Dakota Department of Human Services

Admission to Publicly Funded Services for Problems Associated with Substance Use (Per 100,000 People) - 1993 and 1998

HB 1012 to Senate

2001-2003 Biennium



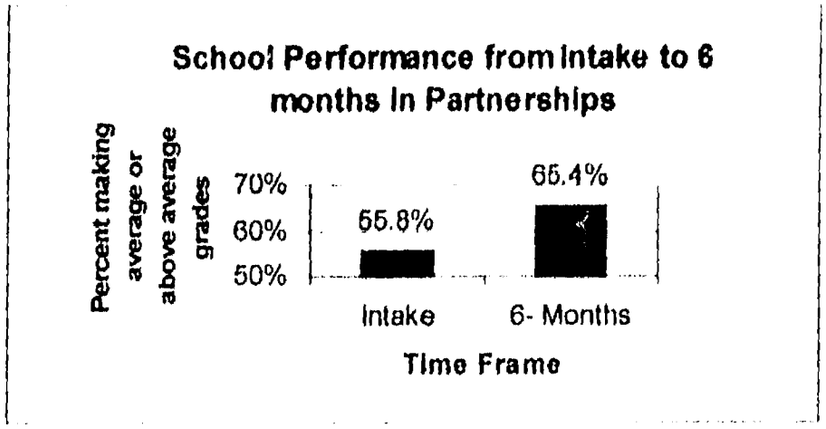
Source: Treatment Episode Data Set (1993-1998)

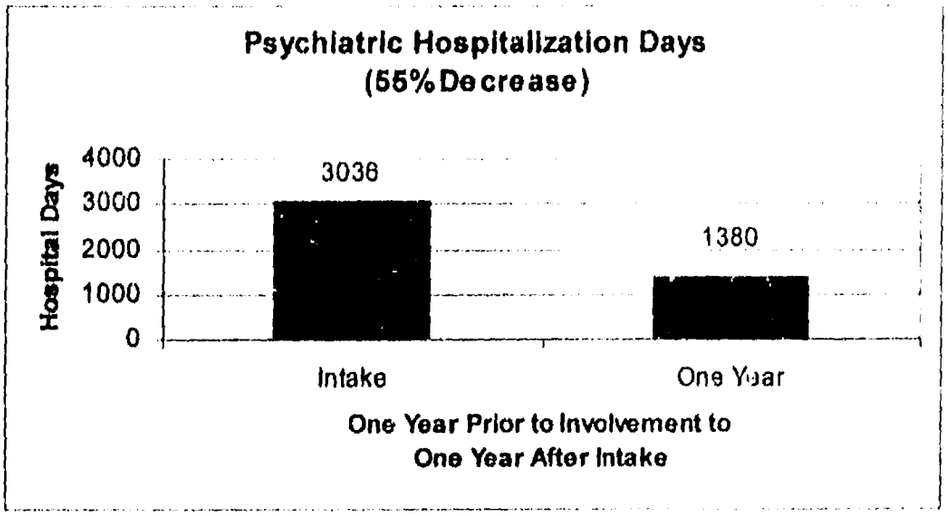
North Dakota Department of Human Services
HB 1012 to Senate
2001-2003 BIENNIUM

Statewide Partnerships Program Outcomes 1994-2000

Serving Children with Serious Emotional Disturbances and their Families

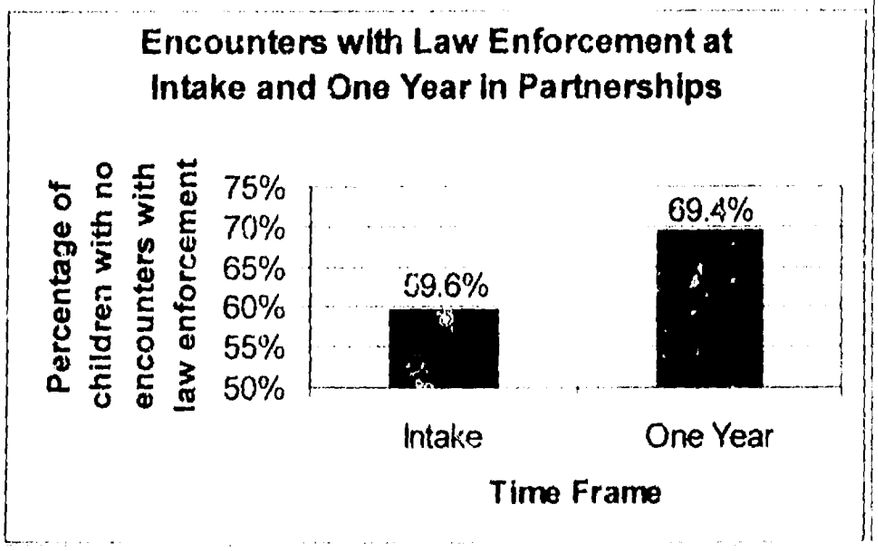
- **20.2 % of referrals are from County Social Service Agencies**
- **20% of referrals are from schools**





Partnerships has served over 939 children since 1994.

- **A 15% decrease in use of residential treatment services is seen in the year following involvement in Partnerships.**



Source: Partnerships Evaluation Database

Attachment G

North Dakota Department of Human Services
Consumer Survey Report - Human Service Centers

HB 1012 to Senate
2001-2003 Biennium

Statewide Results -- Fiscal Year 2000

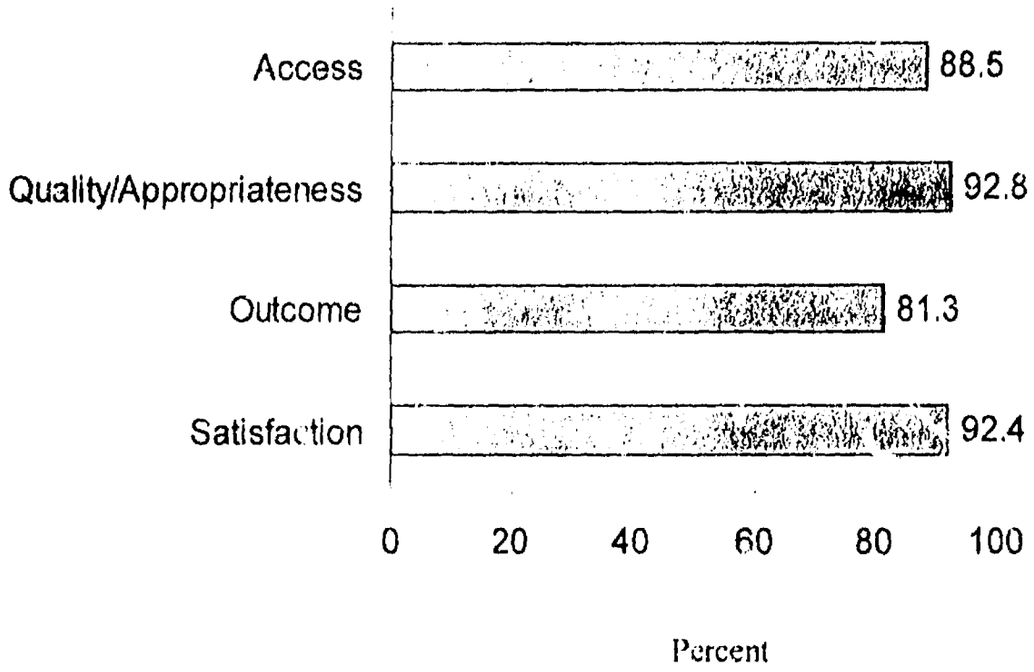
Consumer Survey Responses

The survey consists of 25 items. 1,147 consumers completed the survey. It asks consumers to agree or disagree with statements regarding services received at the Human Service Centers. Agreement with a statement is a positive response.

Four Domains are measured:

- Access
- Quality/Appropriateness
- Outcome
- Satisfaction

Percent of Consumers Who Made a Positive Response to Each Domain



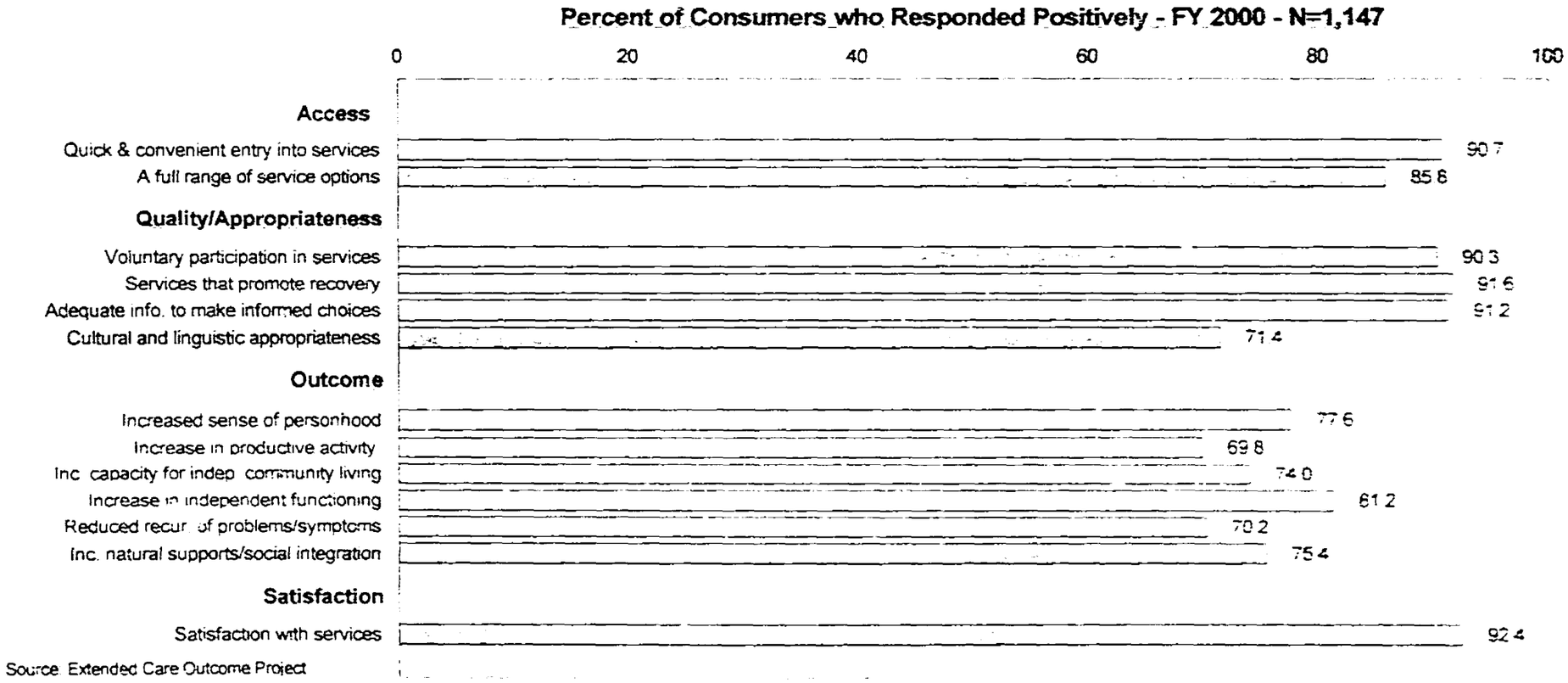
Source: Extended Care Outcome Project

Attachment H

North Dakota Department of Human Services

Consumer Survey Report - Human Service Centers

HB 1012 to Senate
2001-2003 Biennium



Source: Extended Care Outcome Project

North Dakota Department of Human Services

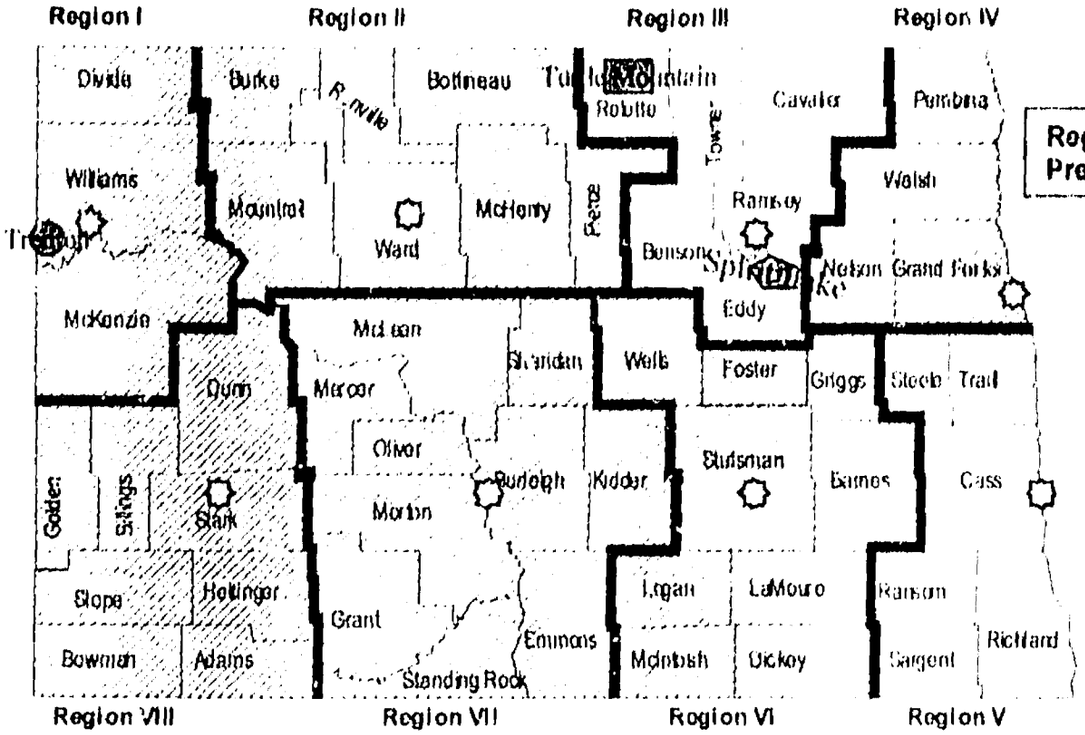
Attachment I

Substance Abuse Prevention Services

HB 1012 to Senate

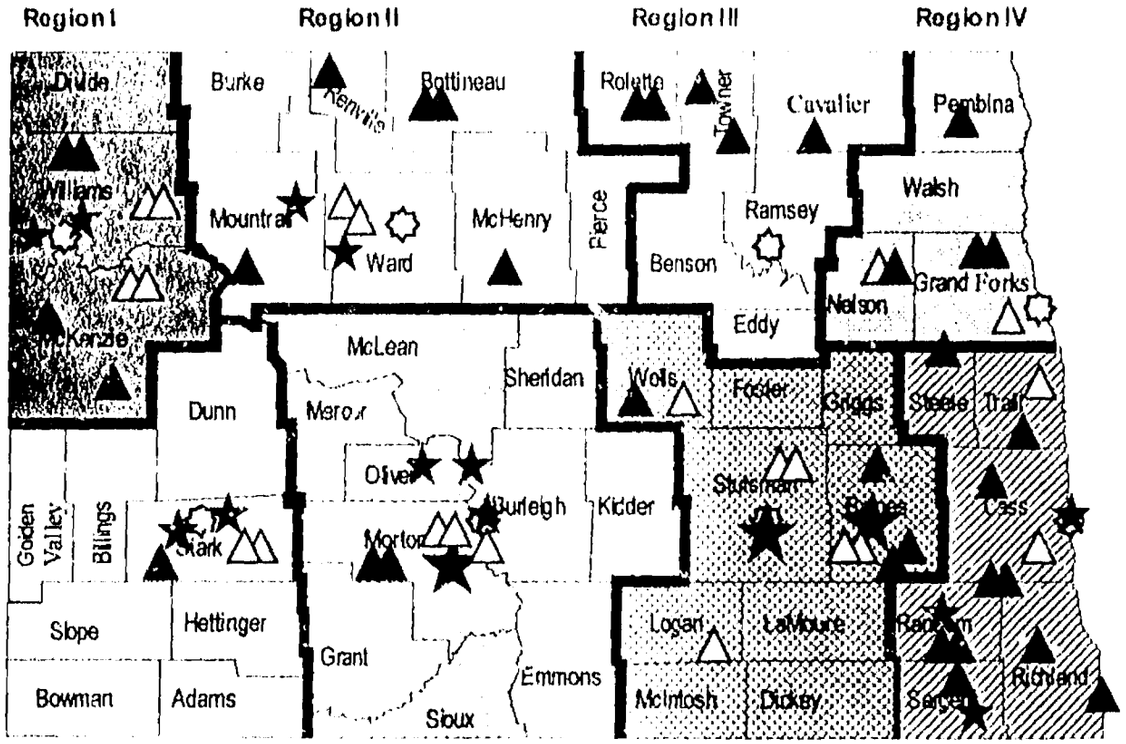
2001-2003 BIENNIUM

Regional Coverage of Prevention Services



Denotes Location of Regional Human Service Center

Prevention Services by County



Denotes Location of Regional Human Service Center

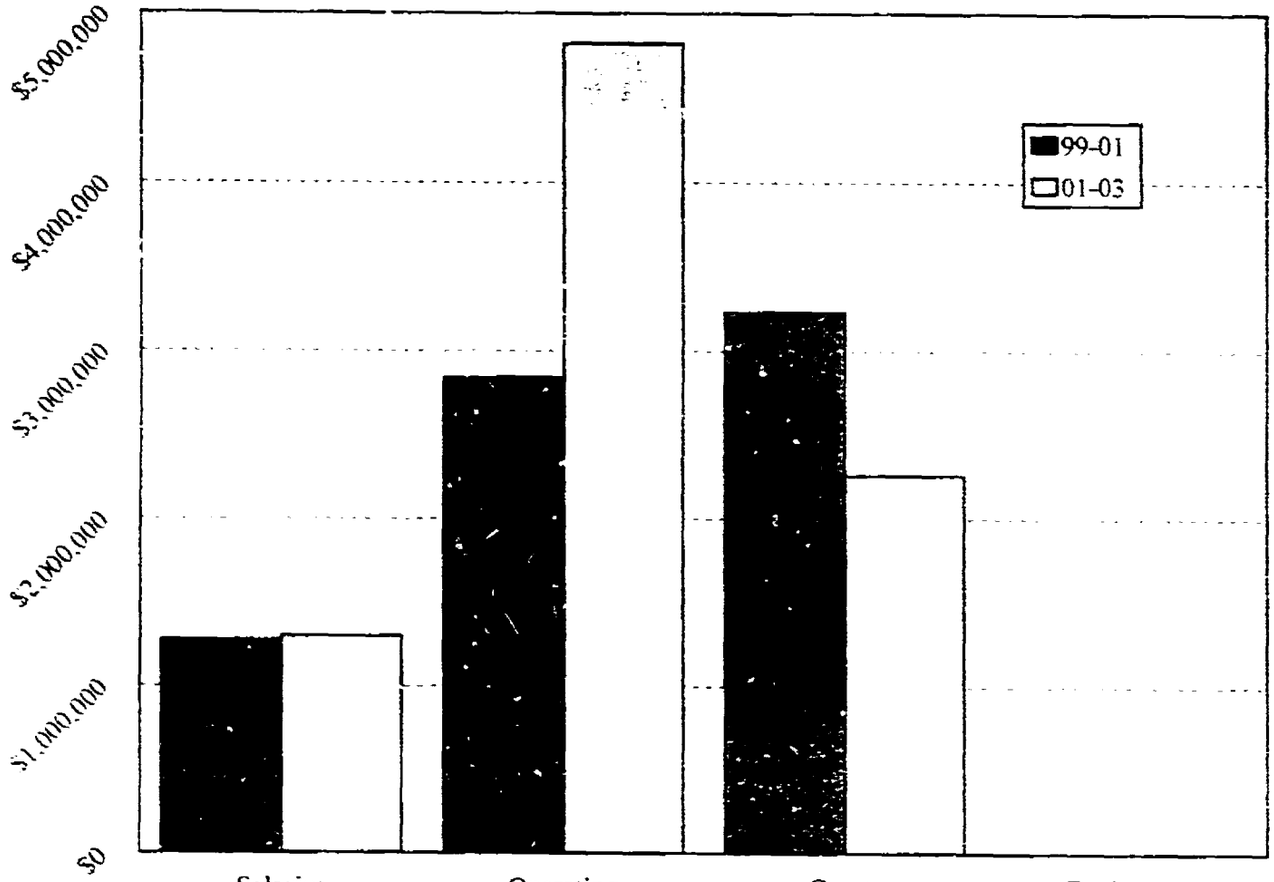
14 Governors Portion Safe and Drug Free School and Communities Grants

County Law Enforcement - Combating Underage Drinking Funds

City Law Enforcement - Combating Underage Drinking Funds

Attachment J

North Dakota Department of Human Services
Mental Health and Substance Abuse Division
HB 1012 to Senate
2001 - 2003 BIENNIUM



	Salaries	Operating	Grants	Equipment
99-01	$1,270,150	$2,840,393	$3,226,758	$3,500
01-03	$1,299,761	$4,820,358	$2,262,319	$0

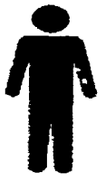
Funding Sources

99-01 Biennium:

General	$ 1,636,068
Federal	$ 5,436,498
Special	$ 268,235
Total	$ 7,340,801

01-03 Biennium:

General	$ 1,462,424
Federal	$ 6,720,014
Special	$ 200,000
Total	$ 8,382,438



FTES:
99-01 12.0
01-03 12.5

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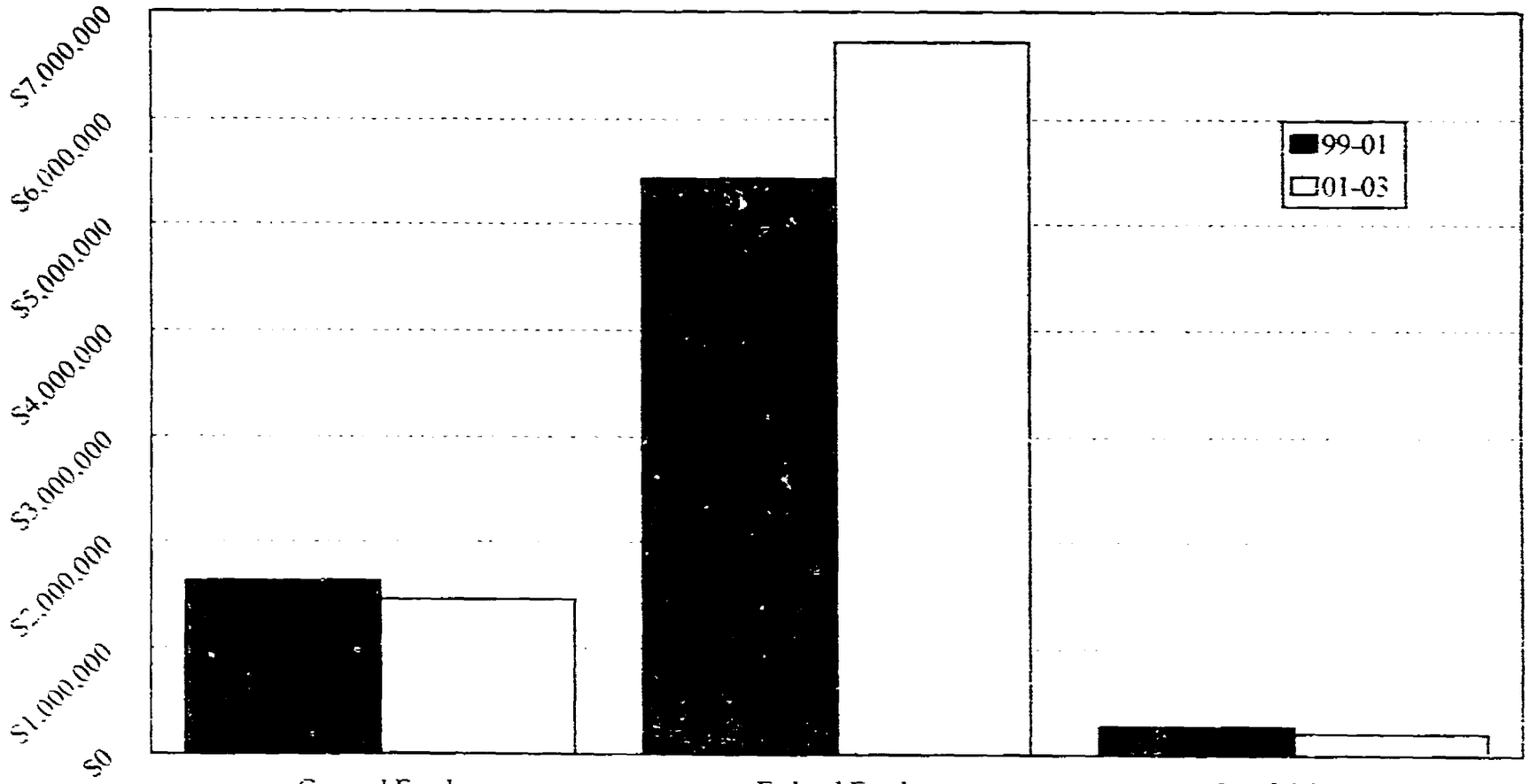
Attachment K

North Dakota Department of Human Services
Mental Health and Substance Abuse Division
HB 1012 to Senate
2001 - 2003 BIENNIUM



	General Funds	Federal Funds	Special Funds
99-01	$1,636,068	$5,436,498	$268,235
01-03	$1,462,424	$6,720,014	$200,000

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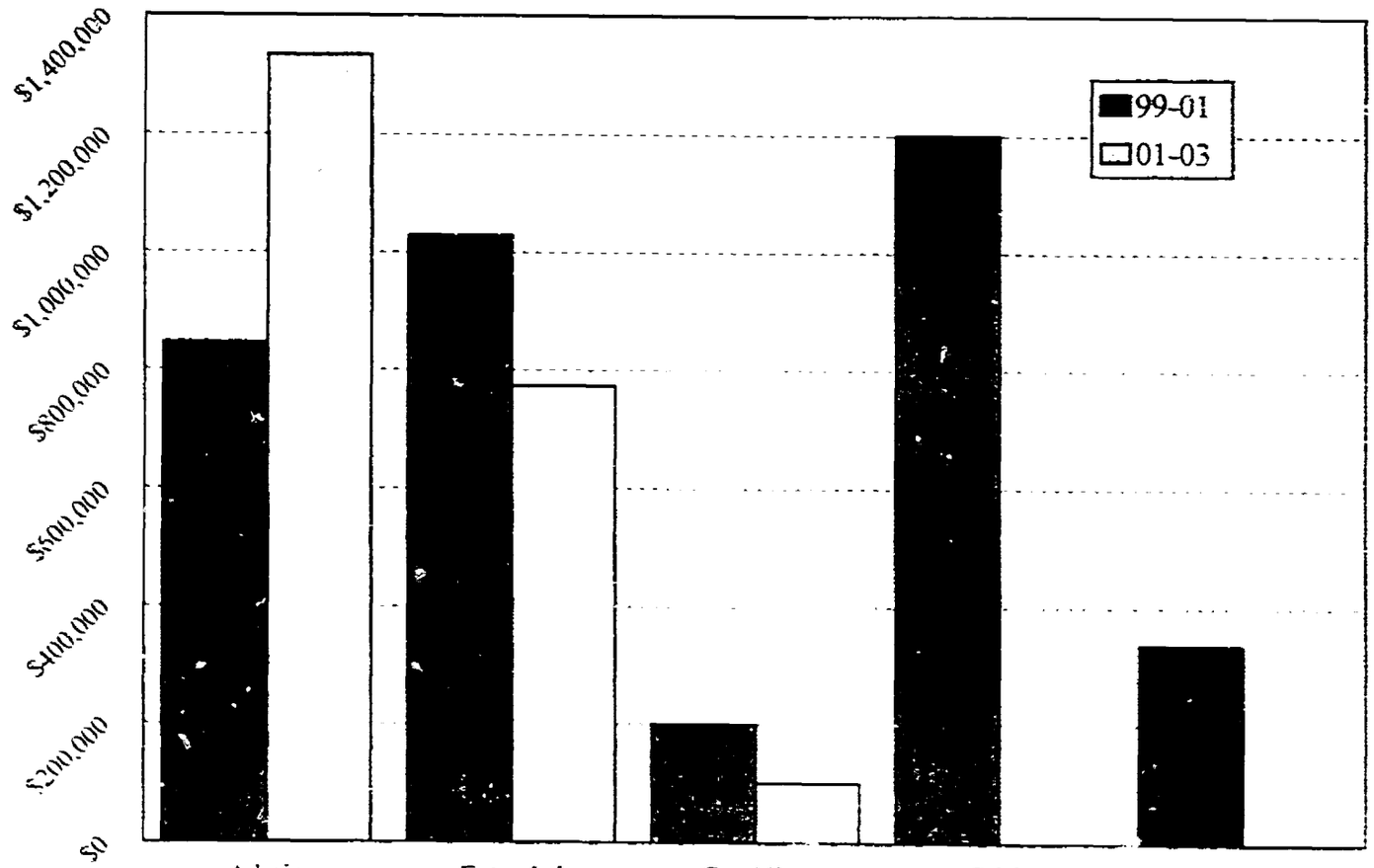
Attachment L

North Dakota Department of Human Services

Mental Health Unit

HB 1012 to Senate

2001 - 2003 BIENNIUM



	Admin	Extended Services	Gambling	Crisis Counsel	Partnership
99-01	$844,118	$1,028,300	$200,000	$1,200,000	$335,793
01-03	$1,332,532	$771,918	$100,000	$0	$0

Funding Sources

99-01 Biennium:

Federal Funds:	
Mental Health Grant	$ 451,869
Partnership	$ 328,716
PATH	$ 10,000
Crisis Counseling	$ 1,200,000
General Funds	$ 1,551,814
Other Funds	$ 65,812
Total	$ 3,608,211

01-03 Biennium:

Federal Funds:	
Mental Health Grant	$ 838,168
PATH Grant	$ 10,000
General Funds	$ 1,356,282
Total	$ 2,204,450

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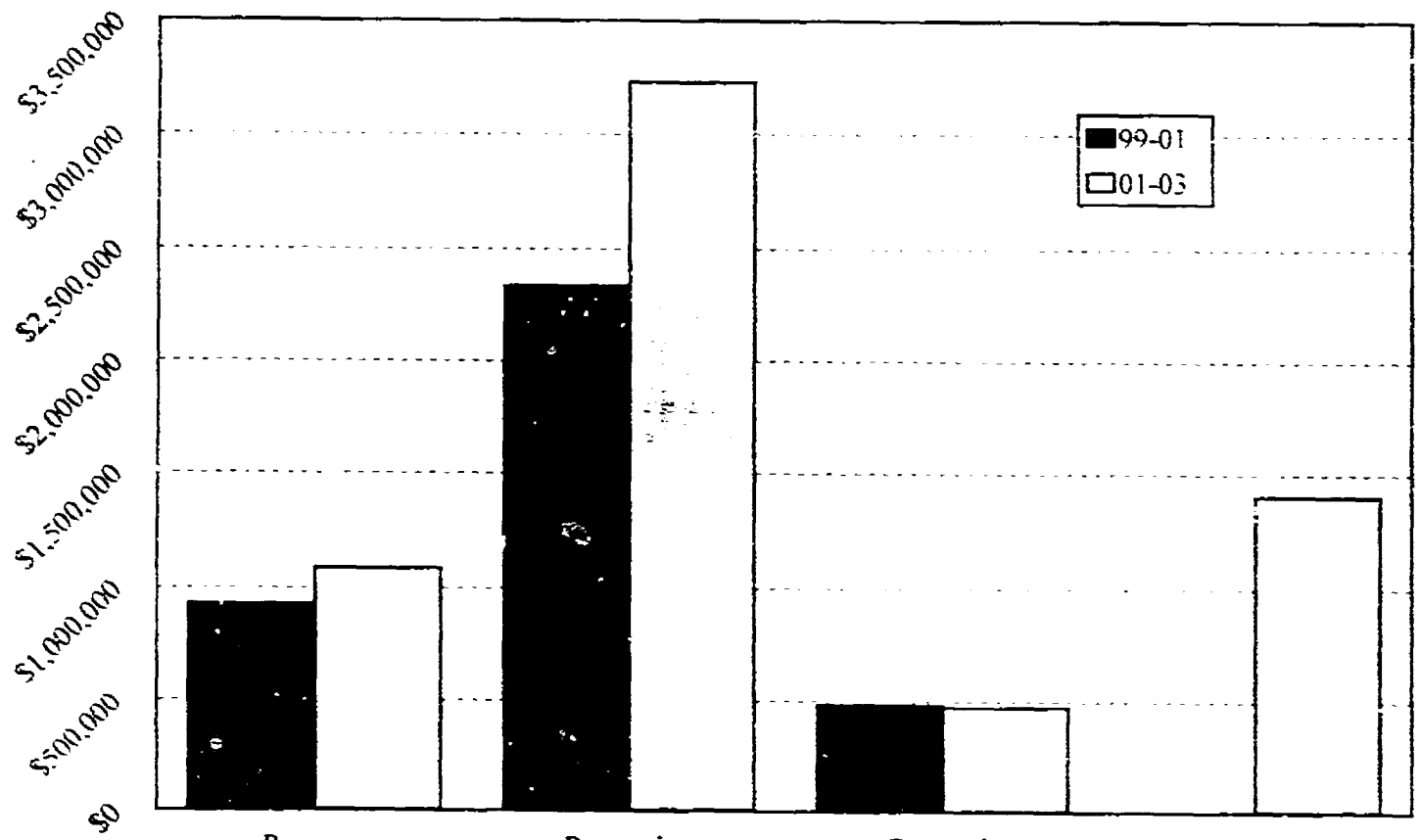
Attachment M

North Dakota Department of Human Services
Substance Abuse Unit
HB 1012 to Senate
2001 - 2003 BIENNIUM



	Program Admin	Prevention	Research	Special Projects
99-01	$922,252	$2,329,837	$480,501	$0
01-03	$1,081,648	$3,224,698	$471,642	$1,400,000

Funding Sources

99-01 Biennium:	
Federal Funds:	
Substance Abuse Block Grant	$ 1,858,190
State Needs & Demands	$ 480,501
Drug-Free Schools	$ 807,222
Combat Underage Drinking	$ 300,000
Special Funds:	
Native American Youth	$ 200,000
Other	$ 2,423
General Funds	$ 84,254
Total Funds	$ 3,732,590
01-03 Biennium:	
Federal Funds:	
Substance Abuse Block Grant	$ 3,823,204
State Needs & Demands	$ 471,642
Drug-Free Schools	$ 857,000
Combat Underage Drinking	$ 720,000
Special Funds:	
Native American Youth	$ 200,000
General Funds	$ 106,142
Total Funds	$ 6,177,988

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Karen Larson

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Actual Budget	2001 - 2003 Executive Budget Recommendation
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	10	1001	SALARIES	600,667	17	848,001	868,839	963,009
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	10	1002	TEMP, OT & SHIFT DIFF	232,295	17	327,946	153,775	17,520
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	10	1008	BENEFITS	179,042	17	252,765	247,535	299,232
		10 Total			**1,012,006**		**1,428,712**	**1,270,150**	**1,280,761**
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	1008	BENEFITS	4	16	6	-	-
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3002	IT-DATA PROCESSING	68	16	102	-	-
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3003	IT-TELEPHONE	6,554	16	9,830	3,000	3,750
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3004	TRAVEL	93,823	16	140,734	186,934	106,668
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3005	IT - SOFTWARE - SUPPLIES	1,271	16	1,907	-	1,500
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3007	POSTAGE	402	16	604	2,500	1,500
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3012	LEASE - RENT BLDG - LAND	59,989	16	89,984	98,150	98,150
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3013	DUES & PROFESSIONAL DEV	63,369	16	95,054	57,657	92,900
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3014	OPERATING FEES & SRVC	1,507,635	16	2,261,453	2,303,601	4,414,813
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3016	REPAIRS	698	16	1,047	4,850	1,150
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3021	OFFICE SUPPLIES	3,199	16	4,798	11,754	4,350
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3024	PRINTING	2,527	16	3,791	23,100	16,800
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3025	PROF. SUPPLIES & MATERIALS	129,500	16	194,250	123,677	122,977
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3030	BLDG GRNDS & VEH MTCE SUPP	10	16	15	670	1,200
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	3033	MISC SUPPLIES	1,518	16	2,427	22,400	4,700
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	30	7004	TRANSFERS - BUDGET	38,075	16	57,113	-	-
		30 Total			**1,908,742**		**2,863,115**	**2,838,293**	**4,870,358**
MENTAL HEALTH & SUBSTANCE ABUSE Total					**2,920,747**		**4,291,827**	**4,108,443**	**6,170,119**

1-24-01

#1

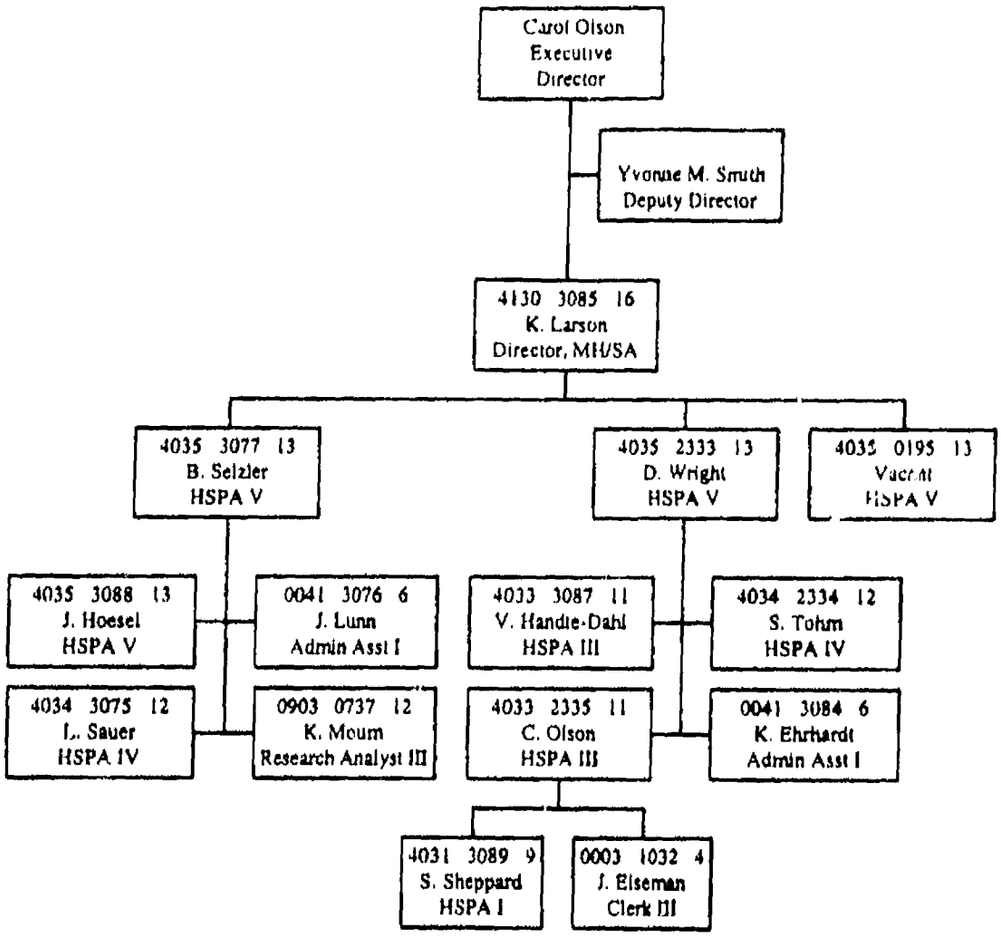
North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		Grant Type		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Actual Budget	2001 - 2003 Executive Budget Recommendation
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4161	Mental Health Program Administration	0	16	0	0	75,000
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4165	Mental Health Partnership Grant	260,879	16	391,318	50,000	0
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4167	Disaster Crisis Counseling	1,051,686	16	1,577,529	1,006,000	0
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4169	Mental Health Extended Services	601,904	16	902,856	994,800	771,618
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4177	SB 2318 Sect 3 - Gambling	91,251	16	136,877	200,000	0
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4181	A&D Abuse - Administration	33,184	16	49,776	127,291	420,000
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4183	Prevention Coordination	42,620	16	63,930	258,701	258,701
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4187	A&D Gov's Fund - High Risk Youth	335,564	16	503,346	389,966	537,000
300-47	MENTAL HEALTH & SUBSTANCE ABUSE	4189	Nat Ameri Youth Alcohol / Drug Educ.	71,051	16	106,576	200,000	200,000
300-47 Total				**2,488,139**		**3,732,208**	**3,226,768**	**2,262,319**

#2

Karen Larson 1-24-01 #3

Department of Human Services
Mental Health/Substances Abuse Division



Revised
12/20/00

#16

Dues and Memberships
1999 - 2001 Biennium -- To Date

Mental Health			
July 23, 1999	WICHE Mental Health Program	6,000.00	
September 21, 1999	National Association of Case Management	245.00	
November 5, 1999	ND Coalition for Homeless People	180.00	
November 8, 1999	National Association of State Mental Health	100.00	
February 17, 2000	National Association for Rural Mental Health	50.00	
March 29, 2000	National Association of State Mental Health	8 551.00	
June 15, 2000	National Association for Rural Mental Health	50.00	
November 7, 2000	ND Coalition for Homeless People	180.00	
	Subtotal		15,356.00
Substance Abuse			
1/31/2000	SALIS	75.00	
3/29/2000	National Association of State Alcohol & Drug Abuse	5,100.00	
7/21/2000	North Dakota Library Association	25.00	
	Subtotal		5,200.00
	Total for Mental Health & Substance Abuse		$20,556.00

The remainder of the expenditures in Dues and Professional Development are comprised of:

Conference Expenses:		
Mental Health	651.31	
Substance Abuse	6,962.89	
Professional Development:		
Mental Health	11,135.00	
Substance Abuse	5,613.70	
Honorariums:		
Mental Health	900.00	
Substance Abuse	300.00	
Stipends:		
Mental Health	0.00	
Substance Abuse	17,250.00	
Subtotal		$42,812.90
Grand Total for Dues and Prof. Development		$63,368.90

#17

Mental Health and Substance Abuse Division
Schedule of Funding for Operating Fees & Services
Object Code 3014

	General	Federal	Other	Total
Funding Source:				
Substance Abuse Block Grant		2,255,539		2,255,539
Mental Health Block Grant	119,985	378,515		498,500
Mental Health Services for the Homeless		4,132		4,132
Substance Abuse Needs Assessment		471,642		471,642
Governors Fund - Drug Free Schools		320,000		320,000
Combatting Underage Drinking		715,000		715,000
Compulsive Gambling	150,000			150,000
Total	$269,985	$4,144,828	$0	$4,414,813

Tape 3 #5

Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4182, MSC 7808, Bethesda, MD 20892, (301) 435-1148.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel.

Date: June 29, 1999.

Time: 1:00 p.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Washington Monarch Hotel, 2401 M Street, NW, Washington, DC 20037.

Contact Person: Mushtaq A. Khan, DVM, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4124, MSC 7818, Bethesda, MD 20892, (301) 435-1778, khanm@drg.nih.gov.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel.

Date: June 29, 1999.

Time: 1:00 pm to 3:00 pm.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Ron Manning, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4158, MSC 7806, Bethesda, MD 20892, (301) 435-1723.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel

Date: June 29, 1999.

Time: 1:00 pm to 3:00 pm.

Agenda: To provide concept review of proposed grant applications.

Place: NIH Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Anita Corman Weinblatt, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3110, MSC 7778, Bethesda, MD 20892, (301) 435-1124.

This notice is being published less than 15 days prior to meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Cardiovascular Sciences Initial Review Group, Hematology Subcommittee 2.

Date: June 30-July 1, 1999.

Time: 8:30 am to 5:00 pm.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Bethesda, 8120 Wisconsin Avenue, Bethesda, MD 20814.

Contact Person: Jerrold Fried, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4126, MSC 7802, Bethesda, MD 20892, (301) 435-1777.

This notice is being published less than 15 days prior to meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel.

Date: June 30, 1999.

Time: 10:00 am to 11:00 am.

Agenda: To review and evaluate grant applications.

Place: NIH Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Betty Hayden, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4206, MSC 7812, Bethesda, MD 20892, (301) 435-1223, haydenb@csr.nih.gov.

This notice is being published less than 15 days prior to meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel, AARR-1(02).

Date: June 30, 1999.

Time: 11:15 am to 5:00 pm.

Agenda: To review and evaluate contract proposals

Place: Wyndham Bristol Hotel, 2430 Pennsylvania Ave, NW, Washington, DC 20037.

Contact Person: Ranga V. Srinivas, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5108, MSC 7852, Bethesda, MD 20892, (301) 435-1167, srinivar@csr.nih.gov.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel.

Date: June 30, 1999.

Time: 3:00 pm to 4:00 pm.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Sherry L. Dupere, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5136, MSC 7840, Bethesda, MD 20892, (301) 435-1021.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel, ZRG1-HEM-1 (01M).

Date: June 30, 1999.

Time: 4:00 pm to 6:00 pm.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Robert T. Su, PhD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4134, MSC 7840, Bethesda, MD 20892, (301) 435-1195.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine, 93.306; 93.333, Clinical Research, 93.333, 93.337, 93.393-93.396, 93.837-93.844, 93.846-93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: June 17, 1999.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 99-16060 Filed 6-23-99; 8:45 am]

BILLING CODE 4140-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Estimation Methodology for Adults With Serious Mental Illness (SMI)

AGENCY: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, HHS.

ACTION: Final notice.

SUMMARY: This notice establishes a final methodology for identifying and estimating the number of adults with serious mental illness (SMI) within each State. This notice is being served as part of the requirement of Public Law 102-321, the ADAMHA Reorganization Act of 1992.

EFFECTIVE DATE: October 1, 1999.

FOR FURTHER INFORMATION CONTACT: Ronald W. Manderscheid, Ph.D., Chief, Survey and Analysis Branch, Center for Mental Health Services, Parklawn Building, Rm 15C-04, 5600 Fishers Lane, Rockville, MD 20857, (301) 443-3343 (voice), (301) 443-7926 (fax), rmanders@samhsa.gov (e mail).

Scope of Application

All individuals whose services are funded through the Federal Community Mental Health Services Block Grant must fall within the definition announced on May 20, 1993, in the **Federal Register**, Volume 58, No. 96, p. 29422. Inclusion or exclusion from the estimates is not intended to confer or deny eligibility for any other service or benefit at the Federal, State, or local level. Additionally, the estimates are not intended to restrict the flexibility or responsibility of State or local governments to tailor publicly-funded systems to meet local needs and priorities. Any ancillary use of these estimates for purposes other than those

identified in the legislation is outside the purview and control of CMHS.

Background

Pub. L. 102-321, the ADAMHA Reorganization Act of 1992, amended the Public Health Service Act and created the Substance Abuse and Mental Health Services Administration (SAMHSA). The Center for Mental Health Services (CMHS) was established within SAMHSA to coordinate Federal efforts in the prevention, treatment, and the promotion of mental health. Title II of Pub. L. 102-321 establishes a Block Grant for Community Mental Health Services administered by CMHS, which permits the allocation of funds to States for the provision of community mental health services to children with a serious emotional disturbance (SED) and adults with a serious mental illness (SMI). Pub. L. 102-321 stipulates that States will estimate the incidence (number of new cases in a year) and prevalence (total number of cases in a year) in their applications for Block Grant funds. As part of the process of implementing this new Block Grant, definitions of the terms "children with a serious emotional disturbance and "adults with a serious mental illness" were announced on May 20, 1993, in the **Federal Register**, Volume 58, No. 96, p. 29422. Subsequent to this notice, a group of technical experts was convened by CMHS to develop an estimation methodology to "operationalize the key concepts" in the definition of adults with SMI. A similar group has prepared an estimation methodology for children and adolescents with SED. The final SED estimation methodology was published on July 17, 1998, in the **Federal Register**, Volume 63, No. 137, p. 38661.

Summary of Comments

This final notice reflects a thorough review and analysis of comments received in response to an earlier draft notice published in the **Federal Register**, on March 28, 1997, Volume 62, No. 60, p. 14928.

CMHS received only nine comments expressing opinions about the proposed methodology. Several questions were raised. These questions are summarized in four broad areas: Operational definition of SMI, complexity of the methodology, differences among States, and other related comments.

Operational Definition of SMI

Some comments suggested that the SMI definition was too broad.

The final definition of SMI was published on May 20, 1993, in the **Federal Register**, Volume 58, No 96, p. 29422. This definition cannot be changed by the methodology outlined below.

SMI was defined as the conjunction of a DSM mental disorder and serious role impairment. The Diagnostic Interview Schedule (DIS) estimates were not enhanced. A respondent had to have a DIS/Composite International Diagnostic Interview (CIDI) diagnosis *and* an impairment to qualify for the operational definition of SMI. This means that the estimated annual prevalence of SMI is always equal to or less than the DIS/CIDI estimates of disorder prevalence. The charge to the technical committee was to make what it considered to be the best decisions based on available data about impairment to operationalize the definition of SMI. The report of the committee describes in great detail how and why the technical experts chose specific indicators.

It is important to note that Pub. L. 102-321 explicitly states that SMI includes impairments in functioning. As a result, the technical experts were required to include one component of the operational definition that assesses functioning in social networks. Strict criteria were used, such as reports of extreme deficits in social functioning to qualify for this type of impairment. A respondent must either have one of the following two profiles: (i) Complete social isolation, defined as having absolutely no social contact of any type—telephone, mail, or in-person—with any family member or friend and having no one in his or her personal life with whom he/she has a confiding personal relationship; or (ii) extreme dysfunction in personal relationships, defined as high conflict and no positive interactions and no possibility of intimacy or confiding with any family member or friend. These persons comprise about 10% of those classified as having SMI. The remaining 90% either have a severe disorder like schizophrenia or bipolar disorder, or a disorder and work impairment, or a disorder and report being suicidal.

The rationale for the 57% prevalence estimate of SMI among prison inmates is well documented in the committee's report. A review of epidemiological studies in inmate populations found that the average estimated prevalence of any DIS disorder is 57%. The technical experts concluded that all inmates with one of these disorders, by definition, were functioning inadequately in social roles by virtue of the fact that they were incarcerated.

This definition was adopted for very practical reasons. It is important to remember that the inmate population represents less than one percent of the adult population, and the prevalence estimate of 57% is based on published work.

Some comments urged that the definition of SMI did not constitute the service population for public mental health services.

This final notice includes a statement about the scope of application of the estimates. That statement defines what is and is not intended by the definition and the methodology.

Complexity of the Methodology

Some comments noted that the use of the Baltimore sample as a basis for estimating national SMI rates among elderly persons may have introduced errors into the estimates for persons 55 years and older.

The technical experts were mandated to arrive at the best estimate based on currently available data. The Baltimore ECA data were the best currently available for persons 55 years and older. Nationally representative data would have been used if such existed. It will be important in the future to improve the data available to produce estimates for all age groups.

Some comments were made about distortions in State estimates and lack of theory.

The technical experts used all available data on State-level variables that could be obtained readily from the Federal government on an annual basis and explored the effects of these variables in predicting SMI. Such variables were deliberately selected to increase the ease of application of the estimation methodology by the States in the future. The experts believed and continue to believe that they could do no less than exhaustively consider the full range of potentially important predictors of SMI, irrespective of available theory. The analytical iterations are explained in the committee's report. These explanations provide all the detail a specialist in applied statistics or demography would need to evaluate the procedures adopted. These procedures are consistent with currently accepted methods for making small area estimates. Government agencies currently use similar methodologies to make estimates of other State-level social policy variables.

Some comments suggested that confidence intervals were not provided for State prevalence estimates.

Confidence intervals have been provided in this final notice, since estimates are based upon samples rather than a complete enumeration.

Some comments suggested that the estimation methodology paper was difficult to understand and that complex statistical procedures were inadequately explained, with insufficient rationale.

In writing the paper, the authors were sensitive to the importance of being clear about major decisions. The authors have had a great deal of experience writing reports of empirical studies for critical scientific and peer review. By the standards of this scientific review process, the level of documentation presented in the estimation methodology report is quite high.

Some comments indicated that no adjustment was made in the methodology to address the phenomenon of different levels of reporting of psychiatric symptoms by ethnic groups.

The technical experts included information to discriminate nonhispanic whites from all other racial groups in the model. No fine grained distinctions were made about race/ethnicity because of the small numbers of people in specific race/ethnicity subsamples in the surveys that were analyzed. As part of the analysis, the technical experts obtained all the information that was readily available from the Census Bureau on Census Tract-level, County-level, and State-level demographic variables. All these variables were included in efforts to predict and estimate the prevalence of SMI.

Some comments suggested that the factor analysis was inadequate and that important issues not described (e.g., the number of variables in the analysis or how missing data were handled) could have affected the results.

The factor analysis was carried out on a Census data file containing County-level data from the 1990 Census. The sample size was the number of Counties in the U.S., while the number of variables was over 100 Census characteristics. Some of the characteristics were quite highly correlated across Counties, like median household income and mean household income, or the number of men in a County and the number of women in a County. Factor analysis was used as a way of reducing redundancy prior to performing further analyses. The factor analytic procedures employed represent the state-of-the-art for similar data reduction procedures.

Some comments were made about the use of varimax rather than oblique rotation, the decision to examine only the first ten factors in the solution, and the use of factor-weighted scores.

The group of technical experts explored both oblique and rigid rotations and also looked at the unique factors after the first ten. "Unique factors" refer to factors in which there is only a single variable with a high loading. Variance was noted to be trivial after the first ten factors. No factors after the first ten had more than one variable with high loading. Factor weighted and factor-based scales are very highly correlated, therefore the choice of one over the other did not affect the results of the analyses.

Some comments noted that Census data are strongly influenced by population size and suggested that this effect could be removed to find a more meaningful structure.

A similar procedure was actually used. All count variables were transformed (e.g., number of vacant houses, number of people on welfare) into population proportions. This procedure removes the effects of population size.

Some comments suggested that users of the public mental health system have low levels of income. However, the key significant income predictor was an interaction term for high income and urbanicity associated with reduced prevalence of SMI.

The technical experts were surprised to find the absence of high income people was a stronger predictor of SMI than the presence of low income people. This was investigated in considerable detail, trying a number of different specifications in search of a low income effect. These included a specification involving the assessment of neighborhoods with a bimodal distribution of high income and low income people, as well as a specification that examined the effect of degree of variation in income in the community (e.g., differentiation between a community with an average income of $30,000 due to all families having this income versus another with an average of $30,000 due to 10% of families making $210,000 and another 90% making $10,000. After a careful review, the technical experts concluded that the data did not support a low income effect or any effect of income variance for SMI. It is important to note that there is a strong low income effect for estimates of persons with severe and persistent mental illness (SPMI), even though such an effect could not be found for SMI.

It is noteworthy that the analysis of income effects was confined to neighborhoods (Census Tracts) due to the fact that the Census Bureau would not release individual-level family income data cross-classified by other Census variables at either the Tract, County, or State levels. The Census Bureau decision was based on the concern to maintain confidentiality of Census records.

Some comments requested future consideration of SMI incidence.

Currently, no nationally representative data are available on incidence of SMI. The group of technical experts has made recommendations to CMHS regarding the need for future data collection to obtain incidence data.

State Differences

Some comments suggested that SMI prevalence was higher in the West and the Southwest, compared with other regions of the US.

The magnitude of the SMI estimates, averaging approximately 5-6% of the adult population in a year, is very plausible. It is generally agreed that 2-3% of the adult population suffer from severe and persistent disorders such as schizophrenia, other nonaffective psychoses, and bipolar disorder. Based upon the estimation methodology, an additional 2-3% of the adult population suffer from serious anxiety, nonbipolar mood disorders, and other disorders, for a total of 5-6%. It would be highly suspicious if the estimates were any less.

In the draft notice of the estimation methodology, point estimates were provided for State SMI prevalence figures. In this final notice, a 95% confidence interval is used to calculate the SMI prevalence rate as a range. State prevalence of SMI is estimated to be between the lower and upper percent limits for each State. Based on these analysis, one cannot conclude that rates differ among States. Hence, the same prevalence rate and percentage standard error are applied to all States to produce the numerical estimates provided in table 1. See the footnote to table 1 for further information on this estimation procedure.

Some comments noted that the inclusion of Alzheimer's disease contributes appreciably to the counts and that, since the definition cannot be changed at this point, the report should clearly note that this is the case.

This is a good suggestion.

Some comments suggested that only 10 States are at or below the national average, and that the majority of these States are quite small, therefore a mathematical explanation of this phenomenon would be appropriate.

This comment does not reflect the nature of the estimation methodology. As stated in the draft **Federal Register** notice of March 23, 1997, Volume 62, No 60, page 14931, the national total estimated number of persons with SMI is derived from direct, weighted counts

from the surveys used. However, the State totals were computed from synthetic modeling at the County level, and county estimates were summed to arrive at State totals. These two approaches are not the same. Therefore, they are subject to different types of sampling and non sampling errors. As a result, the sum of State totals will not necessarily equal the U.S. total, and State estimates cannot be compared directly with the national average.

Some comments suggested that use of national probability estimates did not permit consideration of regional and state differences, which could affect the relationship between key analytical variables.

Because of the difficulty of obtaining data, the technical experts made the assumption that the effects of all the predictor variables were the same across all States. More precise estimates could have been made if representative samples from each State were available.

Other Related Comments

Some comments noted that the exclusion of homeless and institutionalized persons, those living in group quarters, and those without telephones excludes the segments of the population with the highest risk of SMI.

The Epidemiologic Cachement Area (ECA) and the National Commobidity Survey (NCS) studies were both household surveys, so there is no exclusion of non-telephone households. Although national data were used to estimate the overall U.S. prevalence of the omitted population groups, due to lack of data, no attempt was made to estimate how many homeless people or persons in the other excluded segments reside in each State.

Some comments suggested the need to have prevalence estimates for Puerto Rico.

The prevalence estimates for Puerto Rico are included in this notice.

Some comments suggested validity studies that could form the basis for modifications and refinements to the estimation methodology.

Validation studies could help refine the estimation methodology. However, the mandate to the technical experts was to develop the best estimates with currently available data rather than only propose new data collections. As noted earlier, the technical experts have recommended that CMHS carry out a nationally representative survey once each decade in the Census year explicitly designed to assess the prevalence of SMI and SPMI, with oversampling to allow estimation by State. Execution of validation studies as part of this survey would permit the evaluation of and increased precision in State level estimates.

Some comments urged SAMHSA to increase Block Grant Funds for States to offer services to the number of persons who have SMI.

The first step in such a process is the one currently being undertaken, i.e., using the estimation methodology to produce estimates showing that the number of adults with SMI exceeds the number who can be served with currently available funds.

SMI Estimation Methodology

Data Sources

Data from two major national studies, the NCS and the ECA, were used to estimate the prevalence of adults with SMI. The NCS, a nationally representative sample household survey conducted in 1990–91 assessed the prevalence of DSM–III–R disorders in persons aged 15–54 years old. This sample included over 1,000 census tracts in 174 counties in 34 States. The ECA, a general population survey of five local areas in the U.S., was conducted in 1980–85 to determine the prevalence of DSM III disorders in persons age 18 and older. The ECA data utilized for the present analysis were limited to the Baltimore site because that was the only site that had disability data needed to operationalize the criteria for SMI. Although the Baltimore sample is not nationally representative, it is used in this analysis because the ECA provides a rough replication and check on the NCS data. Also, the NCS does not have data on persons age 55 and older, so the ECA data are used to estimate the prevalence of serious mental illness among persons 55 years and older.

The group of technical experts determined that it is not possible to develop estimates of incidence using currently available data. However, it is important to note that incidence is always a subset of prevalence. In the future, information on both incidence and prevalence data will need to be collected.

Serious Mental Illness (SMI)

As previously defined by CMHS, adults with a serious mental illness are persons 18 years and older who, at any time during a given year, had a diagnosable mental, behavioral, or emotional disorder that met the criteria of DSM–III–R *and* "* * * that has resulted in functional impairment which substantially interferes with or limits one or more major life activities.* * *." The definition states that "* * * adults who would have met functional impairment criteria during the referenced year without the benefit of treatment or other support services are considered to have serious mental illnesses. * * *" DSM–III–R "V" codes, substance use disorders, and developmental disorders are excluded from this definition.

The following criteria were used to operationalize the definition of serious mental illness in the NCS and ECA data:

(1) Persons who met criteria for disorders defined as severe and persistent mental illnesses (SPMI) by the National Institute of Mental Health (NIMH) National Advisory Mental Health Council (National Advisory Mental Health Council, 1993).

To this group were added:

(2) Persons who had another 12-month DSM–III–R mental disorder (with the exclusions noted above), and

- Either planned or attempted suicide at some time during the past 12 months, or
- Lacked any legitimate productive role, or
- Had a serious role impairment in their main productive roles, for example, consistently missing at least one full day of work per month as a direct result of their mental health, or
- Had serious interpersonal impairment as a result of being totally socially isolated, lacking intimacy in social relationships, showing inability to confide in others, and lacking social support.

Estimation Procedures

Two logistic regression models were developed to calculate prevalence estimates for adults with SMI.

(a) A Census Tract Model for years in which the decennial U.S. census is conducted.

(b) A County Level Model to be used in intercensal years.

In non-censal years, the county level model will be used to estimate SMI prevalence, after adjusting for its known relationship with the census tract model.

Formula

Census-Tract Model

Using 1990 census data, a logistic regression model was developed to calculate predicted rates of SMI for each cell of an age by sex by race table for each of the 61,253 Census Tracts in the country. Next, the rates were multiplied by cell frequencies and subtotaled to derive tract-level estimates. Finally, the tract-level estimates were aggregated to arrive at county-level and state level prevalence estimates of adults with SMI. This regression methodology is often used in small area estimation (Ericksen,

1974; Purcell & Kish, 1979). The actual Census Tract Model equation is specified immediately below:

PARAMETER ESTIMATES FOR CENSUS TRACT MODEL

Predictor	Odds ratio	95% Confidence interval
Intercept	*0.02	(0.01–0.04)
Individual-Level Variables		
Age:		
18–24	*1.94	(1.18–3.17)
25–34	1.32	(0.86–2.03)
35–44	1.46	(0.96–2.21)
45–54	1.00	
Sex:		
Female	*2.23	(1.57–3.19)
Male	1.00	
Race:		
Nonhispanic white	1.00	
Black/Hispanic/other	*0.49	(0.28–0.87)
Marital Status:		
Married/Cohabiting	1.00	
Never Married	*3.90	(1.15–3.08)
Separated/Divorced/Widowed	*1.88	(2.41–6.31)
Census Tract Level Variables		
F2 (High socio-economic status)	1.16	(0.90–1.49)
F4 (Immigrants)	0.99	(0.85–1.14)
County-Level Variables		
County Urbanicity:		
Metropolitan	1.12	(0.85–1.49)
Other	1.00	
Interactions Among Variables		
FemaleXSeparated/Divorced/Widowed	*0.47	(0.24–0.91)
FemaleXNever Married	*0.47	(0.28–0.78)
Non WhiteXSeparated/Divorced/Widowed	*2.62	(1.29–5.33)
Non WhiteXNever Married	1.81	(0.95–3.44)
FemaleXF2	*0.70	(0.51–0.96)
UrbanicityXF2	*0.75	(0.52–0.95)
F2XF4	*0.78	(0.64–0.94)

*Significant at the .05 level, two tailed test; F2=Census Tract factor score for high socioeconomic status (SES); F4=Census Tract factor score for immigrants.

The estimate for persons 55 years and older is derived from analysis of ECA data in conjunction with NCS data. The prevalence ratios among ECA respondents ages 55–64 and 65 years and above, were found to be 84 and 31 percent as large, respectively, as the prevalence estimate for NCS respondents 18–54 years old, after controlling for differences in gender and race. NCS State-level estimates were extrapolated using these ratios. These ratios did not differ significantly by sex or race. A factor of .81 was applied to State-level SMI estimates for the age range 18–54 to derive the rate for the age range 55–64, and .31 was used to arrive at the estimate for person 65 and older. A weighted sum (by age distribution of each State) was calculated to determine the final State-level SMI prevalence estimate.

County Model

U.S. Census Bureau tract-level data are available only for years in which the decennial U.S. Census is conducted. To obtain prevalence estimates for adults with SMI during intercensal years, the group of technical experts used biennial individual- and county-level data from the Census Bureau's small area estimation program. Predicted values from the logistic regression equation were used to calculate county level estimates. In contrast to the Census Tract Model, the initial estimates using this approach were generated at the county level. These county level estimates are then summed to provide State-level prevalence estimates. The actual county-level model equation is specified immediately below:

PARAMETER ESTIMATES FOR COUNTY-LEVEL MODEL

Predictor	Odds ratio	95% Confidence interval
Intercept	*0.04	(0.02–0.07)

PARAMETER ESTIMATES FOR COUNTY-LEVEL MODEL—Continued

Predictor	Odds ratio	95% Confidence interval
Individual-Level Variables		
Age:		
18–24	1.69	(1.00–2.85)
25–34	1.10	(0.65–1.88)
35–44	1.24	(0.71–2.15)
45–54	1.00	
Sex:		
Female	1.58	(1.17–2.13)
Male	1.00	
County-Level Variables		
Urbanicity:		
Metropolitan	1.35	(0.99–1.85)
Other	1.00	

*Significant at the 0.05 level, two-tailed test.

Adjustment for persons age 55 years and older is carried out as in the Census Tract Model. An adjustment factor (Census Bureau, Fay, 1987; Fay & Herriot, 1979) based on the ratio of County-Level Model estimates for 1990 and Census Tract Model estimates for 1990 can be used to adjust estimates for subsequent years from the County-Level Model. This procedure assumes that the Census Tract Model is more accurate than the County-Level Model.

County and State Estimates

As stated earlier, Census Tract Model prevalence estimates were summed to derive county estimates, and county estimates were summed to arrive at State estimates. The 12-month prevalence of SMI is estimated nationally to be 5.4 percent (with a standard error of 0.9 percent) or 10.2 million people in the adult household population (95 percent confidence interval ranging from 7.0 million to 13.4 million), of which 2.6 percent or 4.8 million adults have SPMI (figure 1). When the standard error is considered, State estimates do not vary. Hence, State estimates are defined as 5.4 percent of the adult population, with a 95 percent confidence interval of plus or minus 1.96 times 0.9 percent.

The above estimates are based on noninstitutionalized persons residing in the community. Limited information currently exists on SMI estimates for persons institutionalized (i.e., persons in correctional institutions, nursing homes, the homeless, persons in military barracks, hospitals/schools/homes for persons who are mentally ill or mentally retarded). Fischer and Breakey (1991) indicate that, on average, the SMI prevalence rate for these groups (including about 5 million people or 2.7 percent of the U.S. adult population) is about 50 percent. The following assumptions were made in deriving rough estimates of SMI prevalence for persons who are institutionalized: (a) For 1.1 million residents of correctional institutions, 100 percent of whom are adults, prevalence of SMI is estimated to be 57 percent; (b) For 1.8 million residents of nursing homes, 100 percent of whom are adults, prevalence of SMI is estimated to be 46 percent; (c) For 0.5 million persons who are homeless, 80 percent of whom are adults, prevalence of SMI is estimated to be 50 percent; (d) For 0.6 million persons in military barracks, all of whom are adults, the SMI prevalence rate is equivalent to that of the adult household population; (e) For 0.4 million persons in hospitals, homes, and schools for persons who are mentally ill, 80 percent of whom are adults, prevalence of SMI is estimated to be 100 percent. (f) For 0.6 million persons in other institutional settings such as chronic disease hospitals, homes and schools for persons with physical disability, and rooming houses, 50 percent of whom are adults, prevalence of SMI is estimated to be 50 percent.

State estimates of each of these populations can be added to the State SMI populations identified below.

Only a portion of adults with SMI seek treatment in any given year. Due to the episodic nature of SMI, some persons may not require mental health service at any particular time.

Provision of Estimates to States

CMHS will provide each State mental health agency with estimates in order to initiate the first cycle of use. Subsequently, CMHS will provide technical assistance to States to implement the methodology using State demographic information.

The initial set of State estimates is provided in table 1 below. Further background information on these estimates can be found in Kessler, et al. (1998).

TABLE 1.—ESTIMATED 12-MONTH NUMBER OF PERSONS WITH SERIOUS MENTAL ILLNESS, AGE 18 AND OLDER

[By State, 1990*]

State	Point estimate	95% confidence interval	
		Lower limit	Upper limit
Alabama	161,017	110,327	211,708
Alaska	20,398	14,730	26,817
Arizona	144,942	104,680	190,572
Arkansas	93,398	63,995	122,801
California	1,188,502	814,344	1,562,660
Colorado	131,380	90,026	172,752

TABLE 1.—ESTIMATED 12-MONTH NUMBER OF PERSONS WITH SERIOUS MENTAL ILLNESS, AGE 18 AND OLDER—Continued

[By State, 1990 *]

State	Point estimate	95% confidence interval	
		Lower limit	Upper limit
Connecticut	137,027	93,889	180,165
Delaware	27,153	18,605	35,701
District Columbia	26,450	18,123	34,776
Florida	543,871	372,652	715,090
Georgia	256,549	175,784	337,315
Hawaii	44,718	30,640	58,795
Idaho	37,711	27,235	49,582
Illinois	458,149	313,917	602,381
Indiana	220,763	151,263	290,262
Iowa	111,125	76,141	146,109
Kansas	98,062	67,190	128,933
Kentucky	147,485	101,054	193,915
Louisiana	161,606	110,730	212,482
Maine	49,622	34,000	65,244
Maryland	195,438	133,911	256,965
Massachusetts	251,821	172,544	331,098
Michigan	369,173	252,952	485,394
Minnesota	173,249	118,708	227,790
Mississippi	98,629	67,579	129,678
Missouri	205,321	140,683	269,959
Montana	31,156	21,348	40,964
Nebraska	62,066	42,527	81,605
Nevada	48,864	33,481	64,247
New Hampshire	44,847	30,728	58,965
New Jersey	320,259	219,437	421,082
New Mexico	57,690	39,528	75,851
New York	741,469	535,505	974,894
North Carolina	271,214	185,832	356,597
North Dakota	25,024	17,146	32,902
Ohio	434,558	297,753	571,363
Oklahoma	124,663	85,417	163,909
Oregon	114,382	78,373	150,392
Pennsylvania	490,689	336,213	645,165
Puerto Rico	195,719	159,550	231,817
Rhode Island	42,000	28,778	55,222
South Carolina	138,591	94,960	182,221
South Dakota	26,867	18,409	35,325
Texas	656,136	449,575	862,698
Tennessee	197,671	135,441	259,901
Utah	59,152	40,530	77,774
Vermont	22,662	15,528	29,797
Virginia	252,861	173,257	332,466
Washington	194,686	133,396	255,977
West Virginia	72,895	49,946	95,843
Wisconsin	194,550	133,303	255,798
Wyoming	17,175	11,768	22,582
Total	10,191,412	7,043,431	13,374,301

Does not include persons who are homeless or are institutionalized.

*Because there are no differences among States, the estimate for each State is calculated as 5.4 percent of the total State adult population. The size of the 95 percent confidence interval for each State is equal to the percentage estimate plus or minus 1.96x0.9 percent. The percentage estimate and the percentage standard error are identical across States. However, the numeric estimate and numeric standard error vary depending on the State adult population. The percentage standard error (0.9 percent) used to compute the upper and lower 95-percent confidence limits is estimated using jackknife repeated replication (JRR) variance analysis (Kish and Frankel, 1974). The JRR calculations assume that the imputation ratios and the population proportions in the different age groups based on the census data are correct. The confidence limits simulate the error introduced into the estimates by imprecision in the prevalence estimates for NCS respondents in the age range 18–54.

Limitations

The ECA and NCS were designed to study lifetime prevalence of mental disorders rather than 12-month prevalence. As a result, the emphasis in diagnostic assessment was on lifetime disorders. In addition, functional impairment was not a primary focus in either the ECA or the NCS.

Current data cannot provide estimates of incidence. Additional information needs to be collected in the future.

It is anticipated that additional work will be done in future years to refine and update the estimation methodology. CMHS will apprise States as this work develops.

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Dated: June 7, 1999.

Richard Kopanda,

Executive Officer, Substance Abuse and Mental Health Services Administration

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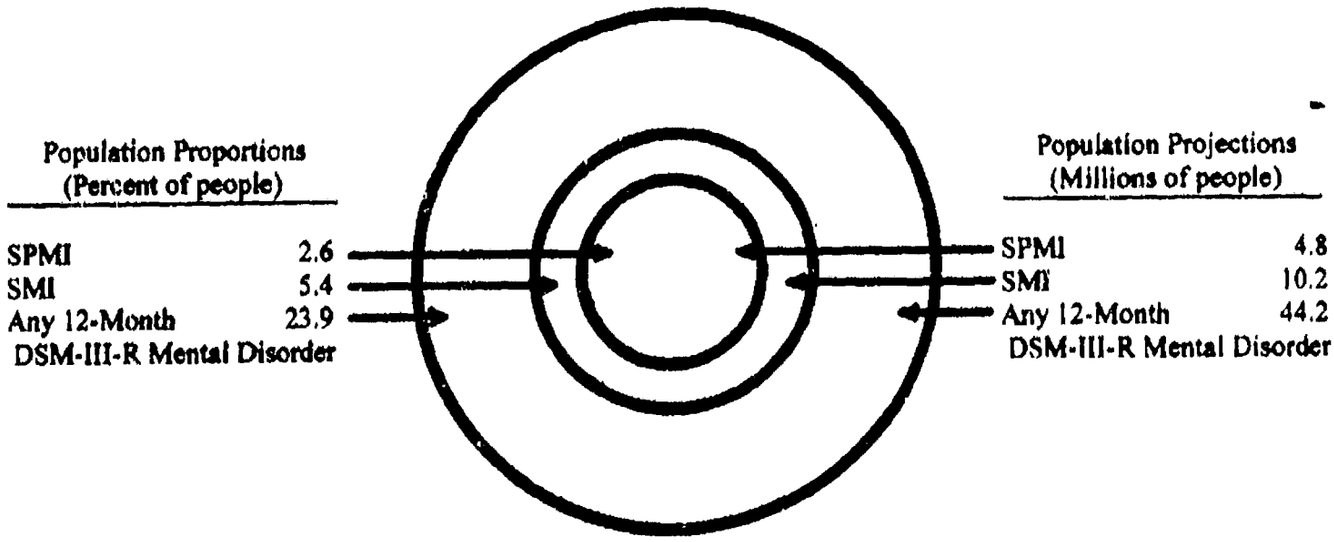
Figure 1. Estimated Total Population (Ages 18+) 12-Month Prevalences and Population Projections of DSM-III-R Severe and Persistent Mental Illness (SPMI), Serious Mental Illness (SMI), and Any Mental Illness Based on Pooled Baltimore ECA/NCS Data



(FR Doc. 99-15377 Filed 6-23-99; 8:45 am)

BILLING CODE 4162-20-C

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Center for Substance Abuse Treatment, and Center for Substance Abuse Prevention; Fiscal Year 1999 Funding Opportunity

AGENCIES: Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment (CSAT), and Center for Substance Abuse Prevention (CSAP).

ACTION: Notice of availability of funds for grants to support the development of community-based practice/research collaboratives.

SUMMARY: The U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) Center for Substance Abuse Treatment (CSAT) and the Center for Substance Abuse Prevention (CSAP), announce the availability of FY 1999 funds for grants for the following activity. This activity is discussed in more detail under section 4 of this notice. This notice is not a complete description of the activity; potential applicants must obtain a copy of the Guidance for Applicants (GFA) before preparing an application.

Note: SAMHSA also published notices of available funding opportunities for FY 1999 in previous issues of the **Federal Register**.

HB 1012

TESTIMONY ON HB 1012
SENATE APPROPRIATIONS COMMITTEE
FEBRUARY 28, 2001

Chairman Nething and members of the committee, my name is Kip Knaup from Bismarck. I am here today to offer testimony on HB 1012.

I am a consumer of mental health services and I am concerned about the cuts being taken in the overall budget. To not offer the community services necessary for all who us the regional human service centers is not right. Individuals with different disabilities, parents, children, post-traumatic stress disorder and other general mental health needs also use these centers. Without the appropriate funding in place for community services, there would be a step backward in the progress we have made toward allowing individuals with disabilities to be contributing members of the community.

I was diagnosed with a brain tumor in March of 2000. The tumor is located by the pituitary gland, in the middle of the brain. I recently underwent several weeks of radiation therapy for this. If it had not been for the encouragement of my case manager, others from West Central, Comfort Care and the Mental Health Association I would not be here to offer my testimony today.

I, as a consumer have the right to live in the least restrictive environment. The reduction in funding doesn't allow for the continuation of community services. I respectfully request you restore the funding that was cut from each of the human service centers and the psycho-social rehabilitation centers. For many people like myself this is the only place they have to go for support.

Thank you for your time. I would be happy to answer any questions you may have at this time.

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

ENGROSSED HB 1012

SENATOR DAVID NETHING, CHAIRMAN

MARCH 1, 2001

With the exception of this and the following page this testimony is the same as on 1-4-01

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

DIVISION OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

Chairman Nething and members of the Committee, my name is Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services in the North Dakota Department of Human Services. This morning I will provide you with on overview of the Division and its budget.

I. Introduction

- **Current research identifies the biological basis for both mental illness and substance abuse.**
  - **An increased understanding of the structural and neurochemical functioning as well as the genetic influence of the brain has produced an understanding of the correlation of biological changes with environmental factors.**
  - **The emergence of increasingly effective psychotropic medication as well as tested psychosocial approaches to service are increasing opportunities for positive outcomes for consumers of mental health services.**
  - **Despite advances in the understanding of the biological basis for mental illness and substance abuse, the complex nature of the brain interrelated with environmental, physical health, and other stressors does impact long-term management and response of mental illness and substance abuse problems.**
  - **Children do experience biological/genetically-based mental disorders, referred to in children as serious emotional**

VI. Budget Highlights (Attachments J - M)

- Funding Sources:
  - CMHS Block Grant
  - SAPT Block Grant
  - PATH Grant
  - State Needs and Demands Assessment Grant
  - Governors Portion of the Safe and Drug Free Schools and Communities Grant
  - Enforcing Underage Drinking Grant
  - Special Funds
  - General Funds
- The 2001-03 proposed budget for the Division demonstrates an overall decrease in General Funds of $173,644. This is inclusive of:
  - The shifting of a portion of the funding for Extended Services from the Division's budget to the North Dakota State Hospital for specified use with a target population,
  - The recommended salary package for Division staff,
  - The addition of a half-time FTE transferred into the Division to perform data management functions for the Division and the field.
  - Reduction of $50,000 by the House of the appropriation request for compulsive gambling.
- In addition, the budget reflects an increase in Federal funding of $1.28 million. This is inclusive of:
  - Substance Abuse Prevention and Treatment Block Grant services for targeted populations,
  - Increase in the Enforcing Underage Drinking Grant due to anticipated funding for a full biennium,
  - Decrease in crisis counseling program funding due to the ending of the most recent program,

MENTAL HEALTH ASSOCIATION IN NORTH DAKOTA

House Bill 1012 Testimony

Before Senate Appropriations Committee
March 6, 2001

Mr. Chairman, members of the Committee, my name is Rose Stoller. I am the executive director of the Mental Health Association in North Dakota. Prior to accepting this position, I worked for the Department of Human Services for 17 years. During that time I worked as a disability claims examiner, a developmental disabilities case manager, and a community liaison outreach worker. These positions allowed me to work with a wide variety of vulnerable citizens, including those with mental illnesses. In a volunteer capacity with the Mental Health Association in North Dakota, I coordinated depression education and screening campaigns statewide.

The Mental Health Association in North Dakota (MHAND) is a nonprofit volunteer citizens organization affiliated with the National Mental Health Association, which is the oldest and largest nonprofit organization addressing all aspects of mental health and mental illness. During the nearly 50 years since MHAND was founded, North Dakota's leadership in the mental health community has impacted consumers nationwide through the service of three North Dakotans who have served as president at the national level. Our three presidents were Geridee Wheeler, who is presently executive director of the Dacotah Foundation in Bismarck; Michael Unhjem, CEO of Blue Cross/Blue Shield of North Dakota; and, most recently, Richard Weber, who is Vice President of Administrative Services at Basin Electric Power Cooperative.

One of the primary missions of the Mental Health Association in North Dakota is to ensure the availability of appropriate, accessible, and adequately funded treatment and support services for persons with mental illnesses throughout the state of North Dakota. During the last two decades, our organization has worked closely with the legislature, the Department of Human Services, families, and consumers to move our state's delivery system from an over reliance on institutional or custodial care to a community-based system of care.

In furtherance of our mission, the Mental Health Association in North Dakota appears today to support the funding of mental health services as contained in HB 1012. However, we believe

that the funding level needs to increase in several critical areas to eliminate existing gaps in services and to include within this budget funding for some program areas which are contained in Optional Adjustment Requests. It is my intent over the coming weeks to comment, more specifically than time allows today, on portions of the budget and several OAR's.

No discussion of the budget can begin without a review of some of the basic reasons why public sector mental health services are important.

PREVALENCE OF MENTAL ILLNESSES

Studies conducted by the National Institute of Mental Health (NIMH), the Center for Mental Health Services (CMHS), and the Surgeon General concluded that one of every five American adults (54 million) will suffer a serious mental health disorder during their lifetime. These studies also concluded that 1 of every 5 children and adolescents under the age of 18 has a diagnosable mental disorder and 1 in 10 may suffer from a serious emotional disorder. The significance of having 20 percent of children and adults suffering, often in silence, from mental illnesses is measured not only in their own pain and suffering and family dysfunction, but also in tremendous economic losses to this country, which are estimated by NIMH to be over $250 billion dollars annually. For example:

- Each year, depression costs the US economy $43.7 billion, including $31.3 billion for indirect costs, such as decreased productivity and lost work days, and $12.4 billion in direct costs, such as medication and physician time. (NMHA, 2000)

- Schizophrenia (one of the most debilitating of the mental illnesses) alone costs $32.5 billion in direct and indirect costs. (NIMH, 1999)

These national studies have also concluded that only 16 to 20 percent of the Americans suffering from a mental illness will seek treatment, even though the success rate for treatment of these illnesses ranges from 75 to 90 percent.

Many persons may have difficulty accepting the national prevalence studies; however, common sense and the results of national studies provide a basis for understanding the pervasiveness of mental illness.

- Between 40% and 65% of patients who suffer from coronary heart disease and have experienced a heart attack also experience depression (NMHA, 1998).

- As many as 70% of patients with complications from diabetes are affected by depression (NMHA, 1998).

- 1 in 4 people with cancer also suffers from clinical depression (NMHA, 1998).

- It is estimated that 18% to 25% of seniors are in need of mental healthcare for depression, anxiety, psychosomatic disorders, adjustment to aging, and schizophrenia (MHASP, 1999).

- Up to half of all visits to primary care physicians are due to conditions caused or exacerbated by mental or emotional problems (Collaborative Family Healthcare Coalition, 1998).

- Major depression is the second leading cause of disability in the United States and worldwide (NIMH, 1999; WHO, 1998). Depression ranks among the top three workplace problems, following only family crisis and stress (Enhanced Employee Assistance Program Survey, 1996).

HISTORICAL LOOK AT MENTAL HEALTH SERVICE DEMANDS

In North Dakota, the demands on the mental health treatment service delivery system have grown steadily. The 1999 North Dakota Legislative Council's final report on the Budget Committee on Government Services indicated that, between 1991 and 1999, the regional human service centers experienced a 41% increase in the number of adults with serious mental

illness receiving services. The number of children with serious mental illnesses or emotional disorders served by the regional human service centers increased by 29% between 1993 and 1999. (1993 being the first year children were tracked separately by the Department of Human Services). In the 2001 NDLC report on the Budget Committee on Human Services, it was reported that the number of clients increased 836 in the one year between 1999 and 2000, and caseloads increased 1,450 statewide during the same period.

But we all must remember that the number of persons presently being served is, at best, only 20% of those in need of these services. The other 80% who could benefit from treatment services continue to suffer in silence, and contribute to the number of lost work days and other direct and indirect economic losses in North Dakota. The Surgeon General reports that the unmet needs for children's mental health services remains as high now as it was 20 years ago.

During the testimony of the Department of Human Services, questions arose as to the reasons why caseloads at the human service centers continue to increase. Generally speaking, the main reason is that we have decreased our reliance upon the hospitalization of persons with mental illnesses, which has resulted in an increase in the case load at the community level. In addition, not only have we discharged a considerable number of patients from the hospital but we have also diverted new admissions to the hospital through the RIS program at the regional level. More specifically, the clients served by the public sector are usually those whose mental illness is more serious, resulting in a chronic lifelong condition which requires continual treatment, support, and services. These clients rarely have choices in treatment providers, given the level of their disability and reliance upon public assistance programs such as SSI, SSDI, Medicaid, and housing assistance.

Caseloads will never remain stagnant nor are they likely to decrease due to improved diagnosis and better consumer awareness. Mental illness does not occur during one phase of life, nor for one age or socioeconomic group, but rather may occur throughout the life cycle. Some persons will seek treatment during a crisis and some will require services for the long term. One finite example of a new client in the human service system is a young adult stricken with schizophrenia. The illness manifests itself usually between the ages of 16 and 25 and is one

of the most disabling of the mental illnesses. This client will require intense medication management upon diagnosis to find the appropriate treatment to control symptoms and produce the least amount of side effects. During the course of this client's life, services such as case management support and other core services will be necessary. While services may be intensive and costly during certain times of this patient's care, lower-cost maintenance services, which will be necessary life long, will ultimately save money by avoiding repeated hospitalizations.

CONTINUUM OF CARE PRINCIPAL

The guiding principal for the funding of mental health services within the regional human service centers has been to reduce the level of reliance on service delivery at the institutional level of the State Hospital and to redirect dollars to the communities in order to provide care and treatment in the least restrictive setting. In the late 1980s, the North Dakota Legislature enacted N.D.C.C. § 50-06-06.5 which required each human service center to develop a plan for the delivery of a "full continuum of services" for persons with serious mental illnesses. This step had the full and enthusiastic support of the Mental Health Association. Little did we know, however, that the catch phrase "continuum of service" would create an unintended result.

In the past, this phrase led many to believe that a patient must move sequentially through the continuum as opposed to today's wiser view that each patient has individualized needs that the system must be equipped to meet. Our thinking needed to be updated to recognize that a "cookie cutter" approach to service delivery needed to be replaced by the availability of a "full array of services" accessible by all those in need. Some may also have mistakenly believed that there was an end to the continuum of care or that the ultimate goal was to "graduate" a client out of the system entirely. However, just like diabetes and heart disease, many of the serious mental illnesses require life long services to maintain stability and avoid relapses requiring hospitalization.

This modern philosophy has been best represented by the approach used in the children's mental healthcare system. "Wrap Around Services" has been the catch phrase in the

development of programs and services for children and adolescents. This philosophy has merit for adults, as well, and should be our new guiding principal in viewing the adequacy of funding for our state's mental healthcare delivery system. Our concern about the funding level for the children's wrap around services will be addressed later in more detail.

CORE SERVICES

Persons with mental illnesses have the right to live, work, and interact in the communities of their choice. As we increasingly rely upon the delivery of services at the community level, it is vital to offer the full array of services that will best avoid unnecessary or repeated hospitalization. These core services include:

- Early Identification and Intervention
- Appropriate Assessment and Referral
- Case Management Services
  - Broker of appropriate services and levels of care
  - Liaison with other community providers
  - Advocate for least restrictive care
  - Liaison with State Hospital for implementation of discharge plans and community transition
- Crisis Management Services
  - Crisis intervention by RIS professionals
  - Short term alternative care services
  - Emergency hospitalization
- Medical Management Services
  - Psychiatric services
  - Psychological services
  - Nursing services
  - Medication monitoring

- Residential Services (Short Term and Long Term Care)
  - Transitional living
  - Independent supported living
  - Specialized long term care
- Employment Services
  - Vocational skills training
  - Job readiness skills training
  - Supported employment
  - Transitional employment
- Community Support Services
  - Family support services
  - Natural support services (i.e., Rhinelander Program)
  - Respite care
  - Recreation services (i.e. Psychosocial Rehabilitation Centers)

Although the above listing of core services represents services generally available at the regional human service centers, there remains a great deal of disparity between the eight regions in the funding of these services.

In addition to the necessity for adequate funding of core services, the Department of Human Services must be positioned to deliver these services to those with special needs. First of all, certain core services must be available to all of its citizens regardless of where they live. This is particularly important for those who choose to reside in our rural areas. Mental healthcare services must not be provided only at the regional human service centers, but also be provided on an outreach basis throughout the center's service area. Secondly, careful attention must be paid to special needs populations to ensure that services are available based on their unique needs, such as persons with mental illness also experiencing substance abuse problems, or those who have the dual diagnosis of mental illness and mental retardation. And last, but by no means least, children and adolescents present special needs that must be given a priority in your funding decisions. We are jeopardizing our future by ignoring the mental healthcare needs of children, young people, and their families.

2001 - 2003 BUDGET REQUEST

Our support for HB 1012 is guarded because the level of funding for mental healthcare services, particularly for community based and wrap around servic r children and adults in our view, is inadequate to meet the needs of our state's citizens. There are several core services which remain either unfunded or underfunded. The level of funding for mental healthcare services is, for the most part, a "no-growth" budget. Amendments prepared by the House further compromise the Department's ability to serve vulnerable citizens.

Despite our reservations about the requested funding level, we are appreciative of Carol Olson's leadership of the Department of Human Services and her and her staff members' ongoing commitment to communication with advocacy groups such as ours. It is through open communication that we are able to work together more effectively to influence change. We are also pleased with the Department's strategic planning efforts and look forward to the inclusion of stakeholders, such as the Mental Health Association in North Dakota and other advocacy groups, in this process as it develops.

STATE HOSPITAL BUDGET NEEDS

The Mental Health Association in North Dakota has for decades requested that North Dakota reduce its reliance upon the State Hospital as the primary care giver in the mental healthcare delivery system and increase the funding of the community based services. In light of the recent U.S. Supreme Court decision, Olmstead v. L.C., the role of state hospitals will continue to decline. However, until the specialized services presently available only at the State Hospital are transferred to the regional centers, and until adequate funding is provided to the regional centers, we steadfastly recognize that the State Hospital has, and will continue to have, a role in the overall delivery system.

The leadership of the Department of Human Services and the State Hospital recognizes this changing role in the current budget request. Their continued effort to redirect funds to the regional centers who divert admissions to the State Hospital is commendable. But we wish to

emphasize that this effort will only be successful when each of the regional human service centers has adequate funding to assume the responsibility of care for all mental healthcare services. No growth budgets simply do not allow for this. We share the superintendent's concern about House changes to the human service center budgets, particularly in Region II, Minot, and Region IV, Grand Forks.

Until such time as a substantial commitment in staff, time, and funding becomes a reality at the regional human service centers, we must be vigilant in protecting the State Hospital's ability to meet the needs currently unmet by the regional centers. The patients served by the State Hospital are generally the most seriously ill who are in need of specialized services which are not available at the regional centers. Persons who present dual diagnoses of mental illness/mental retardation or mental illness/addiction are examples of those in need of specialized services.

As we have done in each biennium over the last two decades, we would like to again address the need for adequate funding for continuing education and training of professional staff. During the last decade, the mental health field has seen dramatic breakthroughs in treatment protocols and medications which dictate the need for ongoing training and education of the entire mental health system's professional staff. Funding for training of the professional "line" staff at both the hospital and the regional centers is our investment in ensuring the delivery of quality mental healthcare. The Mental Health Association in North Dakota urges this committee to add $100,000 to the Department of Human Services budget to allow psychiatrists, psychologists, social workers, nurses, and mental health professionals in our state system to receive the continuing education and training necessary to do their jobs well. The value of the training received can be multiplied ten fold if the Department of Human Services establishes a plan for those attending the out-of-state educational seminars to share that training with other professionals.

HUMAN SERVICE CENTER NEEDS

As I mentioned previously, the Mental Health Association in North Dakota supports the philosophy of the State Hospital diversion program, but cautions that the program will simply not work unless the dollars previously spent at the hospital do indeed follow the client. Without restoration of dollars cut by the House, services in the community will surely be compromised.

The eight Regional Human Service Centers exhibit many efforts to partner with other community organizations and nonprofit associations, like ours, to meet the gaps in services which occur when state budgets decrease. We applaud these collaborative efforts, but I must again remind you that the role and mission of the Department of Human Services is to serve vulnerable people. Persons with mental illnesses are clearly some of the most vulnerable in our communities. The level of funding requested in the human service center budgets is just not adequate to provide services needed now, nor will it be adequate as demand increases.

Of greatest importance to persons with mental illness is the service of the case manager, who provides support, therapy, and assurance of appropriate adjunct services, often over the client's lifetime. Aside from a request from West Central Human Service Center, we see no funding increases for case management services for persons with serious mental illness despite increasing demands. Simply increasing caseloads of the existing staff to meet client needs is a worrisome way of making our system work. We urge this committee to include increased funding for case management services to meet these demands. We believe a close examination of the level of staff support necessary to meet existing client needs will support our request.

The Mental Health Association in North Dakota fully supports the increases in salary and fringe benefits as requested by each regional center. The centers have traditionally had great difficulty recruiting and retaining qualified staff across all disciplines. Adequate funding of staff salaries should help to alleviate some of this difficulty. We also support the FTE enchancements requested by several of the centers, but are concerned that too many professional positions have been eliminated from the regional center's budgets.

The Department of Human Services gave little testimony about the "Optional Adjustment Requests," (OARs) which are not funded in the Governor's budget. We urge the committee to look beyond the base budget to examine those OARs which provide creative approaches to meet the needs of our citizens.

As we have testified during the last several legislative sessions, the development of the Regional Intervention Services (RIS) at each center is a key component of the State Hospital diversion program. RIS units are designed to review all voluntary and involuntary admissions to the State Hospital; provide appropriate treatment and referral services, and be available 24/7 in order to respond to crises. Feedback from consumers and family members indicates that this works better in some areas of the state than others. RIS units are presently identified, structured, and operated differently in each region. The ultimate goal for our state's mental health delivery system should be that any citizen, regardless of where he or she lives, can expect a standard level of care and accessibility to services. In light of the department's focus on alignment, we urge the establishment of uniform standards of care for the operation of these units and offer our assistance in this effort.

EMPLOYMENT SERVICES

As one of the core mental healthcare services, employment training is a critical component for persons with mental illnesses to reintegrate into the community. Work is an important part of all of our lives. For persons with mental illnesses, the ability to work is an essential part of their recovery. Employment training provides clients with the necessary skills to achieve success in real jobs in the community. As a result, the client's self-esteem goes up and the stigma attached to their illness is reduced. While North Dakota enjoys a low unemployment rate, studies of the disability community reveal that the unemployment rate is as high as 60 to 70 percent. Supportive employment services are necessary to allow this community to join the work force.

The Extended Services part of the Department of Human Services budget includes training dollars for persons with mental illnesses, allowing these persons to gain employment skills.

While some persons may be able to treat and maintain their mental illness to the extent that they are able to gain permanent employment, some will only be able to remain in the workforce with continued employment support services. An example of the successful use of these training dollars can be found close to home. The Mental Health Association in North Dakota has established a small retail health food store in Bismarck, which is also a training site for persons with mental illness to gain job skills. Trainees learn a variety of skills from packaging dry goods, operating the cash register, to the social skills of serving the public. Following a course of training and job coaching, with funding provided under extended services, our first trainee is now a permanent part-time employee at the retail store.

In the Vocational Rehabilitation budget, the recent loss of federal funding for assistive technology must be replaced by general fund dollars. Clients who received funding through the assistive technology program were empowered to work and live more independently. The loss of funding for these technology services represents a step backward for persons with mental illness. This population deserves to move forward and should not be left behind in the new era of technology.

We would also bring to the committee's attention an OAR in the Medicaid budget which could assist in employment opportunities for persons with mental illness. This OAR represents the beginning of North Dakota's efforts to implement the "Ticket to Work and Work Incentives Improvement Act" (TWWIIA). One of the most common disincentives for persons with disabilities to work is loss of Medicaid coverage and the inability to obtain private health insurance. TWWIIA allows individuals to buy back into the Medicaid system with earned income from real work. North Dakota needs to increase its worker pool and this is an untapped resource easily brought into the fold of the work-a-day world.

PSYCHOSOCIAL REHABILITATION CENTERS

While most of us value our leisure time and often complain about the lack of it for recreation, persons with mental illnesses have a particular problem with appropriate use of leisure time, which too often leads to isolation. Complicating their use of leisure time is the stigma they

suffer during their attempts to socialize in the general population. It is not unusual during the progression of many of the serious mental illnesses that persons lose their ability to socialize, becoming more and more reclusive. The services offered by the regional psychosocial rehabilitation centers (PSRs) offer them a safe environment to socialize, relax, and relearn the skills necessary to successfully integrate into the community.

HB 1012 includes funding for the psychosocial rehabilitation centers but the level of funding is inadequate for several reasons. Three regions (Northwest, Lake Region, and Southeast) have budgeted a modest increase, which is good. Five regions (North Central, Northeast, South Central, West Central, and Badlands) receive no increase in funds over the current biennium. This means not only that they cannot meet rising costs for inflation or provide even a minimal increase in salary for present staff but, more importantly, it means that during the time the state has been and continues to divert more clients into the community, these centers have no ability to meet the additional needs. Frankly, we believe this defies common sense.

While the Mental Health Association in North Dakota believes that none of these psychosocial rehabilitation centers are adequately funded, we wish to draw your attention to the disparity in funding levels across regions. For example, funding for the PSR in Region IV, Grand Forks, is the lowest among the eight regions, despite having a considerably higher population count than several other regions. In light of changes by the House, we are very concerned about grants being cut to fund these centers. Currently, no formula exists within the Department of Human Services for determining what each center will be allocated. We suggest that the Department of Human Services, considering the priority it has placed on alignment, pursue the development of an equitable formula for funding based on need and utilization. We offer our assistance in the development of such a formula.

COMMUNITY SUPPORT PROGRAM

This program matches persons with mental illnesses with a community volunteer who provides training in community living, recreation, and social skills. It is a low cost program with a huge impact on the individuals served. In the Fargo region, over the last biennium, students from

Concordia College, NDSU, Moorhead State, and other community volunteers were matched with persons with mental illness. As partners, these relationships have grown into friendships and mentorships, allowing persons with mental illness to experience the culture their community has to offer, as well as providing an opportunity to build their self confidence. It's a very simple philosophy and it builds on our state's heritage of neighbor helping neighbor. This low cost service has been successful in the Fargo region, but is not funded in next biennium's budget.

In the past, the North Dakota Legislature recognized the value of this service and directed the Department of Human Services, by way of "Legislative Intent" statements, to implement Rhinelander programs in all eight regions. This budget not only does not include development of new programs in regions still unserved, but it eliminates two existing programs and only retains the service in two regions, South Central and Badlands. In point of fact, we have been continually losing ground in the funding of this core service. During the 1995-97 biennium, all eight regions had programs, but the budget request for 2001-2003 provides funding for only two regional programs. We urge this committee to, at the least, restore the funding levels of the '95-97 biennium for community services within HB 1012. This state's success in implementing the process of deinstitutionalization is not measured solely by the movement of persons with mental illness from Jamestown to their local communities. It is measured in the improvement of the person's mental health. This is one of the least costly core services to assist the client's recovery.

CHILDREN'S MENTAL HEALTHCARE SERVICES

There exists no question of the positive impact the Partnership Project has had on the lives of children and families. The success of this project is shown in the data presented to you by the Department, which highlighted increases in school performance, decreases in encounters with law enforcement, and decreases in psychiatric inpatient days. The success is also evident in the testimony given, with great courage, by parents who have been able to keep their children at home and their families intact.

As federal funds end, we appreciate the Department's work to maintain core services for children with serious emotional disorders at each regional center, but are concerned that the level of funding is less than in past bienniums. Karen Larson previously provided to you a copy of the *Surgeon General's Report on Children's Mental Health*, which was released earlier this month. The US Surgeon General, Dr. David Satcher, in announcing an overarching vision and urging a "call to action," states the following:

> "Children and families are suffering because of missed opportunities for prevention and early identification, fragmented services, and low priorities for resources. Overriding all of this is the issue of stigma, which continues to surround mental illness."

> "Mental healthcare is dispersed across multiple systems: schools, primary care, the juvenile justice system, child welfare, and substance abuse treatment. But the first system is the family, and this agenda reflects the voices of youth and family."

Mental health is a critical component of children's learning and general health. Fostering social and emotional health in children as a part of healthy child development must, therefore, be a national priority. Both the promotion of mental health in children and the treatment of mental disorders should be major public health goals. To achieve these goals, the Surgeon General's National Agenda for Children's Mental Health takes as its guiding principles a commitment to:

1. Promoting the recognition of mental health as an essential part of child health;

2. Integrating family, child, and youth-centered mental health services into all systems that serve children and youth;

3. Engaging families and incorporating the perspectives of children and youth in the development of all mental healthcare planning; and

4. Developing and enhancing a public-private health infrastructure to support these efforts to the fullest extent possible."

We cannot overemphasize the importance of the "wrap around services" provided by the Partnership Project, given the national studies on prevalence for mental disorders among our children and adolescents. The National Mental Health Association prepared the following summary of findings released by the Center for Mental Health Services. The CMHS compared child mental health disorders to other children's health problems in order to give an overall picture of the seriousness of this public health problem. These findings also underscore the fact that a child's mental health is as important as his or her physical health.

1. Total population of all children aged 0 - 17 years	70.5 million (M)
✧ Children with diagnosable mental disorder	**13.7 M**
✧ Children with serious emotional disturbances	6M
✧ Children with heart disease	1.3M
✧ Children with diabetes	96,000
✧ Children with cancer (under 14 years of age)	152,000
2. Population of children aged 9 - 17 years:	33.7M
✧ Children aged 9 - 17 years with a serious emotional disturbance	**3.5 - 4M**

The prevalence rates for serious emotional disorders in children should be enough to motivate us to act. Children should not be left to needlessly suffer from an illness that can, in fact, be successfully treated. However, there is another real motivation for providing these services; and that is purely economic. The Surgeon General reported that: "Too often, children who are not identified as having mental health problems and who do not receive services, end up in the juvenile justice system." The message is simple. We either provide adequate funding for children's mental healthcare, or we pay later through the funding of the juvenile justice system, not to mention incurring the economic losses associated with juvenile crime.

The Mental Health Association in North Dakota strongly supports the Department of Human Services request for full funding of children's wrap around services in each of the eight regions. While the commitment for children's mental healthcare is there, we caution you that the demands for these services within the regions may well exceed the level of the funding presently contained in HB 1012. We are willing to work with the Department of Human Services to provide public education about these services.

Mr. Chairman, Senators, I want to thank you for this opportunity to share the concerns of the Mental Health Association in North Dakota with you. I know that this budget will consume a large part of your time during the next several weeks. As always, the Mental Health Association in North Dakota stands willing to assist the committee in answering any of your questions or concerns.

Tape 3 #3

United States General Accounting Office

GAO

Report to the Committee on Finance, U.S. Senate

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December 2000

MENTAL HEALTH

Community-Based Care Increases for People With Serious Mental Illness

GAO

Accountability * Integrity * Reliability

GAO-01-224

Mental Health: Community-Based Care Increases for People With Serious Mental Illness (Letter Report, 12/19/2000, GAO/GAO-01-224).

Between 1987 and 1997, the growth in mental health spending in the United States roughly paralleled the growth in overall health care spending. However, federal mental health spending grew at more than twice the rate of state and local spending. This led to the federal government's share surpassing that of state and local governments, while the share attributable to private sources declined slightly. The ability to care for more people in the community has been facilitated by the continued development of new medications that have fewer side effects and are more effective in helping people manage their illness. Furthermore, treatment approaches such as assertive community treatment, supported employment, and supportive housing have been developed to provide the multiple forms of ongoing assistance that adults with Serious Mental Illness (SMI) often need if they are to function in the community. The Health Care Financing Administration (HCFA) has encouraged the use of community-based services for Medicaid beneficiaries with SMI by disseminating information on the use of new medications and treatment models, which can help people function better in the community. HCFA also supports states' use of Medicaid managed health care services. However, incentives associated with capitated payment can lead to reduced service utilization. HCFA is developing a set of safeguards for people with special health care needs enrolled in Medicaid managed health care and has indicated that it will devise a plan to implement these safeguards, such as through legislative or regulatory action or making changes in Medicaid administrative policies.

---------- Indexing Terms ----------

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GAO-01-224

A

Report to the Committee on Finance, U. S. Senate

December 2000 MENTAL HEALTH Community- Based Care Increases for People With

HB 1012

Human Resources Division

House Appropriations Committee

Ken Svedjan, Chairman

Chairman Svedjan and members of the committee, my name is JoAnne Hoesel and I serve as the administrator for children's mental health programs for the Department of Human Services. I am here to provide information on the Department's Partnerships Program.

The ND Partnerships Program began in 1994 through a grant awarded by the Center for Mental Health Services. This was at a time when no formalized community-based system of care for children with serious emotional disturbances existed. The purpose of the grant was to demonstrate feasibility and benefits of providing a full array of community based services for children with Serious Emotional Disturbances (SED). The demonstration was to determine if there could be a reduction in the incidents of children being placed in restrictive settings such as residential treatment and psychiatric inpatient hospitals.

The Partnerships program uses the wraparound process. This process 'wraps' services around a child and family and uses a family-friendly, collaborative, individualized, and culturally competent approach. This translates into each child having a team comprised of all service providers, and most importantly parents and the natural supports in their community. These natural supports are designed to be in place long after a family's involvement with Partnerships. Examples of these natural supports have been clergy, neighbors, relatives, and friends. The child & family team puts together a plan for all services. The parents have preference and always have a voice in leading the plan.

Partnerships has served 939 children as of November 2000 (including the grant period through October 31, 2000). While the grant originally was designated for three regions of the state, in March of 2000, the emergency commission and budget section approved moving Partnerships to all eight regions of the state. The children served in Partnerships have seen a 55 % decrease in use of psychiatric hospitalization from the year prior to involvement to the year after involvement with Partnerships, a 10% increase in the number of youth who have no involvement with law enforcement, and a 9% increase in children who perform average or above average in school.

This process does not provide a 'quick fix' and the children may still experience periods where their disorder is difficult to handle. Much like diabetes, when body chemistry changes, the treatment or service plans need to be adjusted. As a result of the nature of their disability, some of the youth will need to be transitioned into the adult services system for lengthy or even life long services. At present, the average length of involvement in Partnerships is 475 days or approximately 1 1/3 years.

As the 01-03 budget was prepared without the benefit of the Partnership grant, we sought and received input from parents and regional partners on what constituted the essential parts of the Partnerships program. Questions were asked on what was most helpful and effective. We also reviewed what services were not available to families before Partnerships. The result was to distinguish between 'Core' services: those that are essential to wraparound process (Attachment A), and 'outside core' services: those services that either existed before somewhat or did not receive as high of ratings through the comments.

The result is a budget built solely on the core services, those not in existence before Partnerships and essential to the process. As is the

nature of demonstration projects, we have not expected to continue everything we tested through the grant period. In a world without budget constraints, the outside core services would have been included as they have been important to the successes.

It is important to note that all core services included in the budget request with the exception of flexible funds, are Medicaid reimbursable, and several agencies outside the Department of Human Services have pooled their funds to assist in building a system of care for these children. Examples are school systems and the human service centers providing a 60/40 or 50/50 funding mix for care coordination positions, a similar 50/50 arrangement with juvenile corrections, and several examples where multiple agencies pooled dollars to purchase safe bed services.

A case management (or care coordination) system for children with serious emotional disturbances did not exist before Partnerships and the result was often fragmentation of services. As a result of the efforts over the past six years, outcomes show the children are functioning better in school, home, and in their communities and are better prepared to be productive citizens of ND.

I am available to answer your questions regarding the North Dakota Partnerships program. Thank you.

Department of Human Services
Summary of the Mental Health Partnership Program
by Human Service Center and Funding Sources
For the 2001 - 2003 Biennium Budget as per the Schafer Administration Request

Stage	Fund	Grand Total	Northwest	North Central	Lake Region	Northeast	Southeast	South Central	West Central	Badlands
1 Current Budget (99 - 01)	1 General	1,802,475	48,100	504,303	48,100	48,100	359,698	48,100	697,974	48,100
1 Current Budget (99 - 01)	2 Federal	5,362,323	351,900	1,179,654	351,900	363,337	1,301,364	351,900	1,110,368	351,900
1 Current Budget (99 - 01)	3 Other	666,496		-	-	-	167,190	-	499,306	-
1 Current Budget Total		**7,831,294**	**400,000**	**1,683,957**	**400,000**	**411,437**	**1,828,252**	**400,000**	**2,307,648**	**400,000**
2 Total Changes	1 General	306,558	1	(135,349)	-	-	333,432	1,812	6,662	100,000
2 Total Changes	2 Federal	(2,777,852)	(100,000)	(919,079)	(154,895)	(30,103)	(876,960)	(174,090)	(422,725)	(100,000)
2 Total Changes	3 Other	(371,562)		8,085	-	30,103	17,162	-	(426,912)	-
2 Total Changes Total		**(2,842,856)**	**(99,999)**	**(1,046,343)**	**(154,895)**	**-**	**(526,366)**	**(172,278)**	**(842,975)**	**-**
3 To OMB (Base Budget)	1 General	2,109,033	48,101	368,954	48,100	48,100	693,130	49,912	704,636	148,100
3 To OMB (Base Budget)	2 Federal	2,584,471	251,900	260,575	197,005	333,234	424,404	177,810	687,643	251,900
3 To OMB (Base Budget)	3 Other	294,934		8,085	-	30,103	184,352	-	72,394	-
3 To OMB Total		**4,988,438**	**300,001**	**637,614**	**245,105**	**411,437**	**1,301,886**	**227,722**	**1,464,673**	**400,000**
4 Exec Bdgt Chgs (OARs)	1 General	30,957	(75,000)	60,478	(47,945)	(27,564)	4,776	(75,000)	236,212	(75,000)
4 Exec Bdgt Chgs (OARs)	2 Federal	176,715	-	-	-	52,454	-	-	124,261	-
4 Exec Bdgt Chgs (OARs)	3 Other	600,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
4 Exec Bdgt Chgs Total		**807,672**	**-**	**135,478**	**27,055**	**99,890**	**79,776**	**-**	**465,473**	**-**
5 Request (SIBR)	1 General	2,139,990	(26,899)	429,432	155	20,536	697,906	(25,088)	970,848	73,100
5 Request (SIBR)	2 Federal	2,761,186	251,900	260,575	197,005	385,688	424,404	177,810	811,904	251,900
5 Request (SIBR)	3 Other	894,934	75,000	83,085	75,000	105,103	259,352	75,000	147,394	75,000
5 Request Total		**5,796,110**	**300,001**	**773,092**	**272,160**	**511,327**	**1,381,662**	**227,722**	**1,930,146**	**400,000**

Attachment A

North Dakota Partnerships Program

Core Services:

Care Coordination: Service designed to assist children with seriously emotionally disturbances (SED) gain access to needed medical, social, educational, and other needed services. This services included facilitation of child & family team meetings where multi agency staff along with parents design and implement a service plan for the child.

Case Aide: Service designed to benefit a child with a serious emotional disturbance (SED). This services provides:

- Behavioral management assistance: Assist children to stabilize, reduce, or eliminate undesirable behaviors which put them at risk of being placed in restrictive settings such as a residential treatment facility or inpatient psychiatric hospitals.
- Role modeling: Assist children to learn and observe appropriate behavioral and emotional responses to situations that trigger the individual's medical symptoms according to the individual's diagnosis.

Crisis Residential (Safe Beds): Designed to assist children who are in psychiatric crisis to achieve stabilization and crisis resolution in a non-hospital setting. This is an alternative to hospitalization.

Flexible Funding: This funding is used to address an identified need of a child/family that the family, and/or existing agencies, groups, or other entities cannot provide. Funds do not supplant existing services or funds. Expenditures assist in providing what is needed to ensure continues appropriate care at the least restrictive level possible.

Outside Core:

Intensive In-Home Family Preservation Services: This service is provided to families who have a child that is at risk of being placed out of the home. This service uses a variety of therapy methods in the family's home. Some methods may be family therapy, marital therapy, individual therapy, and crisis intervention. This service is an alternative to traditional forms of out of home placement.

Trackers: A form of case aide service where the focus is on children/adolescents who are involved in the juvenile justice system.

Parent Stipends: A financial allowance for parents to request with justification for reimbursement of lost wages, child care, transportation, or to attend training relevant to the needs of their children. Allowances are sometimes used for parent participation in council meetings or training to provide parent perspective.

Parent Aides: A service to encourage, teach, and assist parents to develop independence and self-reliance within the community by helping them identify formal and informal resources in the community. This service includes teaching parenting skills and household management.

Respite Care: This service provides short-term direct care and supervision to youth. The primary purpose is to provide relief to parents/caretakers of a child with a severe emotional disturbance (SED) so the parents/caretaker are able to continue maintaining the child in their home. The service is designed to help meet the needs of primary caretakers as well as children.

#22

January 2001
HB 1012
Testimony of Becky Sevart
506 Columbia Dr.
Bismarck, ND 58504

Good afternoon Mr. Chairman and members of the Committee. For the record my name is Becky Sevart. I live in Bismarck in district 32.

As a parent of a child who has disabilities I am here to tell you how the Partnerships has affected the life of myself, my husband Nick and son, Jason. Jason is our youngest child who has had mental and behavioral disorders since birth. Jason is now 18 and unable to stay alone for any length of time without supervision. When Jason became to old for day care we asked for assistance in finding qualified supervision for him from members of the community, social service agencies, school, and private therapists and found there were no known programs in existence to provide care for older children with disabilities in this area. It appeared I would need to quite my job in order to once again provide care for our son since qualified private care providers would drain our financial resources.

Through help from the Partnerships we were able to access qualified mentors for our son. No more one-day notice from daycare providers to not bring our active son back. Calls for assistance when Jason's behavior was out of the realm of experience were few and far between. Using guidelines and goals set by the care plan team, made up of Nick and myself and representatives from all systems working with our son, Jason is learning social skills and independence by being couched by mentors out in the community. Having everyone involved with Jason's life at the table to workout concerns and needs has helped our son be successful in school, in the community and in our home. We have been able to access education and support to help us understand and work with Jason's disabilities.

Our family, not unlike other families in the program, has felt the cuts in services when the grant dollars were no longer available but we are very thankful that the core services were sustained and that the partnerships is still there for us when Jason needs help with independent living skills, behavior management and other skills. Without the Partnerships unique program using family strengths to meet the needs of the youth, families such as ours would not be able to afford the many services needed to keep families productive and in the community.

Thank you for your time. If anyone has any questions I'll try to answer them.

Karen Willy

My Story:

My family has only been a part of the mental health system roughly for a year now. But since roughly May we have been a part of the Federation for Families which has been a great method or mode of support for us.

We have also had to use the flex funds, part of the Partnership program. Our family van broke down and I had to get this fixed and I had no idea how to get the money.

I called our partnership worker to see if there were any programs that could possibly be able to help. The reason we (I) needed help are: I am a divorced mother of two small children (girls - Tacy age 5 and Leanna age 3) plus myself. I am totally disabled and my girls are both have a mental health issue. They both go thru weekly therapy sessions and many weekly doctors visits just for the girls. I, myself also have many doctors visits and therapy sessions also.

I feel the partnership program(s) are very important to all the families that are apart of this program. I feel the cuts are unfair and unjustified as the

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HB 1012 Testimony 1-30-01

Linda K. Lund
2444 18th St S
Fargo, N.D. 58103

Good Afternoon, Chairperson Svedjan, members of the Committee. My name is Linda Lund. I'm from Fargo. I'm here in regard to HB 1012, the Human Services Budget, particularly concerning the Partnerships budget. It is commendable that a commitment has been made to fully fund many of the services the Partnerships Project has worked hard to develop and maintain over the last six years.

As a parent of children with serious mental illness I have concerns about the services which are not fully funded and those that are entirely eliminated from the budget. These include Intensive In Home Services, Flexible Funding, and Family Support Services.

In November of 1995, two of my children were enrolled in the Partnerships Project. Both children had a diagnosis of Bipolar disorder. One, my oldest son was at that time obtaining treatment at Rivers Edge Residential Treatment Center in Fargo. He

Partnership care coordinator linked my family up with Intensive in-home therapy through the Village Family Service Center. My son had been in residential treatment for sixteen months and as a family we needed to prepare for his return home to be able to support his newly learned skills and the treatment recommendations of the facility

The intensive in home therapist worked closely with the family, the treatment facility and the care coordinator to make it a smooth transition home. My oldest daughter at the same time had just been diagnosed with bipolar disorder also and was transitioning home from the hospital

Intensive in-home was essential not only in successfully transitioning my son home; but also in preventing my daughter from replacing him in residential treatment

Intensive in home therapy was also essential to help other family members accept and move on; to adjust our expectations to living with loved ones with a mental illness. Please consider carefully the role intensive in home

and healthy and in preventing costly out of home placement.

Flexible funding has also been an essential component of my children's individual treatment plans. It provides a means to fund expenditures related to maintaining a child's mental health and promoting healthy development. But which are not covered by insurance and Medicaid. For example, my oldest daughter has a severe seasonal depressive component to her bipolar disorder. As a treatment team we discovered that regular vigorous exercise helped alleviate her most severe symptoms. Flexible funding was used to pay for recreational lessons and a partial scholarship for membership at a sports facility. Use of flexible funding for her resulted in no hospitalization that winter, increased attendance at school and less reliance on medication. Though the exercise program was not traditional therapy, it proved to be very therapeutic.

Flexible funding can also be used creatively to help families alleviate stressors that can have a tremendous impact on a child's mental health. For example,

child can get to therapy appointments regularly.

Flexible funds were accessed to assist my family during a crisis situation thereby preventing homelessness and ultimately costly out of home placement for my already vulnerable children with the diagnosis of mental illness.

Flexible funding is a valuable piece to the whole community based continuum of care and can save money by preventing costly out of home placement

Lastly family support services such as those provided by the Federation of Families for Children's Mental Health Care the most critical and most enduring piece to the continuum of care

The Federation of Families provides support, advocacy and education to families.

The Federation strives to empower parents of children with mental, emotional and behavioral disorders

The Federation provides and promotes a support network of families who

greater support than that offered by another who truly knows what it is like to walk in a parents shoes.

The Federation educates families about the disorders, services and positive parenting practices.

The Federation promotes and nurtures a collaborative atmosphere of parents and professionals working together in the best interest of a child.

Empowered, knowledgeable, supported parents are their children's best advocates. We know what our children need and the Federation helps us to articulate this to care providers.

All of these services are essential pieces to maintaining children in their own communities, at home with their families and in their neighborhood schools. Maintaining these services is an investment in our children and makes sense.

Thank you for your time. I would be happy to answer any questions you may have.

Ann A. J.

1-30-01 (1)

Good afternoon Chairperson Sivigan + Members of the committee.

My name is Carol Dipple + I am from District 44 in Fargo.

I am here in regards to HB 1012 + the proposed budget cuts for the dept of HS.

As you realize, it is a continual struggle for all of us in ND to assure funding for those who need services most but are the least able to speak for themselves.

I would like to address specifically the issues of funding for intensive in home therapy, flex funds + family support.

I understand that you must listen to many people - often with conflicting opinions. I also believe that few of you have direct experience with every issue you review. Those of us with personal experience on certain issues hope, that by ~~showing~~ sharing a private piece of our lives, that it will help you do a difficult job.

As I was driving here today from Fargo, I was trying to avoid as many pot holes as possible all the while a strong wind was buffeting my van + ice patches threatened to spin me out of control. If that wasn't making my journey difficult enough, the ground drifting made me lose site of the road at times + even completely blinded" for brief seconds. The more difficult it became to keep the van driving smoothly, the more tense I became, my shoulders knotted, my hands gripped the wheel so that I was "white knuckling" it + my breathing became erratic. I had passengers in my vehicle, one was trying to help by rubbing my shoulders, one asked if I had my headlights on + one told me to breath. None of which was helping. But they all thought they were helping + only wanted the best for me.

The point is that good intentions + the belief that we are helping doesn't make it so. So what is the answer? Ask!

Find out what has worked or what those in need think will help.

I am a parent of 3 boys with Tourette's Syndrome Bipolar Disorder + ADD. I have recieved help from Partnerships since 1995 + excited the progam 18 months ago I used case aids, flex funds family support + Care coordination.

Although I no longer need Partnership support it was there when I needed it.

1. Flex funds are needed in a crisis
2. Intensive in home therapy helps with keep Kids home or transition them back home.
3. Family support is needed for life.

With childrens mental health disorders it is important to realize that, like childhood diabetes, it is a life long illness. With medication, education + initially therapy there is the capability of stabilizing the condition + greatly improving the outcomes. But no matter how hard you try, no matter what you do, there will be times when the condition becomes out of control + medication adjustments will need to be made. hospitalizations may be necessary + support will be needed.

Living with children who have a mental illness is a lot like my road trips here. I spend a lot of time trying to keep the ride through life smooth while avoiding the potholes of mood swings, keep from spinning out of control on the ice patches of their behaviors + becoming blinded by the fog of drifting of the opinions of others. All the while being buffeted by the wind by school avoidance, legal issues + separation anxiety. When my shoulders tense, my breathing becomes erratic + I start white knuckling it. I get many "helpful tips" from different agencies telling me what I need + how to fix" my kids. Whew!

Thank goodness for the Federation of Families for Children's Mental Health. A place where my kids are accepted just the way they are, educational opportunities abound + the experience of the already initiated can help those who are new.

Please continue to fund the needs of our children. When family resources are often exhausted by high medical costs, compounded by parents lost work hours + repair to damaged property costs, these are key areas that we can settle afore + are so vital to keeping our families intact + our children in our homes.

In the long run the community saves money by decreased SSI, less costly inpatient care + reduction in residential treatment placements or duration of those placements.

Thank you, if you have any questions I would be happy to address them.

Carol Dipple
2705 Elm St N
Fargo, ND 58102
701-234-0977
c_dipple@hotmail.com

Please feel free to contact me.
Carol Dipple

HB 602

Chairman Nething and members of the Committee:

My name is Carlotta McCleary. I am from Bismarck, ND.

I am here to testify in support of the North Dakota Partnerships. My 12 year old son, Garrett, has symptoms similar to Pervasive Developmental Disorder as a result of medication he was prescribed when he was four years old.

Eight years ago we had no idea what Garrett and our family would face. The disorder had turned our lives upside down and placed us in a world that we knew literally nothing about.

Garrett no longer has the neurological controlling mechanisms that help him stay in control when he is upset. He can become aggressive towards himself and others. Garrett's doctors at the University Of Minnesota told us for the sake of our other children, Matthew who is now 14, and Katie who is nine, we need to think about residential care. They didn't think we would be able to keep Garrett at home.

We knew we needed to find some help for Garrett. We didn't know what was out there. It was like putting a patchwork quilt together and not having all the pieces of fabric. Not only did we not have all the pieces of fabric, but we also didn't know where to find the pieces.

At one point Garrett's condition deteriorated and we desperately needed to find the right combination of medication. Garrett became very depressed and suicidal. The doctors discussed the possibility of placing Garrett in a residential treatment facility in Minnesota or a residential facility in Wisconsin. They felt both facilities would be able to meet the complex medical needs as well as handle his extreme aggressiveness.

Garrett woke up one morning from a horrible nightmare. His body was visibly shaking and he was sobbing. He shared his dream with me. He said it was the very worst dream he has ever had. He had a dream that our family had taken a trip. We had gone to this place but when it was time to leave, my husband and I along with Matthew and Katie left without taking Garrett with us. He had to live in this new place without his family. I comforted him and told him it was a bad dream. Even though I knew that bad dream was a very real possibility.

Happily, Garrett remained at home with our family, due to North Dakota Partnerships along with other services provided in our home and the community. A team made up of family, friends and various professionals looked at all the domains in our family's life. We looked at the strengths and the needs of our entire family. One of Garrett's biggest needs was the need for constant one on one supervision. With the North Dakota Partnerships we were able to meet this need. This support is helping with Garrett's safety as well as keeping Matthew and Katie safe from Garrett's aggression. This has helped them interact as brothers and sister.

The coordination of the services were also key such as the formal services provided by agencies as well as the informal services that are provided by our family and friends. This coordination helped cut the duplication of services. Some examples were, testing that was done for medical purposes didn't need to be repeated by the school, for educational purposes. Another example was a psychologist at West Central Human Service Center wrote an extensive behavior plan, which was used by everyone, no matter what setting Garrett was in.

Garrett and our family have received support that was needed. With the support we are able to handle Garrett's needs as well as our family's needs. We no longer feel put lives our upside down, even though we take many roller coaster rides due to the chronic mental health needs of our son. We continue to learn about the world in which we live. We have found the pieces of fabric to put together that quilt. The process we used is called the wraparound process.

I am grateful for all the help that has been given to supporting Partnerships. The department has maintained the core services in order for Partnerships to continue. The services are maintained at different levels in each region. My main concern is that the loss of federal funds will still impact services. In Region VII, we've been told this will reduce the amount of case aide services. This service is vital for children to remain at home with their families. I would ask that this core service be sustained in the budget.

I dream of a day when it is easier to access funding for community- based services than it is to access funding for out of home treatment. I dream of a day when funding would follow the child. In closing, without Partnerships my child would not be at home. Please don't let Garrett's nightmare become a reality.

Thank your for your time.

Carlotta McCleary
3803 Renee Drive
Bismarck, ND 58503

SB 1012

2/28/01

H 1012

Subject: Re: Partnership flex funding--legislative testimony
Date: Sun, 25 Feb 2001 20:44:58 -0600
From: Sheri Anderson <Sheri_Anderson_1@ndsu.nodak.edu>
To: ndffrg19@idt.net
CC: Sheri_Anderson_1@ndsu.nodak.edu

Chair ~~Hoffman~~ Nething and Committee Members:

Shirley--
Here you go, have fun with it!!!!
Sheri

Flex funds for Partnership:

My son and I participated in the Partnership program for 2 years. I was unaware of the existence of flex funds; if they were used, it was without my involvement in allocating these funds. Therefore my experience reflects that of program involvement without use of flex funds, or at the very least without participation in any decision-making process as to the use of those funds.

The goals of Partnership include preventing out of home placement and developing community supports to take the place of formal services. A menu of services is contracted for through various agencies. It should be noted that relying solely on services provided through these arrangements increases the risk of agency biases and agencies protecting each other in the event of disagreement as to service needs.

Barriers to services can take many forms. In my situation, poverty was a persistent issue. My income averaged about $900 per month. For much of the time we were in Partnership, my own medication costs ranged from $150 to $250 per month (I qualified for MA, but MA placed every dollar of income over $595 per month as my recipient liability). Rent, for a one-bedroom apartment for my son and myself, was $315 plus electricity. I paid $80 per month on a loan I had obtained when my car's transmission and clutch system failed, and paid smaller amounts of money on other standing debts. Food stamps were based on my $900 income (that is, medication is not a deductible expense). Then there were auto insurance, gas and oil, repairs, and all the basic necessities of day to day life. In short, I was chronically strapped for money.

Among the Partnership services was crisis care at Dakota Boys Ranch Safe House. This facility is located over 30 city blocks from my home. The transmission and clutch replacement for my 12-year-old vehicle did not prevent other mechanical problems, so I was frequently without transportation. I had no phone. The simple result was that crisis care was actually inaccessible much of the time. A solution could have been a local-service cell phone (that way telephone contact would have been possible even if my son became out of control to the point of damaging wire-based phone connections) and a voucher system for cab fare to Dakota Boys Ranch.

Lack of phone communication presented significant problems for communication with providers generally. Poor communication led to misunderstandings which had negative, but needless, impacts on my child. In the long haul, neither hospitalization nor other out of home placement were prevented, at a cost easily in the range of $10,000. It is possible that $10/month local cell phone service and $10/month in cab fare vouchers could have saved much of that $10,000. I'm sure the state could use it.

When my son was hospitalized, he was prescribed an antipsychotic medication. He took that medication for several months. An extremely common side effect of medications in this class is rapid weight gain. My son's weight increased over 10% in a short period of time. Consider the situation: a 10 year old child is already taunted at school from time to time as one of the "retards" or "short fuses" who uses the EBD resource room (remember, the "D" stands for "disturbed", which is bad enough, but some kids settle for "dumb" or "dork"). He returns to school after a few weeks in a psychiatric hospital. Now he qualifies for the "psycho" label, or "freak". And for extra measure he also now qualifies as "fatso". His clothes no longer fit properly. Buttons pop, snaps don't snap, seams are strained. There is no money for new clothes. Thrift stores are a roll of the dice. 10-to-12-year-old boys tend to wear them to pieces before they outgrow them, so there is little in the appropriate size ranges at the low-end thrift stores, and the more expensive thrift stores are, in fact, a luxury. The simple effort to get dressed for school in the morning becomes a traumatic event.

The above situations reflect absolutely legitimate circumstances which can profoundly affect the success of a program. It makes no sense to shell out thousands of dollars on provider contracts and staff salaries when the failure to spend a hundred dollars where it is desperately needed can pull the bottom out of the whole effort.

Children are individuals, and families are unique. The idea here is for children and families to develop their own strengths and resources so we will be less dependent on segretated services which cost a great deal of money in administrative as well as direct costs. Without resources and support for the process of moving away from the service system, how is that process ever to occur? My son had case aides. They helped. I got a few hours of personal time a week (far less, however, than the hours I spent in family therapy time, taking my son to appointments, dealing with his crises, and so forth. Don't ever think respite is a "perk" for the parents of a child with these needs). But in other ways the case aides segregated my son. Agency liability rules restricted aides from supervising a tentative new friend with my son. The aides happened not to be individuals who could share my son's interests in exploring electronics and mechanics. Sometimes he was bothered by having these "babysitters" following him around.

I did everything I could to provide him with activities which would develop his abilities and give him genuine self-confidence. These were a gamble. $100 I could not afford went to joining the Red River Boy Choir. Sudden deterioration and hospitalization meant that $100 simply evaporated. $25 per month for karate lessons was well spent, but the time came when I could no longer afford that. Consistency? Not when the checking account goes dry. Piano lessons for a boy who is able to play tunes by ear? Not a chance. Summer school enrichment courses? No way, between the money and logistics. What was available was CLS summer program--yet this, too, was a segregating activity, a "service", something that sort of put those "psycho kids" in the community--but then again, not really. When the regular kids were at the pool, so were the CLS kids--with their case aides, something regular kids did not have.

At one point I was asked to develop a behavior point system at home to extend the one used in school. I did it; we followed it for several months. The rewards were small--far less than what most families would consider routine treats for their children. But the cost eventually killed the system. I could not afford to reward my child with perks that cost money, and he had been trained to expect tangible rewards in the school-based behavior management programs. But even intangible rewards can cost money. A

trip to the children's museum? A drive to the science center? Attending a play or a concert together? An ice cream cone? All of these things were simply unattainable much of the time. When there was an opportunity like a free concert, that's about when the car would break.

In two years' time I spent $300 on parenting books, including books geared towards children with special needs. I spent $150 on a professional evaluation of my son's educational assessments when my son's school failed to turn data into information. These two items alone accounted for half a month's income for me.

Flex funding is absolutely essential for our kids and their families. I'm sure there are people grumbling that such funding is just a way for some parents to get the state to shoulder their own responsibilities, that these people probably just aren't "good managers". You should know that as parents, we invest tremendous amounts of time and money in our kids. We are in these programs because we are responding by instinct to the extreme levels of need they have. We are never going to walk away from them, even as we walk away from some of the "perks" we're tempted by.

You should also know that these kids are not going to go away. Children with disabilities are far less likely to leave the state than children without disabilities. Our children are going to one day be paying the taxes which will care for you in your nursing homes. They will be fixing your furnaces, teaching your grandchildren, filling your prescriptions, building your retirement homes. If you walk away from them, they will be here, but it is far less likely they will be able to help you when you need them.

Thank you,
Sheri Anderson

Testimony
HB 1012
Senate Appropriations Committee
Senator David Nething, Chairman
March 1,2001

Chairman Nething, and members of the Senate Appropriations Committee,

My name is Carlotta McCleary, I am the regional parent coordinator for the North Dakota Federation Of Families For Children's Mental Health. I am also the parent of a child who is receiving services from Partnerships.

I am here to testify in support of House Bill No. 1012. The Federation Of Families represents families across the state of North Dakota. The Federation of Families is a parent-run organization focused on the needs of children and youth with emotional, behavioral or mental disorders and their families.

ABOUT OUR CHILDREN
refer to brochure

ABOUT OUR FAMILIES
refer to brochure

Partnerships has helped families in North Dakota receive community-based services. The core services have been found by parents to be essential to continuing the wraparound process. Wraparound process is a process that wraps support around not only the child but the entire family. They do this by looking at the strengths the child and family as well as the strengths team members bring. Next, the process looks at all the domains to determine the individual needs of a child and family. Finally, a blend of informal and formal services are put in a plan to meet the families needs.

Families have been asked what they see as the core services in wraparound. Families have stated that Care Coordination is very important. Families are in many different agencies and coordination of the care is very important. Families also viewed Case Aide as a vital service that helps meet the need for behavioral management and role modeling. Next, families felt that Safe Beds were vital in keeping children out of the hospital. Finally, Flex Funds allow for noncategorical services to be purchased to help meet the needs of children and families.

The Federation supports a budget that will allow us to continue to get the positive outcomes that we have been getting. Examples of these outcomes are fewer days of in patient hospitalization, more days in school, increase in school performance, fewer encounters with the law. Families are satisfied with the services. More families have the option of keeping their child at home instead of residential treatment.

We also support returning funds to the overall budget of the Department. Families need a full continuum of care to continue to get the outcomes that we are seeing today.

Thank you for your time.

Carlotta McCleary
PO Box 3061
Bismarck, ND 58502

The support of individuals, families, groups and organizations is vital to the function and growth of the Federation in serving the need of these children and their families. We invite and urge you to join today.

YES, I want to become a member of the Federation of Families for Children's Mental Health.

Name _____

Address _____

City _____ State _____ Zip _____

Phone (Home) _____

(Work) _____

Please check all that apply:

- Concerned Citizen
- Family member of a child with emotional, behavioral or mental disorder
- Professional Service Provider

MEMBERSHIP

Individual		$20.00 ☐
Family		$30.00 ☐
Family Organization		$50.00 ☐
Founding Member	$50.00 ☐	$100.00 ☐
	$250.00 ☐	$500.00 ☐
Professional Organizations		
	Budget under $500,000	$150.00 ☐
	Budget over $500,000	$250.00 ☐

I am unable to pay for full membership at this time. Therefore, I am sending $ _____ ☐ as a donation to help defray the costs of printing and postage. *(Any amount is welcome, family members only, please)*

Make checks payable and mail this form to:
Federation of Families
P.O. Box 3061, Bismarck, ND 58502-3061, or pay by

Visa Mastercard Exp. Date _____

Card # _____

Signature _____

To start a local chapter in your area or for further information about the Federation, please contact our State Office at 1-800-492-4951.

FAMILY FOCUS

Fundamental to the Federation is a focus on family participation and support.

Every family has a right to an appropriate, available and accessible support base to meet family-identified needs.

THEREFORE, policies, legislation, funding mechanisms and service systems must utilize the strengths of families by:

- ensuring that they are equal partners in the planning, implementation and evaluation of services;
- viewing the child as a whole person and the family as a whole unit, rather than emphasizing the disability;
- empowering families and children to make decisions about their own lives;
- encouraging innovative programming which increases options and promotes the integration of services.

OPPORTUNITY FOR CHANGE

The Federation provides an opportunity for family members to work with professionals and other citizens to improve services for their children with emotional, behavioral or mental disorders. We aim to develop a cohesive, enduring union of groups and individuals who will articulately and effectively speak with one voice to policymakers, professional organizations, legislators and the general public solely about the needs of children with emotional problems and their families.

THE FEDERATION OF FAMILIES FOR CHILDREN'S MENTAL HEALTH

CARLOTTA McCLEARY
Regional Parent Coordinator

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NORTH DAKOTA

FEDERATION OF FAMILIES FOR CHILDREN'S MENTAL HEALTH

A state and national parent-run organization focused on the needs of children and youth with emotional, behavioral or mental disorders and their families.

The Federation's Mission:

- to provide leadership in the field of children's mental health and develop necessary human and financial resources to meet its goals.
- to address the unique needs of children and youth with emotional, behavioral, or mental disorders from birth through transition to adulthood.
- to ensure the rights to full citizenship, support and access to community-based services for all children and youth with emotional, behavioral, or mental disorders and their families.
- to provide information and engage in advocacy regarding research, prevention, early intervention, family support, education, transition services and other services needed by these children and youth and their families.

THE NORTH DAKOTA FEDERATION OF FAMILIES FOR CHILDREN'S MENTAL HEALTH

is a non-profit organization made up of family members throughout the state. The primary mission of the Federation is the support of families who have children with emotional and behavioral disorders and mental health needs. The Federation is governed by a board of directors, who are parents of children with an emotional or behavioral disorder. The organization provides family support services through its state office in Bismarck and through a system of parent coordinators based throughout the state and on Native American Indian Reservations. The Federation has working relationships with relevant service delivery systems such as managed care, education, mental health services, child welfare, vocational rehabilitation, and juvenile justice to access their expertise to help families. In addition, the organization collaborates with other advocacy organizations that deal with physical disabilities, developmental disabilities and adult mental health. The Federation is also associated with, and has access to national expertise provided by the organizations interested in children's mental health such as the national Federation of Families for Children's Mental Health.

Supporting Families with Mental Health Needs

THE FEDERATION OF FAMILIES PROVIDES FAMILY SUPPORT

The Federation works to support families by

- Providing advocacy education for family members
- Promoting the formation of new groups while helping existing parent support groups
- Providing information to families about resources and services relevant to their circumstances
- Facilitate family support activities

FAMILIES HELPING FAMILIES

The North Dakota Federation of Families is here to help! If you have any questions, need information or assistance, our state toll free number is **1-800-492-4951**.

ABOUT OUR CHILDREN

Approximately 6 to 8 million children and youth in the United States have an emotional, behavioral, or mental disorder in need of treatment. This represents about 12 percent of all children in the U.S. Of these, about half have problems that are severe and persistent.

These problems take a number of forms. The children may be self-abusive or aggressive toward others; or they may be withdrawn, fearful or depressed. Some with the most serious disorders may be out-of-touch with reality and have unusual fantasies or hallucinations.

The causes of these problems are largely unknown, and may vary from child to child. Current research-based knowledge suggests that biological, social, psychological and environmental factors are all important.

A wide range of therapeutic, educational and social services are essential to address the needs of these children and their families. Unfortunately, in most states and communities these services are not available. For many, the choice is between very limited out-patient services and restrictive and often unnecessary psychiatric hospitalization or residential care.

ABOUT OUR FAMILIES

Emotional, behavioral and mental disorders cut across all income, education, racial, ethnic and religious groups. They are found among single parent and two-parent families and in birth, adoptive and foster families.

Within these differences, families have many things in common. They share the need for an accurate assessment and appropriate therapeutic, educational, social and recreational programs for their children. They also need services that support their efforts to help their children learn, develop, and grow within their own homes and communities.

Families may face many problems; the absence of appropriate child care prevents many families from participating in social or recreational activities, and they experience isolation from friends and relatives. Often, family members must learn to cope with the difficult and demanding behaviors of their children, and may face staggering costs for special treatment, education, or other services.

Families also have many strengths. Many families have learned to manage their circumstances very well, and have developed a repertoire of support networks and strategies they can share with others. They also have a unique view of the strengths and weaknesses of the service system.

OUR PRINCIPLES

The Federation maintains that children and youth with emotional, behavioral or mental disorders

- Have unique needs that require individualized services.
- Must be respected for their rights, preferences, values, strengths, cultural and racial backgrounds.
- Are entitled to full citizenship in their communities.
- Must receive what is necessary to achieve their full potential.
- Belong with families and need enduring relationships with adults.
- Make positive contributions to their families.
- Must receive supports necessary to remain with their families; out-of-home placement must be considered as a last resort.

When children cannot remain with their families, out-of-home placement must be viewed as temporary and as an extension of the family. This treatment must be available close to the child's home and family members must be involved in all decisions regarding their child.

Nelling HB 1012

Chairman ~~Sedja~~, members of the committee and fellow parents and advocates. my name is Deborah Jendro. I hail from District 44 in the city of Fargo in this great state of North Dakota.

I am here today to address the budget cuts that are being proposed in House Bill # 1012.

this being my first opportunity to attend a legislature session, I tried to envision what it would be like, what the room would be like, what faces I would see, what their eyes would tell me when I looked into them and what their thoughts would be as I arose and spoke and shared with them my thoughts and feelings.

I would like you in turn to look at me and my fellow parents and envision what you think it would be like to walk in our domain and encounter those who greet us each and everyday in our place called home.

I myself have 4 children with disabilities all of which fall under the mental health and behavioral catagories. Each and everyday I must arise at 6 AM. I must walk through the house and check bedrooms, check the oven and the burners on the stove and come face to face with the muddles that is left on the counter and table from

those who do not sleep, but wander the home like scavengers in the night. I must struggle with a teenager who has seen fit to believe school is not for him, and at this point and time is still back in Fargo fast asleep on top of his bed in his clothing waiting for the day to pass. And God willing, will still be there when I get back home, as walk abouts are not an uncommon thing with him. I must be at the door at 7AM to greet the case aide who comes to help with my 12 year old son Joe. Joe suffers from school phobia and separation anxiety along with a mood disorder and severe psychotic episodes that have landed him in the hospital setting. Historically, with his mental illness he has been his own worst enemy, but with the help, persistence and continuity of our case aide he has not missed one day of school this year! This school year we have not experienced the racous winds that open fire the storm that festers within, the wailing cry, the lashing out, the fists through the glass windows, the barricading of self in the bathroom. Things flying around the room and the threats to self or others with knives or sheer force of the human hand.

My history with the human services centers and the federation of families began in 1996 when my daughter

made rapid and tumultuous changes in her life. She would spend the past few years living on the edge, risk taking, running and denouncing the quiet and peaceful lifestyle we so wanted her to have. Rapid mood changes, unpredictable behaviors along with aggression and substance abuse soon gave lead to the fact that she suffered from a bipolar disorder. We received much assistance from the program offered by S.E. Human Center. We have accessed psychiatric services, individual and group substance abuse treatment, intensive in home family therapy and the use of flex funds which enabled her to continue on with treatment we no longer had funding for. Through flex funds we were afforded the opportunity to keep her in a safe environment while waiting for placement in a different treatment setting. Through the Fed of Families we were offered support, advocacy and many invaluable educational opportunities to help us feel encouraged [illegible] and to be encouraging to others. Empower us to give us strength and a conviction to carry on. Although the hills have been rocky and the falls hard, I firmly believe she is who she is today because of all the efforts the found from these services and support encouraging of the Federation. While being under the

watchful eye of case coordination and case aides + flexible funds all that could only be accessed through the help of the very funding you are considering cutting. Recently Sue has returned to N.D after several years of disarray. She is with the man she loves and they have just presented me with one of the greatest of God's gifts, a healthy beautiful grandchild. She is making every effort to be a productive citizen and taxpayer and I am so glad she has returned to make her only ~~to~~ my grandchild a part of N.D's future.

~~Ten~~ the past two years, my 16 year old Don went through adolescent struggles as his sister did. The up and downs the hills and valleys soon turned to rocks and ruggedness and his malificent ways soon gave rise to a 13 month stay in a residential facility. Once again I give thanks to the support of the federation and the services at S.E. for the flex funding they provided to help keep him safe until all was in place for his transition to the facility. These services were not an option for my oldest son who still struggles on a day to day basis and is still at home unable to hold a job or complete a proper education. A firm believer these services could have made a difference in his life, but the opportunity was not there.

now, as you have spent a few minutes
giving into my world and hopefully have
contemplated a walk in my shoes, I would
like you to think long and hard
about decreasing the budget for child and
family services in our state.
The future is our children, their hope
is in your hands. Please do not crush
the very things that may enable
them a happier, healthier, and
brighter future.

Thank you

We should Kids keep doing the gym and supper club because it is fun. Also we get to express are creativity in many different ways. Such as art work, b... basketball, eating, and talking about moons. If we have to leave we will flood Emerson Smith with tears.

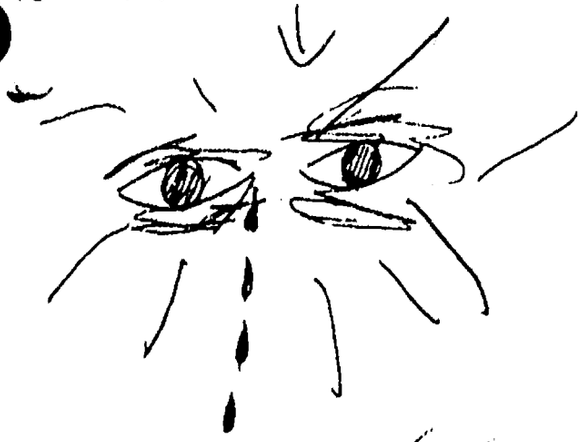
Back Side for Poem

from: Emily J.

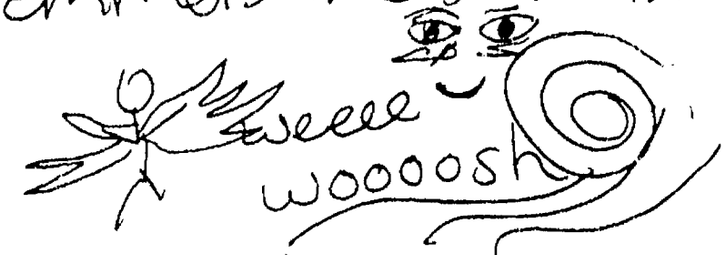
POEM

If gym and supper club ended it would almost be the end of my life, and If I shall become someones wife I would probably really end my life Then I would think of the gym and supper club, cry and wash away all my troubles.

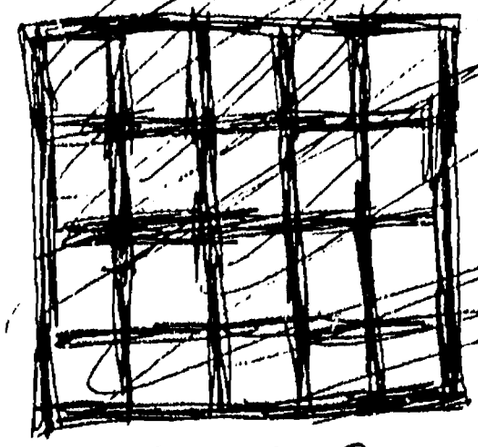
Before I ever went to Emmersome smith..



After I went to Emmersome Smith....



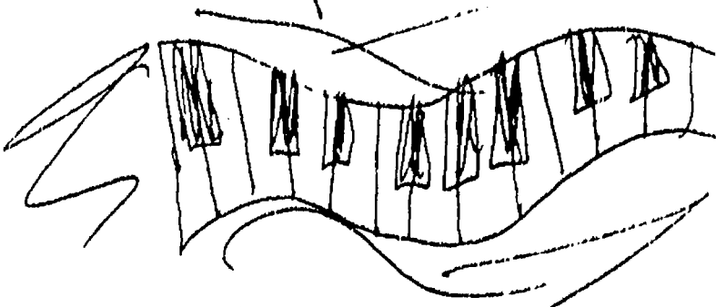
I love the building



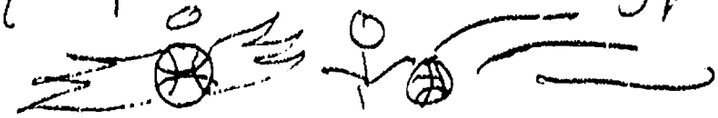
Emerson smith has opened up a window of opportunity

energies
energies
energies
energies

At the supper club I like to play piano



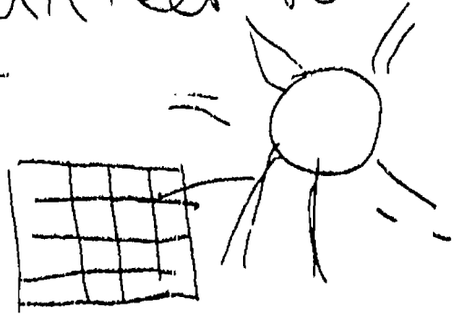
♡ to play sports in the gym



"At the supper club...
we have so much fun :)
Emerson smith is like the
The sun shining sun
into my vacant life
Please let this sun
continue to shine
Dont put a cloud over
my sun!

Because supper ~~club~~ club at
Emmerson Smith is so much fun!

I am willing to volunteer to
help out with stuff



Sincerely,
Kristine Sellie
13 yrs. old

Emmerson Smith is the best part of my life

Taking it away from me would be like stabbing me with a knife!

Handicap Kids

May 13, 2000
HB 1012

To whom it may concern:

I would like to see the Gym and Supper club continue. It has been valuable to me and my children because it is a safe non-threatening environment for family time. Saturday evenings have become official family time even when the Gym and Supper club are not scheduled. The children can be themselves and know they will be accepted and welcomed back even when they have difficult behaviors related to the symptoms of their illness. It is also wonderful that our teenagers choose to come back week after week. They are also developing leadership skills and are providing appropriate examples and guidance to our younger children. Our children are also experiencing acceptance from peers and learning that they are not alone in having a disability.

I've also seen children who tend to isolate and withdraw from peers and family form appropriate friendships and are learning relationship and social skills that are practiced at the event each week. The weekly schedule affords an opportunity to hone skills learned because there isn't a long period of time elapsing. in which they would forget. Friendships have expanded beyond the supper club for these kids as well.

For parents it's a relief to bring children to a place where everyone understands the challenges we face day to day. It is also an opportunity to obtain support from each other. Please continue with the supper club. My children and I are committed to serving where needed to help it succeed

Sincerely

[signature]

The gym and supper club was at first a lifesaver on cold weekends when limited resources meant few ways for my son, his father, and me, to get out. It has become a weekend ritual, like an extended family which has a reunion every week. My son - who at first was a little suspicious of the idea, and once disgusted to encounter only girls to play with - came to expect the activity. Activities are informal, some spontaneous, some planned. My child encounters other children and adults of all ages. Group sit-down suppers help develop his "people skills". Involvement in mental-health awareness activities and having recreational time with other kids (both with and without disabilities, since families come, at times with friends) has enabled him to feel more comfortable with his disability, more in control of his life, and get him out of social environments in which he is likely to feel - or indeed be labelled as - "different". At one time he refused to listen to the "label" with which he has been diagnosed. Recently he painted that label on a poster for an awareness activity.

We have spent years feeling isolated and often being isolated. The gym & supper club have helped us be human outside the mental illness.

Susie Bolemon (Willy McMahon)

3

5-16-2000

To Whom it May Concern:

The Federation of Families for Childrens Mental Health is a wonderful organization that is helping people in alot of ways. I truly believe the Federation can and will do many things for our children with mental health issues, with the support of DMF.

They have a wonderful Leader in Region II and volunteers, who spend many hours helping to make things better

The Gym and Supper Club is a terrific place for both parents and children. The parents support each other and learn from one another. The members of the Supper Club include several teens who participate voluntarily. They are learning thinsmake and teaching the younger children

Children with Mental Health issues are not welcome in most places in the community. At the Federation they are welcome with open, loving arms They need the Gym and Supper Club. It is their place and the feel as though they belong, and they do. The children get support at the Federation they might otherwise have to get from their Health Care Providers.

Dalyn Darley

Tape 3 #1

Wednesday January 3 12:09 PM ET

Report: Children's Mental Health 'Crisis' in U.S.

By Maggie Fox, Health and Science Correspondent

WASHINGTON (Reuters) - Fully one in 10 U.S. children suffer from some sort of mental health problem, but only 20 percent of them are getting treated for it, Surgeon-General Dr. David Satcher said Wednesday.

Society is paying – by having to fund special education classes and, eventually, because many of these children end up as criminals, Satcher said in a report.
"We are talking about depression, which is probably the most common, but also attention deficit hyperactivity disorder and obsessive-compulsive disorder," Satcher said in a telephone interview.

"But short of those diagnosable problems are problems that children have in their development and functioning very early," he said. "Clearly maternal depression affects the development of children, as well as parental violence."

The report, available on the Internet at http://www.surgeongeneral.gov, called for an overhaul of how mental health in children is handled, from training teachers and doctors to recognize it, to doing more research and then translating that research into action.
"We need a system in place that helps us recognize problems early," Satcher said.
This will cost money, Satcher acknowledged. "Believe me, me, we are paying (already)."

"When we don't respond children are dumped into the juvenile justice system in many cases," he said. Or they end up in special education classes or on welfare.

"The burden of suffering experienced by children with mental health needs and their families has created a health crisis in this country," Satcher wrote in the report.
The numbers are enormous, said the report, which stemmed from a meeting of experts held in Washington in September.

"In the United States, one in 10 children and adolescents suffer from mental illness severe enough to cause some level of impairment. Yet, in any given year, it is estimated that fewer than 1 in 5 of these children receives needed treatment," it said.
The report called for promoting public awareness of children's mental health issues, reducing the stigma associated with mental illness, and improving the assessment and recognition of mental health needs in children.

"We need to help families understand that these problems are real, that they often can be prevented and that effective treatments are available," Satcher said in a statement.

``We also need to better educate front-line providers -- teachers, health care workers, school counselors and coaches, faith-based workers, and clinicians of all disciplines -- to recognize mental health issues."

Satcher agreed that some debates had muddied the issue -- such as arguments over whether too many or too few children are being treated with drugs for attention deficit hyperactivity disorder (ADHD).

``We believe there are children being inappropriately treated for ADHD ... but we also believe there are a lot of children who have not been diagnosed and who could benefit from treatment," Satcher said.

He said he hoped the administration of President-elect George W. Bush (news - web sites) would make the issue a priority.

``I don't view this as a political document," he said. ``I hope the new administration coming in will continue to move on mental health."

Tape 3 #2

Report of the Surgeon General's Conference on Children's Mental Health:

A National Action Agenda

Department of Health and Human Services

Proceedings based on the Surgeon General's Conference on Children's Mental Health: *Developing a National Action Agenda*

Conference Summary

Background

The nation is facing a public crisis in mental health for infants, children and adolescents. Many children have mental health problems that interfere with normal development and functioning. In the United States, one in ten children and adolescents suffer from mental illness severe enough to cause some level of impairment. Yet, in any given year, it is estimated that about one in five children receive mental health services. Unmet need for services remains as high now as it was 20 years ago. Recent evidence compiled by the World Health Organization indicates that by the year 2020, childhood neuropsychiatric disorders will rise proportionately by over 50 percent, internationally, to become one of the five most common causes of morbidity, mortality, and disability among children. Concerns about inappropriate diagnosis—that is, either over- or under-diagnosis—of children's mental health problems and about the availability of evidence-based (i.e., scientifically-proven) treatments and services for children and their families have sparked a national dialogue around these issues. There is broad evidence that the nation lacks a unified infrastructure to help these children and many are falling through the cracks. Too often, children who are not identified as having mental health problems and who do not receive services end up in jail. Children and families are suffering because of missed opportunities for prevention and early identification, fragmented treatment services, and low priorities for resources.

To address these critical issues, the Office of the Surgeon General held a conference on *Children's Mental Health: Developing a National Action Agenda* on September 18 – 19, 2000 in Washington, DC. This conference represented an extraordinary level of collaboration among three major Federal Departments: the Department of Health and Human Services, the Department of Justice, and the Department of Education. The purpose of the conference was to engage a group of thoughtful citizens in a meaningful dialogue about issues involved in prevention, identification, recognition, and referral of children with mental health needs for appropriate, evidence-based treatments or services. The 300 invited presenters and participants represented a broad cross-section

of mental health stakeholders, including primary care, education, juvenile justice, child welfare, and substance abuse. Disciplines represented include education, pediatrics, social work, psychiatry, psychology, nursing, public health, and faith-based practitioners. Individuals representing associations, advocacy groups, the scientific community, members of the healthcare industry, clinicians, healthcare providers, families and youth attended this conference.

This conference is one piece of a national conversation addressing the mental health of our Nation's children. The *White House Conference on Mental Health*, in June 1999, was the first major public orientation to the realities of mental illness in the United States. This was followed by the *Surgeon General's Call to Action to Prevent Suicide* in July 1999, and the release of a first-ever *Surgeon General's Report on Mental Health* in December 1999. This report addressed complex issues in mental health and included a chapter on the mental health of children. Most recently, in March of this year, the White House held another meeting specifically addressing the need to improve the diagnosis and treatment of children with emotional and behavioral conditions. Following this conference, the National Institute of Mental Health and the Food and Drug Administration held a meeting in early October, focusing on research needed to develop psychopharmaceuticals for young children.

The agenda for this meeting was developed with extensive input from a broad range of interested individuals. In May, public input was solicited through the World Wide Web and mailings to over 500 individuals. Nearly 400 responses were received within a month. On June 26, 50 individuals were invited to a formal Listening Session with the Surgeon General to help craft the agenda for this conference. Key issues of concern to families, service providers, and researchers were identified, and included:

- Educating the public about mental health and illness in children;
- Ensuring screening and early identification of children within key service systems;
- Implementing evidence-based treatments and services;
- Providing adequate and appropriate education and training to frontline providers;
- Engaging families in all aspects of service delivery; and
- Continuing to build the research base on children's mental health.

The conference agenda was thus developed to address these major concerns, with the aim of addressing the need to improve the state of children's mental health and their families'. To initiate national dialogue about children's mental health concerns, conference participants listened to plenary sessions in which leaders in the field, including youth and family members themselves, briefly outlined key issues involved in:

- Identifying, recognizing, and referring children with mental health needs in key services systems;
- Health services disparities: increasing access to services through family engagement and reducing disparities in access; and
- State of the evidence in treatments, services, systems of care and financing: the gap between what we know and what we do.

These presentations, summarized below, provided conference participants with information to engage in meaningful discussions on children's mental health issues. Conference participants were divided into 10 working groups over the two days. To help develop consensus recommendations, participants aided by selected facilitators and recorders, were asked to:

- Identify the barriers to appropriate identification and recognition of children with mental health needs and the factors that impede access to appropriate treatments or services;
- Identify major opportunities for promoting child and adolescent mental health and for preventing risks and antecedents associated with mental illness;
- Identify the major policies that offer opportunity for strengthening recognition and improving access to care;
- Identify professional training needs in child and adolescent mental health;
- Identify the major barriers to implementing evidence-based treatments and services; and
- Develop recommendations for bridging the gaps among research, practice, and policy.

Facilitators and recorders of each group helped group members prioritize their recommendations, and came together each day of the conference to synthesize the input from their respective groups.

Consensus among the top recommendations was developed, and these were presented to the Surgeon General and the conference participants. Youths present at the conference formed their own group, and presented their input directly to the Surgeon General and the participants as well.

Conference participants also had the opportunity to directly address Dr. Satcher, and to provide their comments. These recommendations, together with those developed from the NIMH/FDA meeting on *Psychopharmacology for Young Children: Clinical Needs and Research Opportunities*, were used as a basis for the development of the Surgeon General's National Action Agenda for Children's Mental Health.

*The full report can be accessed on the Internet at www.surgeongeneral.gov/cmh/childreport.htm#sum

Tape 3 #4

Disorders Research, National Institutes of Health, HHS)

Dated: July 10, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98-19069 Filed 7-16-98; 8:45 am]

BILLING CODE 4140-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Diabetes and Digestive and Kidney Diseases; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisons set forth in section 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel, ZDK1 GRB-8 02.

Date: July 22-24, 1998.

Time: July 22, 1998, 7:00 pm to Adjournment.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Hotel, 625 El Camino Real, Palo Alto, CA 94301-2380.

Contact Person: Robert J. Haber, Phd, Scientific Review Administrator, Review Branch, DEA, NIDDK, Natcher Building, Room 6AS-37, National Institutes of Health, Bethesda, MD 20892-6600, (301) 594-8898.

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel, ZDK1 GRB-D (01).

Date: July 27, 1998.

Time: 10:00 am to adjournment.

Agenda: To review and evaluate grant applications.

Place: Sheraton Crystal City Hotel, 1800 Jefferson Davis Highway, Arlington, VA 22202.

Contact Person: Ann Hagan, Chief, Review Branch, National Institute of Diabetes and Digestive and Kidney Diseases, National Institutes of Health, Phs, Dhhs, Rm. 6as37, Bldg. 45, Bethesda, MD 20892, (301) 594-8886.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.847, Diabetes, Endocrinology and Metabolic Research, 93.848, Digestive Diseases and Nutrition Research, 93.849, Kidney Diseases, Urology and Hematology Research, National Institute of Health, HHS)

Dated: July 10, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98-19070 Filed 7-16-98; 8:45 am]

BILLING CODE 4140-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Drug Abuse; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and/or contract proposals and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications and/or contract proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Drug Abuse Special Emphasis Panel, International Drug Abuse Epidemiology Data Bank.

Date: July 17, 1998.

Time: 9:00 am to 5:00 pm.

Agenda: To review and evaluate contract proposals.

Place: National Institute on Drug Abuse, 5600 Fishers Lane, Room 10-49, Rockville, MD 20857 (Telephone Conference Call).

Contact Person: Eric Zatman, Contract Review Specialist, Office of Extramural Program Review, National Institute on Drug Abuse, National Institutes of Health, DHHS, 5600 Fishers Lane, 10-42, Rockville, MD 20857, (301) 443-1644.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute on Drug Abuse Special Emphasis Panel, Neurological Effects of Drug Addiction Therapies.

Date: August 3, 1998.

Time: 8:30 am to 5:00 pm.

Agenda: To review and evaluate grant applications.

Place: Ritz-Carlton Hotel at Pentagon City, 1250 South Hayes Street, Arlington, VA 22202.

Contact Person: Kesinee Nimit, MD, Health Scientist Administrator, Office of Extramural Program Review, National Institute on Drug Abuse, National Institutes of Health, DHHS, 5600 Fishers Lane, Room 10-22, Rockville, MD 20857, (301) 443-9042.

(Catalogue of Federal Domestic Assistance Program Nos. 93.277, Drug Abuse Scientist Development Award for Clinicians, Scientist Development Awards, and Research Scientist Awards, 93.278, Drug Abuse National Research Service Awards for Research Training, 93.279, Drug Abuse Research Programs, National Institutes of Health, HHS)

Dated: July 10, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98-19071 Filed 7-16-98; 8:45 am]

BILLING CODE 4140-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Children With Serious Emotional Disturbance; Estimation Methodology

AGENCY: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, HHS

ACTION: Final notice.

SUMMARY: This notice describes the final methodology to identify and estimate the number of children with a serious emotional disturbance (SED) within each State. This notice is being published as part of the requirements of Public Law 102-321, the ADAMHA Reorganization Act of 1992.

EFFECTIVE DATE: October 1, 1998.

Background

Public Law 102-321, the ADAMHA Reorganization Act of 1992, amended the Public Health Service Act and created the Substance Abuse and Mental Health Services Administration (SAMHSA). The Center for Mental Health Services (CMHS) was established within SAMHSA to coordinate Federal efforts in the prevention and treatment of mental illness, and the promotion of mental health. Title II of Public Law 102-321 establishes a Block Grant for Community Mental Health Services, administered by CMHS, that permits the allocation of funds to States for the provision of community mental health services for children with a SED and adults with a serious mental illness (SMI). Public Law 102-321 stipulates that States estimate the incidence (number of new cases) and prevalence (total number of cases in a year) of individuals with either SED or SMI in their applications for block grant funds

As part of the process of implementing this new block grant, definitions of the terms "children with a serious emotional disturbance" and "adults with a serious mental illness" were announced on May 20, 1993, in **Federal Register** Notice, Volume 58, No. 96, p. 29422. Subsequently, a group of technical experts was convened by CMHS to develop an estimation methodology to "operationalize" the key concepts in the definition of children with SED. A similar group prepared an estimation methodology for adults with a SMI (March 28, 1997, **Federal Register** Notice, Volume 62, No. 60 p.14928).

Summary of Comments

This document reflects a thorough review and analysis of comments received in response to an earlier notice published in the **Federal Register**, on October 6, 1997. Ten letters expressing either support or concern regarding the proposed methodology were received by the close of the public comment period. Those expressing support praised the effort of the CMHS team of technical experts to develop reliable State estimates for the number of children with SED. Comments expressing concern generally noted limitations similar to those identified by the team of technical experts in the original October 6, 1997, **Federal Register** notice. These limitations included the exclusion of children from birth to age 8 and the exclusion of variables such as ethnicity and geographical location. Additionally, concerns were raised about whether the proposed methodology represented prevalence rates more precisely than State surveys or local data collection efforts.

Before addressing the comments, CMHS extends appreciation to representatives from Atlantic County, New Jersey, and the University of Texas Medical Branch at Galveston for directing attention to errors made in Table 3—1995 Estimates of Children and Adolescents with SED by State. The New Jersey upper limit for less-impaired children should read 102,594, and the Utah upper limit estimate should read 38,399. These corrections to Table 3 have been made and will be reflected in all subsequent publications.

Purpose of the Methodology

Although several comments indicated satisfaction with the estimation methodology, several others requested that CMHS clarify appropriate use of the methodology. In response, CMHS emphasizes that the methodology for children and adolescents with SED was developed specifically for States to use in the areas of planning and program development. Since it is obvious that resources for this population of children are inadequate in relation to need, States should continue to set priorities to assure the most cost effective use of all available resources. Inclusion or exclusion of any individual based on this methodology is not intended to either confer or deny eligibility for any other service or benefit at the Federal, State, or local level.

Estimation Methods

Some comments suggested that surveys and other State-specific or local data would provide more precise estimations than the proposed methodology. CMHS understands this concern. However, a group of technical experts established by CMHS determined that the most valid method to estimate the prevalence of SED was to examine findings from extant community epidemiological studies that used a structured diagnostic interview connected to the DSM-III or DMS-III-R system. The group of technical experts thoroughly searched for studies that met this criteria and incorporated findings from all of the studies in its report. CMHS recognizes the value of local or statewide surveys but continues to support the view that the most valid estimates can be derived from community epidemiological studies that have used a structured diagnostic interview. CMHS will support the use of State data if they are based on community epidemiological studies that include a standardized diagnostic interview that is linked with the DSM system and that also includes a measurement of functional impairment.

Concerns were also raised that the singular use of poverty as an adjustment to prevalence rates was based on convenience. This is not the case and the October 6, 1997, **Federal Register** Notice summarizes the fastidious efforts taken to examine other potential variables. For each of the other variables considered, either insufficient evidence existed to determine if an adjustment should be made (e.g., for variables such as race and ethnic background, and population density) or the available evidence suggested that adjustment should not be made (i.e., gender). The findings from these efforts indicated that the prevalence of SED is greater in children from low socio-economic backgrounds than in children from middle-class or upper class backgrounds. As a result, the decision was made to include percent-in-poverty as an adjustment factor. While the data were clear about an overall relationship, in the absence of any national studies, the quantitative adjustment that should be made could not be determined with precision. It therefore was decided that since the report could offer only general estimates of prevalence, given the shortcomings of the available data, the simplest and perhaps clearest way to adjust for percent in poverty would be to divide the States into groups based on the percent in poverty. Although this "grouping" method may potentially exaggerate the differences between States that fall in different categories, the percent in poverty measures differ in a relatively minor way. Because the estimates are not to be used to determine funding levels, the decision was made to use this grouping method despite minor problems. It is hoped that additional research will permit more precise estimations in the future.

With regard to estimation methods, concerns were also raised that the selection of poverty as the only variable to "correct" the estimated prevalence of SED would produce data that underestimated the State prevalence rates of SED. Several States emphasized that additional factors, including geographical data (urban/rural), would provide more representative data. CMHS recognizes the importance of this data. However, presently, the data in this area is not precise enough to draw estimates; in the absence of a national study, CMHS chose to utilize and analyze the most precise data available. In this instance, percent in poverty rates proved to be the most precise data available. As new data become available, these issues will be revisited.

One comment raised specific questions about the comparability of the prevalence estimates for children with SED with estimates from other studies. For example, Kaitzer, in "At the Schoolhouse Door," estimates that 3 to 5 percent of children are "judged to be seriously emotionally disturbed" (p. xii). However, this book was published in 1990, before CMHS developed the definition of SED on which the present estimate is based and before the results of most of the studies included in the present report were available. Similarly, the 1969 Joint Commission on the Mental Health of Children indicates that 2 to 3 percent suffered from severe disorders. The present report is based not only on more recent data but also on new instruments and a revised diagnostic system.

Finally, concerns were raised that prevalence estimates for children/adolescent with SED in individual States are not uniformly consistent with estimates for adults with SMI published by CMHS. In comparing data for children and adults, it should be

remembered that the data for children cover a restricted period of nine years (from ages nine through 17) while the adult estimates are for the adult lifetime beginning at age 18 and over. Therefore, it is not surprising that within the same State estimates for children may be lower or higher than adults. Further, the group of technical experts that developed estimates for SMI found substantially higher prevalence rates in young adults than in older adults. Consequently, States with a high percentage of elderly will have lower overall prevalence rates of SMI than will States with a high percentage of young adults. When comparing adult prevalence rates with those for children, it is important to remember that the children's data are based on a relatively short developmental stage in relation to the adult rates.

Exclusion of Children Age Birth to 8

Several comments acknowledged the paucity of research on children from birth to 8 years and inquired about future research efforts by CMHS to address this population. CMHS acknowledges the need to develop estimation methodology for this very important population of young children. Current plans for developing this methodology include an updated literature review of prevalence data for children with a SED in the birth to 8 age group. CMHS will make these data available when obtained.

Exclusion of Puerto Rico

It was brought to the attention of CMHS that there was significant interest in obtaining prevalence estimates for children with SED in Puerto Rico. Estimates of children with SED, published on Monday, October 6, 1997, in **Federal Register**, Notice Volume 62, No 193, p. 52139, were based on 1995 U.S. Census Bureau population and poverty rate data. These Census Bureau estimates are not available for Puerto Rico and other U.S. territories. CMHS responds to these comments by obtaining SED estimates for Puerto Rico derived from 1990 census data (the most recent year for which data are available).

According to the Census Bureau, the poverty rate for Puerto Rico in 1990 was 66.8 percent for persons under 18 years. Using the steps outlined on page 52141 of the above **Federal Register** Notice, Puerto Rico with a poverty rate of 66.8 percent will be included in group C (the group with poverty rates in excess of 22 percent). At a level of functioning of 50 (LOF=50), the number of children and adolescents with SED is estimated to be between 7–9 percent of youth 9–17 years of age. At a level of functioning of 60 (LOF=60), the number of children and adolescents with SED is estimated to be between 11–13 percent of youth 9–17 years of age.

TABLE 1.—ESTIMATES OF CHILDREN AND ADOLESCENTS WITH SERIOUS EMOTIONAL DISTURBANCE; STATE ESTIMATES ALGORITHMS

Territory	Number of youth 9–17	Percent in poverty	LOF*=50		LOF*=60	
			Lower limit	Upper limit	Lower limit	Upper limit
Puerto Rico	602,309	66.8	42,162	54,208	66,254	78,300

*LOF=Level of functioning from Children's Global Assessment Scale.

Exclusion of Substance Use Disorders

The decision to exclude substance use disorders from this estimation methodology was addressed in the 1993 **Federal Register** Notice that provided a national definition of SED. Because substance use disorders are not included in the definition of serious emotional disorder, they are not included in the current estimation methodology. Please see the **Federal Register** Notice (1993, 58(96), p. 29424) for a more detailed explanation.

Instrumentation

CMHS stresses that the methodology is based on the Children's Global Assessment Scale (CGAS) because the CGAS was the most commonly used instrument found in the community-based epidemiology literature received by the group of technical experts. When other instruments were used, the findings were taken into consideration. CMHS recognizes that a number of States use the Children's Adolescent Functional Assessment Scale-Mini-Scale and, consequently, does not discourage the use of this instrument.

Definition of Serious Emotional Disturbance

Some States expressed concern that the definition of SED used to estimate prevalence may result in an over-estimate of prevalence by counting children who had a diagnosis and functional impairment over a 2-year period rather than a 1-year period.

The definition used to estimate prevalence is "total number of cases in a year." None of the studies cited in the report gathered prevalence information of a duration of greater than a year. In fact, most of the studies used to formulate the prevalence estimates utilized the Diagnostic Interview Schedule for Children, which derives prevalence information for a 6-month time period. Therefore, not only does the definition ensure against an over estimate of prevalence but also there is a possibility of a slight under estimate, based on the methods used.

Estimation Procedures

The following steps were taken to adjust for differences in State socio-economic circumstances. The 1995 State-by-State estimates of children and adolescents with SED are provided in Table 3.

Step 1

States were sorted by poverty rates (1995), in ascending order. Using this sort order, States were initially classified into three groups of equal proportions, i.e., the first 17 States were put into Group A; the next 17 States, into Group B; the remaining 17 States, into Group C. However, in reviewing the results, we noted that observations 17 and 18 differed by .01 percent. Observation number 18 was included in group A. For this reason, Group A has 18 cases, Group B has 16 cases, and Group C has 17 cases. Group A is the lowest percentage of children in poverty; Group B represents a mid point; and Group C includes the highest percentage of children in poverty.

Step 2

At a level of functioning of 50 (LOF=50), the number of children and adolescents with SED is calculated to be between 5–7 percent of the number of youth between 9–17 years for Group A. For Group B, the estimate is between 6–8 percent of the number of youth 9–17 years. The estimated SED population for

Group C is calculated to be between 7-9 percent of the number of youth 9-17 years.

Step 3

At a level of functioning of 60 (LOF=60), the number of children and adolescents with SED is calculated to be between 9-11 percent of the number of youth 9-17 years for Group A. For Group B, the estimate is between 10-12 percent of the number of youth 9-17 years. The estimated SED population for Group C is calculated to be between 11-13 percent of the number of youth 9-17 years.

TABLE 2.—1995 ESTIMATES OF CHILDREN AND ADOLESCENTS WITH SERIOUS EMOTIONAL DISTURBANCE; STATE ESTIMATES ALGORITHMS

States	Estimated population			
	LOF*=50		LOF*=60	
	Lower limit	Upper limit	Lower limit	Upper limit
Group A Lowest percent in poverty	5%	7%	9%	11%
Group B Medium percent in poverty	6%	8%	10%	12%
Group C Highest percent in poverty	7%	9%	11%	13%

*LOF=Level of functioning from the Children's Global Assessment Scale.

TABLE 3.—1995 ESTIMATES OF CHILDREN & ADOLESCENTS WITH SERIOUS EMOTIONAL DISTURBANCE BY STATE

	State	Number of youth 9–17	Percent in poverty	LOF*=50		LOF*=60	
				Lower limit	Upper limit	Lower limit	Upper limit
	Total	33,706,204		2,118,269	2,792,391	3,466,516	4,140,636
1	New Hampshire	147,695	4.07	7,385	10,339	13,293	16,246
2	Alaska	90,955	8.96	4,548	6,367	8,186	10,005
3	New Jersey	932,671	9.60	46,634	65,287	83,940	102,594
4	Utah	349,086	9.76	17,454	24,436	31,418	38,399
5	Minnesota	643,892	11.30	32,195	45,072	57,950	70,828
6	Colorado	491,930	11.34	24,597	34,435	44,274	54,112
7	Nebraska	231,037	11.62	11,552	16,173	20,793	25,414
8	Missouri	709,439	11.74	35,472	49,661	63,850	78,038
9	Kansas	354,722	12.55	17,736	24,831	31,925	39,019
10	Wisconsin	706,004	12.56	35,300	49,420	63,540	77,660
11	Hawaii	143,901	13.97	7,195	10,073	12,951	15,829
12	North Dakota	91,443	14.13	4,572	6,401	8,230	10,059
13	Virginia	790,359	14.38	39,518	55,325	71,132	86,939
14	Nevada	186,695	14.41	9,335	13,069	16,803	20,536
15	Indiana	758,633	15.24	37,932	53,104	68,277	83,450
16	Rhode Island	115,176	15.36	5,759	8,062	10,366	12,669
17	Delaware	85,396	15.56	4,270	5,978	7,686	9,394
18	Maine	160,434	15.57	8,022	11,230	14,439	17,648
19	Vermont	76,500	15.79	4,590	6,120	7,650	9,180
20	Maryland	608,209	15.80	36,493	48,657	60,821	72,985
21	Wyoming	75,106	16.21	4,506	6,008	7,511	9,013
22	Georgia	942,161	16.30	56,530	75,373	94 216	113,059
23	Massachusetts	680,101	17.12	40,806	54,408	68,010	81,612
24	Iowa	385,583	17.39	23,135	30,847	38,558	46,270
25	Washington	714,567	17.81	42,874	57,165	71,457	85,748
26	Connecticut	378,473	18.03	22,708	30,278	37,847	45,417
27	Pennsylvania	1,462,731	18.07	87,764	117,018	146,273	175 528
28	Oregon	411,543	18.22	24,693	32,923	41,154	49,385
29	Michigan	1,275,452	18.36	76,527	102,036	127,545	153,054
30	Ohio	1,451,220	19.33	87,073	116,098	145,122	174,146
31	Idaho	183,829	20.57	11,030	14,706	18,383	22,059
32	South Dakota	108,855	20.74	6,531	8,708	10,886	13,063
33	North Carolina	879,091	21.06	52,745	70,327	87,909	105,491
34	Kentucky	504,373	21.25	30,262	40,350	50,437	60,525
35	Illinois	1,517,182	22.14	106,203	136,546	166,890	197,234
36	Tennessee	658,573	22.23	46,100	59,272	72,443	85,614
37	Montana	126,834	22.39	8,878	11,415	13,952	16,488
38	Arkansas	337,718	22.44	23,640	30,395	37,149	43,903
39	Texas	2,623,854	24.53	183,656	236,129	288,602	341,075
40	California	3,968,950	24.97	277,827	357,206	436,585	515,964
41	Oklahoma	457,496	24.98	32,025	41,175	50,325	59,474
42	Arizona	542,019	25.31	37,941	48,782	59,622	70,462
43	Florida	1,623,697	25.50	113,659	146,133	178,607	211,081
44	New York	2,141,435	25.51	149,900	192,729	235,558	278,387
45	West Virginia	231,390	26.93	16,197	20,825	25,453	30,081
46	Alabama	547,671	27.50	38,337	49,290	60,244	71,197
47	Louisiana	639,158	29.69	44,741	57,524	70,307	83,091

TABLE 3.—1995 ESTIMATES OF CHILDREN & ADOLESCENTS WITH SERIOUS EMOTIONAL DISTURBANCE BY STATE—Continued

State	Number of youth 9–17	Percent in poverty	LOF*=50		LOF*=60	
			Lower limit	Upper limit	Lower limit	Upper limit
48 South Carolina	470,875	32.11	32,961	42,379	51,796	61,214
49 Washington, DC	48,365	35.33	3,386	4,353	5,320	6,287
50 New Mexico	251,231	36.59	17,586	22,611	27,635	32,660
51 Mississippi	392,694	37.03	27,489	35,342	43,196	51,050

Dated: June 29, 1998.

Joseph Fahu,

Director, Legislation & External Affairs.

[FR Doc. 98–19039 Filed 7–16–98; 8:45 am]

BILLING CODE 4160–29–U

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4341–N–19]

Federal Property Suitable as Facilities to Assist the Homeless

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

FOR FURTHER INFORMATION CONTACT: Mark Johnston, room 7256, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410; telephone (202) 708–1226; TTY number for the hearing- and speech-impaired (202) 708–2565 (these telephone numbers are not toll-free), or call the toll-free Title V information line at 1–800–927–7588.

SUPPLEMENTARY INFORMATION: In accordance with 24 CFR part 581 and section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), as amended, HUD is publishing this Notice to identify Federal buildings and other real property that HUD has reviewed for suitability for use to assist the homeless. The properties were reviewed using information provided to HUD by Federal landholding agencies regarding unutilized and underutilized buildings and real property controlled by such agencies or by GSA regarding its inventory of excess or surplus Federal property. This Notice is also published in order to comply with the December 15, 1988 Court Order in *National Coalition for the Homeless* v. *Veterans Administration*, No. 88–2503–OG (D.D.C.).

Properties reviewed are listed in this Notice according to the following categories: Suitable/available, suitable/unavailable, suitable/to be excess, and unsuitable. The properties listed in the three suitable categories have been reviewed by the landholding agencies, and each agency has transmitted to HUD: (1) Its intention to make the property available for use to assist the homeless, (2) its intention to declare the property excess to the agency's needs, or (3) a statement of the reasons that the property cannot be declared excess or made available for use as facilities to assist the homeless.

Properties listed as suitable/available will be available exclusively for homeless use for a period of 60 days from the date of this Notice. Homeless assistance providers interested in any such property should send a written expression of interest to HHS, addressed to Brian Rooney, Division of Property Management, Program Support Center, HHS, room 5B–41, 5600 Fishers Lane, Rockville, MD 20857; (301) 443–2265. (This is not a toll-free number.) HHS will mail to the interested provider an application packet, which will include instructions for completing the application. In order to maximize the opportunity to utilize a suitable property, providers should submit their written expressions of interest as soon as possible. For complete details concerning the processing of applications, the reader is encouraged to refer to the interim rule governing this program, 24 CFR part 581.

For properties listed as suitable/to be excess, that property may, if subsequently accepted as excess by GSA, made available for use by the homeless in accordance with applicable law, subject to screening for other Federal use. At the appropriate time, HUD will publish the property in a Notice showing it as either suitable/available or suitable/unavailable.

For properties listed as suitable/unavailable, the landholding agency has decided that the property cannot be declared excess or made available for use to assist the homeless, and the property will not be available.

Properties listed as unsuitable will not be made available for any other purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1–800–927–7588 for detailed instructions or write a letter to Mark Johnston at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the **Federal Register**, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (*i.e.*, acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: INTERIOR: Ms. Lola D. Knight, Department of Interior, 1849 C Street, NW, Mail Stop 5512–MIB, Washington, DC 20240; (202) 208–4080; GSA: Mr. Brian K. Polly, Assistant Commissioner, General Services Administration, Office of Property Disposal, 18th and F Streets, NW, Washington, DC 20405; (202) 501–2059; NAVY: Mr. Charles C. Cocks, Department of the Navy, Director, Real Estate Policy Division, Naval Facilities Engineering Command, Code 241A, 200 Stovall Street, Alexandria, VA 22332–2300; (703) 325–6342; TRANSPORTATION: Mr. Rugene Sprulll, Principal, Space Management, SVC–140, Transportation Administrative Service Center, Department of Transportation, 400 7th Street, SW, Room 2310, Washington, DC 20590; (202) 366–4246; (These are not toll-free numbers).

1-15-01 Public Comments #26
Tape 2 side B

Testimony on HB 1012
Prepared for the
Human Services Committee
Human Resources Subcommittee

January 15, 2001

Chairman Svedjan and members of the committee. For the record my name is Kathy Schmit.

I am here to testify on the benefits of the eight psychosocial rehabilitation centers. These centers provide an outlet for individuals with mental disabilities to gather together with their peers to socialize, share in support groups, and involve them in community activities.

I speak from personal experience. I was involved with the pilot psychosocial rehabilitation center, began Fall of 1984, then contracted out to the Mental Health Association in North Dakota. Through the "Friendship Center" I was able to become aquainted with other individuals with mental disablities, this helped me adjust and accept my own diagnosis. I was able to socialize and talk about how my illness affected my everyday life, having a support group made up of my peers also helped not only me but others as well. Community activities educated and continue to educate the general public about mental illness and help to remove the stigma associated with it.

I am now at a point in my recovery that I am able to hold a part-time job and am working toward full time employment. I am also able to encourage others going to the current psychosocial rehabilitation centers to keep it as a part of their own recovery plan. I encourage this committee to recommend funding these centers. Recovery is important to individuals with mental disabilities and these centers are a positive enhancement to their quality of life.

Thank you for your time. I would be happy to answer any questions you may have at this time.

HB 1012

TESTIMONY ON HB 1012
SENATE APPROPRIATIONS COMMITTEE
MARCH 6, 2001

Chairman Nething and members of the committee. My name is Kip Knaup from Bismarck, I am here today to offer comments on HB 1012.

I am a consumer, today I am here as a concerned citizen of North Dakota. I am also a member of the Mental Health Planning Council.

I am concerned about the reductions that are being brought forward. The citizens of North Dakota who use the Human Service Centers and the Psycho-social rehabilitation centers are going to be hurt by these reductions. The case managers are already over worked with cases; we need more case workers in every region. The regional Human Service Center budgets are already stretched to the maximum.

The hours for the psycho-social rehabilitation centers are cut to the point where some centers are closed during the hours they are needed the most for citizens with mental illness. To reduce these budgets any

more would hurt individuals who depend on the staff of the regional human service centers and the psycho-social rehabilitation centers to help them maintain their recovery. It takes the support of many people from the Department of Human Services, the Division of Mental Health and Substance Abuse, the regional human service centers, the psycho-social rehabilitation centers, and the community to do this.

Please do not reduce these budgets as proposed by the Human Resource Subcommittee, House Appropriations instead I urge you to accept the Department of Human Services Budget as first presented at the beginning of this Legislative Session.

Thank you for your time. I will be happy to answer any questions you may have at this time.

DEPARTMENT OF HUMAN SERVICES INSTITUTIONS BUDGET TESTIMONY
HOUSE APPROPRIATIONS COMMITTEE - HUMAN RESOURCES DIVISION
CHAIRMAN KEN SVEDJAN
JANUARY 11, 2001

Mr. Chairman and Members of the Human Resources Division, my name is Alex C. Schweitzer, the Department of Human Services Superintendent of Institutions. The following is an overview of the Department of Human Services two Institutions, the North Dakota State Hospital and the Developmental Center, and their respective budgets.

NORTH DAKOTA STATE HOSPITAL:

(A. Program Purpose Statements:

Program: Administration of North Dakota State Hospital and Developmental Center:

The purpose of the Institutions Administration is to provide leadership, support and maintenance of infrastructure to program directors and staff so they can manage their programs and achieve their results.

Services included in this Program:

Administrative Services
Fiscal Services
Quality Management Services
Management Information Services
Human Resources
Environmental Services

Page Two: DHS Institutions Testimony:

Program: Serious Mental Illness System of Care:

The purpose of the Serious Mental Illness System of Care is to provide therapeutic and supportive services to adults with a serious mental illness so they can manage their illness and productively live in the community in the least restrictive setting.

Services Included in this Program:

The North Dakota State Hospital operates 107 inpatient beds for adult individuals with psychiatric illness, 20 inpatient beds for forensic admissions (that includes 8 sex offenders) and 8 transitional living beds for adults with serious mental illness in this program area.

Program: Substance Abuse System of Care:

The purpose of the Substance Abuse System of Care is to provide therapeutic and supportive services to individuals who abuse or are dependent upon alcohol or other drugs so they can manage their illness and live in the community in the least restrictive setting.

Services Included in this Program:

The North Dakota State Hospital for the next budget cycle will operate 21 inpatient beds for adult individuals who are chemically dependent and 25 beds for an intensive residential program for DUI offenders in collaboration with the Department of Corrections.

30 days

90 days

Page Three: DHS Institutions Testimony:

Program: Children's Mental Health System of Care:

The purpose of the Children's Mental Health System of Care is to provide therapeutic and supportive services to children with a serious emotional disorder (SED) and their families so they can manage their disorder and live in the community in the least restrictive setting.

Services Included in this Program:

The North Dakota State Hospital operates 24 inpatient beds and a 8 bed residential care facility for children and adolescents with serious mental illness and chemical dependency problems. The Jamestown School System operates a school for these programs.

Program: Clinical Services Program:

The purpose of the Clinical Services Program is to provide evaluation and treatment to people with emotional or relationship problems so they can reduce or eliminate the impact of the problem.

Services Included in this Program:

Psychological Evaluation
Sexual Abuse Treatment
Child Abuse Treatment
Group Therapy
Individual Therapy
Consultation

Page Four: DHS Institutions Testimony:

(B. Highlights/Accomplishments/Concerns:

- Transferred geropsychiatric program to Sheyenne Care Center in Valley City, in a public/private partnership.

- Developed the Revocation Program in Jamestown partnering with the Department of Corrections and the Stutsman County Correctional Center.

- Implemented statewide training of stakeholders concerning laws requiring the Human Service Centers to prescreen admissions to the State Hospital.

- The Joint Commission for the Accreditation of Hospital Organizations provisionally accredited the hospital for three years in October 2000.

- Decreased annual admissions from 1600+ in 1998 to approximately 880 in 2000.

  (See Attachment A. for summary of accomplishments).

(C. Major Budget Increases/Decreases:

- The hospital's 2001- 2003 budget is based on an average daily population of 165 patients and admissions of about 900 patients per year. (See Attachment B. for a historical perspective of average daily population and admissions for the period of 1996 - 2000).

- The Hospital's 2001- 2003 budget request to the Office of Management and Budget was a decrease of $471,854 from the 1999- 2001 budget. The total budget for the 99 - 01 biennium was $50,620,615 and the request for

01- 03 biennium is $50,148,761. (See Attachment C).

- Governor Schafer's budget recommendation increased the salary and benefit line item by $2,125,538. The recommendation included $1,234,578 for the 3% and 2% employee salary increase and $890,960 for the increase in fringe benefits.

- The Executive Budget recommendation includes a request for $1,683,431 for capital improvements. (See Attachment D).

- The total 2001 - 2003 Executive Budget request to the legislature for the hospital is $52,174,730. This is an overall increase of $1,554,115 or a three (3%) percent increase from the 1999 - 2001 budget. The general funds for the hospital decreased by $1,120,677 from the 99 - 01 biennial budget to the current 01 - 03 request.

NORTH DAKOTA DEVELOPMENTAL CENTER:

(A. PROGRAM PURPOSE STATEMENTS:

Program: Developmental Center - Day and Residential Services:

The purpose of the Day and Residential Services is to provide training and assistance with daily living activities to eligible people with disabilities so they can achieve their agreed upon personal goals.

Page Six: DHS Institutions Testimony:

Services Included in this Program:

ICF/MR, Skilled Nursing Home Services and Work and Day Activity

Program: Developmental Center - Safety Net:

The purpose of the Safety Net is to provide specialized evaluation treatment and/or crisis management services to people with disabilities, so they can safely and productively live in the least restrictive, appropriate environment.

Services Included in this Program:

Clinical, Health and Day and Residential Services.

Program: Developmental Center - Clinical and Health Services:

The purpose of Clinical and Health Services is to provide assessment therapy, training, and supportive services to people with disabilities so they can achieve and maintain their optimal mental and physical health.

Services Included in this Program:

Medical Care services, Nursing Care services, Mental Health services, Physical and Occupational Therapy, Speech Language services, Nutrition Counseling, and Adaptive Equipment services.

Page Seven: DHS Institutions Testimony:

(B. Highlights/Accomplishments/Concerns:

- The Council accredited the Developmental Center for three years in May 2000.

- The Developmental Center opened the Traumatic Brain Injury program in July of 1999 to serve individuals who otherwise would need to receive these specialized services out of state.

- The Veterans Clinic continues to see veterans from North Dakota and Minnesota at the satellite clinic located in the Health Services Center at the Developmental Center.

- The Dakota East program is responsible for the provision of Vocational Services at the Center. Dakota East has placed several people with developmental disabilities in the window production line of Marvin Windows, Grafton Branch.

- The Developmental Center sold buildings North A and B to a private developer and they have been developed into senior housing. Opened for occupancy in December of 2000.

  (See Attachment E. for summary of accomplishments)

(C. Major Budget Increases/Decreases:

- The Developmental Center's 2001 - 2003 budget is based on an average daily population of 145 clients. (See Attachment F. for a historical perspective of average daily population, admissions and discharges at the Developmental

Page Eight: DHS Institutions Testimony:

Center for the period of 1996 - 2000).

- The Developmental Center's 2001 - 2003 budget that was submitted to the Office of Management and Budget shows a decrease of $1,080,502 from the 1999 - 2001 biennial budget. Total budget for 99 - 01 was $39,729,302 and the total budget for 01- 03 was $38,648,800. (See Attachment G).

- Governor Schafer's executive recommendation increased the budget by $2,374,082. $1,078,065 for the biennial salary recommendation of 3% and 2% and $687,783 for an increase in fringe benefits. Also an increase in major improvements due to bond payments ($649,234) to be paid from the DC budget, less $41,000 in major improvements reductions.

- The total Executive Budget request to the legislature for the Developmental Center is $41,022,882. This is an overall increase of $1,293,580 from the 1999 - 2001 budget.

- The general fund increases by $1,088,670 from 99- 01 to 01 - 03, with a majority of the increase ($649,234) coming from a transfer of bond payments for major improvements to the DC budget.

CONCLUSION:

The budgets for the institutions are good budgets that should meet the needs of the people we serve. The State Hospital submitted a hold even budget and added to this was the Governor's recommendation for a salary and benefit increase in the amount of $2,125,538 and a transfer of bond payments from the Industrial Commission to the Hospital budget of $566,500. Without these additions the change in the budget from

Page Nine: DHS Institutions Testimony:

99 - 01 to 01 - 03 would have been ($1,137,923). The Developmental Center submitted a hold even budget and added to this was the Governor's recommendation for a salary and benefit increase in the amount of $1,765,848 and a transfer of bond payments of $649,234. Again, without these additions the change in the budget from 99 - 01 to 01 - 03 would have been ($1,121,502).

The Department of Human Services in the year 2000 started a trial project to increase sharing and collaboration between the two institutions. This trial was in response to the interim Budget Committee on Institutional Services recommendation that the two institutions not collocate, but rather attempt to maximize efficiencies and effectiveness through cooperation.

The Hospital and the Developmental Center have been sharing one Superintendent since April of 2000. The institutions will have one chief financial officer as of January 1st, 2001. The Superintendent of DHS Institutions is in the process of developing action plans to combine more management positions at the two institutions and to facilitate sharing opportunities between the employees of the two facilities. (See Attachment H. for Organizational Chart).

The institutions senior management team has three factors in mind when looking at reorganizational strategies; to assure adequate ratios of direct care staff to cover day to day care needs of clients we serve; not to compromise patient care in any way; and that these reorganizational changes will ultimately, produce cost efficiencies.

I would be glad to answer any questions or clarify any concerns.

Summary of Accomplishments
NDSH: 1993-Present

Hospital Mission: Revised mission statement to better reflect function as part of a statewide system of care:

> **"The North Dakota State Hospital provides specialized psychiatric and substance abuse services for individuals whose needs exceed the resources and capacity of other community services."**

Integration with Statewide System of Care:

- Developed NDSH Strategic Plan in conjunction with DHS leaders, to insure working toward a common mission and outcomes
- Provided funds to Human Service Centers for development of hospital diversion projects
- Worked with stakeholders to finalize NDSH Criteria for Admission, Extended Stay, and Discharge
- Coordinated with DOC to establish a medium-security prison on the campus by utilizing available buildings
- Transferred geropsychiatric program to Sheyenne Care Center in Valley City, in a public/private service partnership
- Developed the Revocation Program in Jamestown by partnering with the Department of Corrections and the Stutsman County Law Enforcement Center
- Implemented statewide training of stakeholders concerning laws requiring HSC screening of all admissions to NDSH
- Shared Superintendent position with the Developmental Center, and began plans for further shared services in the future.

Clinical Programs:

- Implemented evaluation and treatment service for sexually dangerous individuals, following directive of 1997 Legislature
- Implemented an Admissions Team to enhance efficiency and coordination with community providers
- Developed diverse levels of care within the treatment structure (i.e. residential, outpatient TL)
- Decreased use of seclusion/restraint within the therapeutic environment
- Designed clinical treatment pathways to improve care and monitor outcomes

Demographics:

- Decreased daily average patient census from 238 to 160
- Decreased annual admissions from 1600+ to approximately 800
- Decreased FTE's from 659.2 to 537.1
- Reduced/consolidated management positions and physician positions
- Reduced number of wards to 10

Nancy Schulz - 9/18/00

NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS REQUEST
2001 - 2003 BIENNIUM BUDGET

PRIORITY LISTING FOR CAPITAL PROJECTS:

Project:	Amount:
(1. Bond payments	$ 566,500
(2. Landfill Closure	$ 413,255
(3. Roof Repairs	$ 100,000
(4. Underground Utility Tunnels	$ 100,000
(5. LRC Building Code Renovations	$ 94,676
(6. Asbestos Abatement	$ 114,000
(7. Statewide Psychiatric Nursing Ed Building	$ 295,000
Total Expenses:	$ 1,683,431
General Funds:	$ 1,270,176
Other Funds:	$ 413,255
Total Revenue:	$ 1,683,431

NORTH DAKOTA STATE HOSPITAL
2001-03 BUDGET REQUEST
EXECUTIVE BUDGET OFFICE RECOMMENDATION
BY BUDGET OBJECT CODE

BOC	DESCRIPTION	1997-99 ACTUAL	1999-2001 BUDGET	CONTINUE CURRENT PROGRAMS	FUNDING SHIFTS	FTEs TO BE ELIMINATED IN 2001-2003 BIEN.	HOLD EVEN BUDGET	SEX OFFENDER OAR	TOTAL BUDGET TO OMB	EXECUTIVE BUDGET OFFICE RECOMMENDATION	SALARY INCREASE RECOMMENDATION	BUDGET TO GOV. OFFICE
	FULL TIME EQUIVALENT POSITIONS	594.60	523.10			(12.10)	511.00	27.00	538.00	(27.00)		511.00
	EXPENSES:											
1001	SALARIES	30,210,584	29,917,250	940,467		(814,080)	30,043,637	1,245,744	31,289,381	(1,245,744)	1,234,578	31,278,215
1002	TEMP, OT & SHIFT DIFF	1,049,119	865,613	(86,087)			779,526		779,526			779,526
1008	BENEFITS	9,449,299	9,848,030	49,793		(255,809)	9,642,014	472,689	10,114,703	(472,689)	890,960	10,532,974
	TOTAL SALARIES-->	40,709,002	40,630,893	904,173		(1,069,889)	40,465,177	1,718,433	42,183,510	(1,718,433)	2,125,538	42,590,715
3002	IT-DATA PROCESSING	3,351	2,600	(200)			2,400		2,400			2,400
3003	IT-TELEPHONE	326,123	356,248	(64,160)			292,088		292,088			292,088
3004	TRAVEL	235,847	272,364	6,180			278,544	14,000	292,544	(14,000)		278,544
3005	IT - SOFTWARE - SUPPLIES	1,651	1,000	(1,000)								
3006	UTILITIES	1,007,744	1,292,653	181,719			1,474,372	11,676	1,486,048	(11,676)		1,474,372
3007	POSTAGE	51,200	49,220	(1,198)			48,022		48,022			48,022
3008	IT - CONTRACTUAL SERVICES	4,205	5,860	(1,460)			4,400		4,400			4,400
3011	LEASE - RENT EQUIP MENT	40,654	60,245	(18,828)			41,417		41,417			41,417
3012	LEASE - RENT BLDG - LAND	4,711	6,292	(2,640)			3,652		3,652			3,652
3013	DUES & PROFESSIONAL DEV	182,201	248,642	(17,553)			231,089		231,089			231,089
3014	OPERATING FEES & SRVC	145,725	237,519	(59,498)			178,021		178,021			178,021
3016	REPAIRS	429,830	435,842	(129,029)			306,813		306,813			306,813
3018	PROFESSIONAL SERVICES	760,563	677,330	273,987			951,317	55,034	1,006,351	(55,034)		951,317
3019	INSURANCE	85,447	94,832	59,876			154,708		154,708			154,708
3021	OFFICE SUPPLIES	106,623	123,017	(7,189)			115,828		115,828			115,828
3024	PRINTING	140,308	117,137	3,858			120,995		120,995			120,995
3025	PROF. SUPPLIES & MATERIALS	204,394	212,086	(52,956)			159,130		159,130			159,130
3027	FOOD & CLOTHING	1,140,127	1,023,045	(22,705)			1,000,340	53,754	1,054,094	(53,754)		1,000,340
3029	MEDICAL, DENTAL & OPTICAL	1,557,120	1,469,218	70,125			1,539,343	79,644	1,618,987	(79,644)		1,539,343
3030	BLDG GRNDS & VEH MTCE SUPP	936,632	657,255	26,446			683,701	24,044	707,745	(24,044)		683,701
3033	MISC SUPPLIES	254,518	216,790	(37,864)			178,926	18,008	196,934	(18,008)		178,926
	TOTAL OPERATING-->	7,618,974	7,559,195	205,911			7,765,106	256,160	8,021,266	(256,160)		7,765,106
4002	OFFICE EQUIP & FURN	7,074	61,000	(27,000)			34,000	14,000	48,000	(14,000)		34,000
4020	OTHER EQUIP	223,671	235,560	(134,082)			101,478		101,478			101,478
	TOTAL EQUIPMENT-->	230,745	296,560	(161,082)			135,478	14,000	149,478	(14,000)		135,478
	TOTAL EXPENSES-->	48,558,721	48,486,648	949,002		(1,069,889)	48,365,761	1,988,593	50,354,354	(1,988,593)	2,125,538	50,491,299
	REVENUE:											
7091	HSCS & INSTITUTIONS - GENERAL FUN	32,896,480	32,787,042	949,002	1,018,958	(1,069,889)	33,685,113	1,988,593	35,673,706	(5,269,088)	2,125,538	32,530,156
7092	HSCS & INSTITUTIONS - FEDERAL FUND	6,019,215	7,225,448		(2,407,231)		4,818,217		4,818,217			4,818,217
7093	HSCS & INSTITUTIONS - OTHER FUNDS	9,643,026	8,474,158		1,388,273		9,862,431		9,862,431	3,280,495		13,142,926
	TOTAL REVENUE-->	48,558,721	48,486,648	949,002		(1,069,889)	48,365,761	1,988,593	50,354,354	(1,988,593)	2,125,538	50,491,299
	CAPITAL IMPROVEMENTS:											
5005	LAND & BUILDINGS	2,396,696	1,699,529	83,471			1,783,000	105,000	1,888,000	(771,069)		1,116,931
5020	OTHER CAPITAL PYMNTS	690	434,438	(434,438)						566,500		566,500
	CAPITAL IMPROVEMENTS EXPENSE-->	2,397,386	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(204,569)		1,683,431
5991	LAND & CPTL IMPRV - GENERAL FUNDS	2,351,811	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(617,824)		1,270,176
5993	LAND & CPTL IMPRV - OTHER FUNDS	45,575								413,255		413,255
	CAPITAL IMPROVEMENTS REVENUE-->	2,397,386	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(204,569)		1,683,431
	TOTAL BUDGET	50,956,107	50,620,615	598,035		(1,069,889)	50,148,761	2,093,593	52,242,354	(2,193,162)	2,125,538	52,174,730

Attachment C

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15

NORTH DAKOTA STATE HOSPITAL
CAPITAL IMPROVEMENTS BUDGET - ACC 9535
2001-2003 BIENNIUM BUDGET

DESCRIPTION	ORIGINAL REQUEST	Sex Offender OAR	Total To OMB	Exec B.O. Recomm.	Budget To Governor
GM Building Window Replacement	200,000		200,000	(200,000)	-
Landfill Closure	414,000		414,000	(745)	413,255
GM Building Air Handling System	100,000		100,000	(100,000)	-
Roof Repairs	100,000		100,000		100,000
Underground Utility Tunnels	100,000		100,000		100,000
LRC Building Code Renovations	100,000		100,000	(5,324)	94,676
Campus Roadway Repairs	125,000		125,000	(125,000)	-
Lahaug Parking Lot	65,000		65,000	(65,000)	-
Asbestos Abatement	114,000		114,000		114,000
16 West Building Renovation	170,000		170,000	(170,000)	-
Statewide Psychiatric Nursing Ed Building	295,000		295,000		295,000
Remodel GM Building for Sex Offenders		105,000	105,000	(105,000)	-
Bond Payments shifted to NDSH Budget				566,500	566,500
TOTAL EXPENSES	**1,783,000**	**105,000**	**1,888,000**	**(204,569)**	**1,683,431**
General Funds - 5991	1,783,000	105,000	1,888,000	(617,824)	1,270,176
Other Funds - 5993				413,255	413,255
TOTAL REVENUE	**1,783,000**	**105,000**	**1,888,000**	**(204,569)**	**1,683,431**

Attachment D

1/p

SUMMARY OF ACCOMPLISHMENTS
DEVELOPMENTAL CENTER 99-01 BIENNIUM

The Developmental Center, located in Grafton, North Dakota, is committed to the mission of, "Supporting people in being viable members of the community". The Developmental Center provides opportunities for people with developmental disabilities to work, to be involved in community activities, develop friendships and enjoy leisure activities. The facility had 145 residents in December of 2000.

ACCOMPLISHMENTS:

ACCREDITATION:

- The Developmental Center was reaccredited by The Council for three years in the year 2000. This is the highest level of accreditation awarded by the Council. The Developmental Center has been accredited since 1969.

- Four staff have been re-certified to be trainers through the Council and continue to provide training to the Developmental Center employees. We believe this is the foundation for attaining the three year reaccreditation.

- The Developmental Center continues to be certified under Title 19 regulations.

AWARDS:

- In October of 2000, Stacie Ensrud, a Developmental Center Direct Training Technician received the Governor's Award for Excellence in Public Service. She was nominated by a parent/guardian for her work with this citizen's son. Stacie is the only DC employee to have received this award.

RESIDENTIAL SERVICES:

- The Developmental Center opened the Traumatic Brain Injury program in July of 1999. This program is designed to serve as a safety net for North Dakota citizens who otherwise would have been served out of state. The program has capacity for 12 individuals and currently has 4 residents.

- The Developmental Center continues to provide respite care services.

- The Clinical Assistance Resource Evaluation Services (CARES) continues to assist people to remain in their home communities.

Page Two: Accomplishments:

- The Specialized Treatment Sexual Offenders Program (STOP) has a population of 11 clients.

HEALTH AND CLINICAL SERVICES:

- The Veterans Clinic continues to operate a satellite clinic for North Dakota and Minnesota veterans at the Developmental Center.
- Psychological Services continues to provide court forensic evaluations for people with developmental disabilities residing in the community.
- Started the Hippo therapy Pilot Program in the summer of 2000. This is an occupational therapy program utilizing horses for treatment of clients at the center.
- Physical and Occupational Therapy hosted a two-day conference on current approaches for spasticity management, with a national recognized speaker, Kristie Bjornson. Thirty two individuals from around the area attended.
- The Developmental Center and the North Dakota Interagency Project for Assistive Technology (IPAT) hosted a Computer Access Training Expo for individuals and staff of the Developmental Center.

HUMAN RESOURCES:

- The "Wall of Fame" now has 200 staff that have been recognized for their efforts in demonstrating the values of the Developmental Center their day to day work. The values are; Integrity, Respect, Teamwork and Excellence.
- The Human Resources Division has added two additional committees to better serve staff at the Developmental Center;
  - The Human Resource Advisory Committee for the purpose of enhancing employee morale through various activities.
  - The Employee Advisory Committee to assist managers and employees resolve difficult personnel issues.

Page Three: Accomplishments:

VOCATIONAL SERVICES:

- Dakota East Vocational Program has placed several of our clients in the window production line of Marvin Windows, Grafton Branch.
- Dakota East supports people with disabilities from Center at various community work sites throughout the Grafton community.
- A contract with the Newman Center at the University of North Dakota has been developed with Dakota East, which will entail the production of approximately 70,000 wooden crosses to be distributed throughout the nation.

BUSINESS AFFAIRS:

- The Developmental Center sold buildings North A and B to a private developer and they have been developed into senior housing. Opened for occupancy in December of 2000.
- Development of programs at the Collette Community Fitness Center continues for community use and for use by the Developmental Center clients and staff.

DEVELOPMENTAL CENTER
CAPITAL IMPROVEMENTS REQUEST
2001-2003 BIENNIUM BUDGET

PRIORITY LISTING FOR CAPITAL PROJECTS:

Project:		Amount:
(1.	Bond payments	$ 649,234
(2.	Roof replacements:	
	Collette	$ 46,285
	PTOT Gym	$ 18,588
	Cottage roofs	$ 13,500
	PSB	$ 34,056
	Chapel roof	$ 47,300
(3.	Door replacements	$ 25,400
(4.	Maplewood humidification	$ 15,000
(5.	Cedar Grove humidification	$ 15,000
(6.	Generator and power synchronization	$ 70,000 *

Total Expenses:	$ 934,363
General Funds:	$ 860,078
Other Funds:	$ 74,285
Total Revenues:	$ 934,363

* Generator eliminated by House $70,000 (GF $42,000, other $28,000)

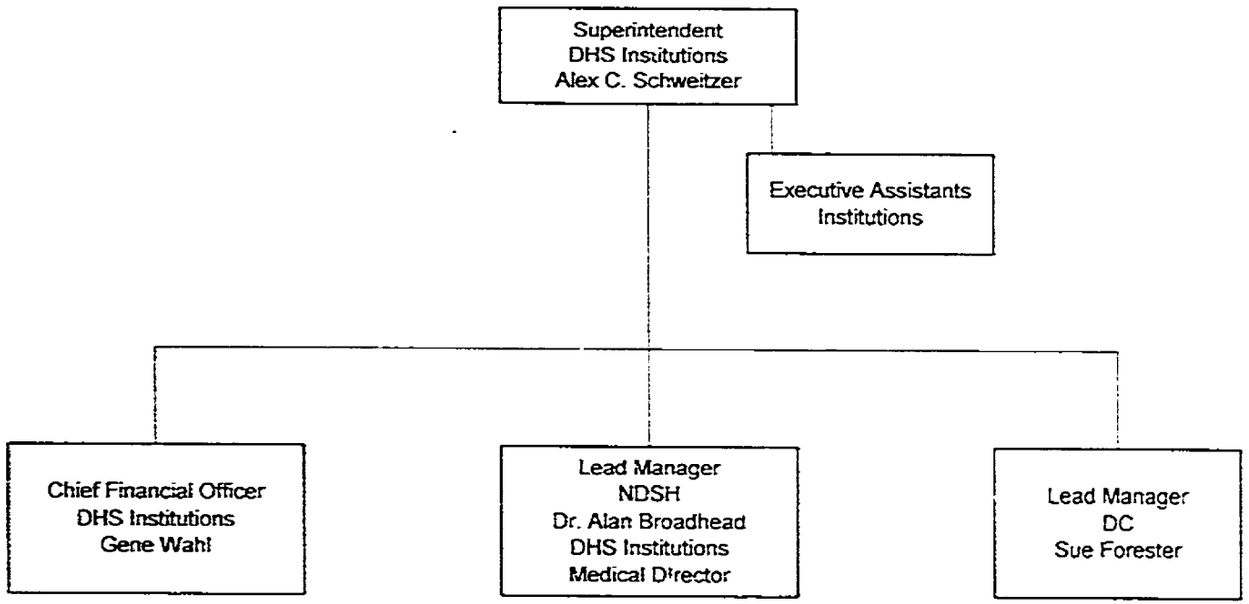
DEVELOPMENTAL CENTER
BUDGET SUMMARY
2001-03 BIENNIUM

DESCRIPTION	1999-2001	INCREASE (DECREASE)	REQUEST TO OMB	OMB ADJUSTMENTS	GOVERNOR'S BUDGET
FTE EMPLOYEES	**479.30**	**(6.70)**	**472.60**	**(1.46)**	**471.14**
SALARIES & WAGES	31,682,425	(407,126)	31,275,299	1,765,848	33,041,147
OPERATING EXPENSES	7,523,267	(591,675)	6,931,592	-	6,931,592
EQUIPMENT	100,000	15,780	115,780	-	115,780
CAPITAL IMPROVEMENTS	423,610	(97,481)	326,129	608,234	934,363
TOTAL EXPENSES	**39,729,302**	**(1,080,502)**	**38,648,800**	**2,374,082**	**41,022,882**
GENERAL FUNDS	9,700,610	105,990	9,806,600	982,675	10,789,275
FEDERAL FUNDS	25,709,014	980,363	26,689,377	1,238,934	27,928,311
OTHER FUNDS	4,319,678	(2,166,855)	2,152,823	152,473	2,305,296
TOTAL REVENUE	**39,729,302**	**(1,080,502)**	**38,648,800**	**2,374,082**	**41,022,882**

OMB Adjustments:
Increase in salaries due to health insurance premium adjustments
FTEs - Reduced fractional FTEs totaling 1.46 FTE, reduced salaries and increased temporary salaries by the same amount ($72,293)

DHS Institutions Senior Management Team

January 2001



Attachment H

Alex C. Schweitzer
01/31/2001 01:24 PM

To: Ken D. Svedjan/NDLC/NoDak@NoDak
cc: Brenda M. Weisz/DHS/NoDak@NoDak, Arvy J. Smith <asmith@state.nd.us>
Subject: Questions answered for legislators

Mr. Chairman:

The attached is in response to the questions from your committee. We have prepared another letter to the Associated General Contractors to request their concurrence with utilizing the National Guard for the landfill. It will be sent out today! I will advise the committee of their answer.

Alex Schweitzer
Superintendent of DHS Institutions
----- Forwarded by Alex C. Schweitzer/DHS/NoDak on 01/31/01 01:10 PM -----

Gene O. Wahl
01/31/01 10:45 AM

To: Alex C. Schweitzer/DHS/NoDak@NoDak
cc: Kenneth D. Schulz/DHS/NoDak@NoDak, Steve J. Brubakken/DHS/NoDak@NoDak
Subject: Questions answered for legislators

Alex,
The SH only had two question:
1) can we get a group discount thru MA group purchasing?
a) I contacted Cindy Froelich, Director of the ND MA Pharmacy program, and she said MA has no group purchasing
program. I also contacted the ND Medicare info line and they said Medicare also has no group purchasing plan.

2) Could we send another letter to the ND Contractors Assoc. requesting approval to talk to the ND National Guard
for assistance with our landfill due to our limited budget?
a) Steve Brubakken is drafting this letter and will forward it to you this morning.

----- Forwarded by Gene O. Wahl/DHS/NoDak on 01/31/01 10:30 AM -----

Carol M. Ebertowski
01/31/01 09:06 AM

To: Alex C. Schweitzer/DHS/NoDak@NoDak, Susan A. Foerster/DHS/NoDak@NoDak
cc: Gene O. Wahl/DHS/NoDak@NoDak
Subject: Questions answered for legislators

Alex,

The questions and answers are as follows:

Friday: 1. Is the air cleaned electrostatically in MW & CG. Maplewood Cedar Grove

Answer: from Don Jorgenson
"We use a 2 stage filtration system in Maplewood and Cedar Grove. There is a 2" box filter with a 30% efficiency followed by a 6" box filter with a 85% efficiency. This filter system is not the original system in these air handlers. The original filter were a roll filter that was about a 20% efficiency, we switched about 3 years ago to improve air quality in these buildings."

2. When was the Fire & Tornado insurance paid and how much.

Answer:
Total in the Fire & Tornado is $43,573, here is what is in there:

7/27/00	Professional Benefit Services (Hearing Aid)	$	49.95
7/21/99	Baker Insurance Co. (Machinery & Boiler)		1,831.00
8/18/99	State Fire & Tornado		21,771.53
7/25/00	Baker Insurance Co.		1,782.00
7/20/00	State Fire & Tornado		18,138.84
		Total	43,573.32

3. Have we done a cost breakdown for TBI? Is it cheaper to keep them in ND or send them out of state?

Answer:
These are the costs for the TBI unit **before the audit:**

	Allowable Costs	Applicable Units	Computed Rate
PROPERTY	$ 11,244	3953	$ 2.84
DIRECT	467,665	1220	383.33
OTHER DIRECT	56,468	1220	46.29
INDIRECT	124,007	3953	31.37
TOTAL	$659,384		$463.83
		Operating Margin	2.38
		Total Rate:	$466.21

Where we get hurt by not being at capacity is in the Property and Indirect Costs. They reimburse us for the Applicable (licensed) units and not the actual units, which would be 122[illegible] days. The loss for Property is $6.38 and the loss for Indirect is $70.27 for a total of $76.65 per day.

The following programs are comparable to the North Dakota Traumatic Brain

Please feel free to call me with any questions (4564).

Carol

The following programs are comparable to the North Dakota Traumatic Brain Injury program in services provided.

Learning Services Corporation
707 Morehead
Durham, NC 27707
Per Diem: $ 525.00

O'Hara Rehabilitation Center
1500 Hooker Street
Denver, CO 80204
Per Diem: $ 232.50

New Hampshire Dept. of Health and Human Services
Brown Building
129 Pleasant
Concord, NH 03301
Per Diem: $420.00 (typical rate in NH. Reported by Jackie Felix).

Florida Institute of Neurological Protection (FINER)
Box 1348
Wauchaula, FL 33807
Per Diem: $415.00

Vista Center
100 Vista Dr.
Box 479
Lisbon, OH 44302
Per Diem: $270.00-406.00 (based on level of care)

Tangram Rehabilitation Network
220 W. Hutchison
San Marcos, TX 78666
Per Diem: $500.00

Dakota Alpha
1007 18th St.
Mandan, ND 58554
Limited to two years and doesn't take individuals with the same degree of behavioral problems as HN TBI program.
Per Diem $246.85

Red Wing Health Center
1412 W. 4th St.
Red Wing, MN 550665
Per Diem: $350.00

Victorian Acres
Altoona, IA
Per Diem: $500.00

Headway
Billings, MT
Per Diem: "More than double the ND rate"

HB 1012

Senate Appropriations Committee
Senator Dave Nething, Chairman
Engrossed House Bill 1012
Overview of DHS Institutional Budgets
February 28, 2001

Mr. Chairman and Members of the Senate Appropriations Committee, for the record my name is Alex C. Schweitzer. I am the Superintendent of the Department of Human Services Institutions, the North Dakota State Hospital and the Developmental Center. Thank you for the opportunity to provide an overview of the two institutions 2001 - 2003 budget requests.

The Department of Human Services in the year 2000 started a trial project to increase sharing and collaboration between the two institutions. This trial was in response to the Interim Budget Committee on Institutional Services recommendation that the two institutions not collocate, but rather attempt to maximize efficiencies and effectiveness through cooperation.

The Hospital and Developmental Center have been sharing one Superintendent since April of 2000 and one Chief Financial Officer since January of 2001. The senior management of the two institutions is in the process of developing action plans to combine more management positions and to facilitate sharing opportunities at the two institutions.

The institutions senior management team has three factors in mind when looking at reorganizational strategies; to assure adequate ratios of direct care staff to cover day to day needs of the individuals we serve; not to compromise patient care in any way; and that these reorganizational changes will ultimately, produce cost efficiencies.

Let me now present the 2001 - 2003 executive budget requests for the two institutions. First, I will present the 2001- 2003 executive budget request for the North Dakota State Hospital.

(A. PROGRAMS AND SERVICES:

The North Dakota State Hospital provides services for individuals with mental illness or substance abuse problems in three specific program areas;

For the treatment of adult individuals with serious mental illness, the hospital operates 135 beds; including 107 inpatient beds for adult individuals with psychiatric illnesses, 20 inpatient beds for forensic admissions (this includes eight (8) sex offenders) and eight (8) transitional living beds for adult individuals with serious mental illness who have difficulty moving directly into the community.

For the treatment of adult individuals with substance abuse problems, the hospital in this budget request is recommending the operation of 21 inpatient beds for adult individuals who are chemically dependent and 25 beds for an intensive residential program for DUI offenders in collaboration with the Department of Corrections. The Department of Corrections budget has dedicated funding to pay the hospital for these services.

For the treatment of children and adolescents with serious emotional disorders and substance abuse problems, the hospital operates two programs; a 24 bed inpatient program and a eight (8) bed residential care program. The Jamestown School System operates a school for these programs.

(B. BUDGET HIGHLIGHTS:

- The hospital's 2001- 2003 budget request is based on an average daily population of 165 patients and admissions of about 850 patients per year.

  (See Attachment A., for the hospital's population data).

- The budget request is based on 511 full time equivalents.

- The total 2001 - 2003 executive operating budget request to the legislature for the hospital is $50,491,299. This includes general funds of $32,530,156, federal funds of $4,818,217 and other funds of $13,142,926.

- The hospital is also requesting $1,683,431 for capital improvements.

  (See Attachment B., for the capital budget request).

- The total executive budget request to the legislature totals $52,174,730.

- The 2001 - 2003 budget request reflects an overall increase of $1,554,115 or a three (3%) percent increase from the 1999 - 2001 budget. The general funds for the hospital decreased by $1,120,677 from the 1999 - 2001 budget to the 2001 - 2003 budget request.

- The House adjusted the hospital's executive operating budget request by $226,000. The House's adjustments brings the total operating budget to

$50,265,299, with $32,304,156 from general funds, $4,818,217 in federal funds and $13,142,926 from other funds.

- The capital budget request was adjusted by the House to $970,176, an adjustment of $713,255, from the original request of $1,683,431.

  (See Attachment C., for the total adjustments to the Hospital's operating and capital budgets).

- The total budget for the hospital as approved by the House is $51,235,475, with the addition of the capital expense of $970,176.

(C. REQUEST TO THE SENATE APPROPRIATIONS COMMITTEE FOR THE NORTH DAKOTA STATE HOSPITAL:

I respectively request that the Senate Appropriations Committee restore the $413,255 removed from the hospital's capital improvement budget by the House Appropriations Committee. The House Appropriations Committee removed this amount because they expected the hospital to arrange for the National Guard to complete this work at no cost to the hospital. As you can see from Attachment D., the Associated General Contractors of North Dakota have denied the hospital's request to utilize the National Guard for this project.

I would also respectively request that the Senate Appropriations Committee consider the restoration of House reductions in the Human Service Center budgets that relate to services in the community for individuals with mental illness and

substance abuse problems. In particular, the House reduced $200,000 from the North Central Human Services Center budget request for local inpatient hospitalization of these individuals. It is important to note that if these individuals are not treat locally, they will require hospitalization at the State Hospital. These individuals are better served on a local basis and certainly at a lower cost then at the State Hospital. In addition, with the hospital's increased role in providing forensic services, we simply would not have room for an influx of people more effectively treated in community programs.

I will now present the 2001 - 2003 executive budget request for the Developmental Center.

(A. PROGRAMS AND SERVICES:

The Developmental Center provides services for individuals with developmental disabilities. The programs include day and residential services, work and day activity services, skilled nursing services for individuals with traumatic brain injuries, sex offender treatment services and clinical and health services.

(B. BUDGET HIGHLIGHTS:

- The Developmental Center's 2001 - 2003 budget request is based on an average daily population of 145 individuals.

  (See Attachment E., for the Developmental Center's population data).

- The budget request is based on 471.14 full time equivalents.

- The total 2001 - 2003 executive operating budget request to the legislature for the Developmental Center is $41,022,887. The budget request includes $10,789,280 in general funds, $27,928,311 from federal funds and $2,305,296 in other funds. This is an overall increase of $1,293,580 from the 1999 - 2001 budget.

- The general fund increases by $1,088,665 from 99 - 01 to 01 - 03, with a majority of the increase ($649,234) coming from a transfer of bond payments for major improvements to the Developmental Center budget.

- The Developmental Center's capital budget request for 2001 - 2003 totaled $934,363.

  (See Attachment F., for the Developmental Center's capital budget request).

- The House adjusted the executive budget request for the Developmental Center by $335,000, with $121,500 from the general fund, $185,500 from federal funds and $28,000 from other funds. The total executive budget request for the Developmental Center after the House adjustments totals $40,687,887, with $10,667,780 in general funds, $27,742,811 in federal funds and $2,277,296 in other funds.

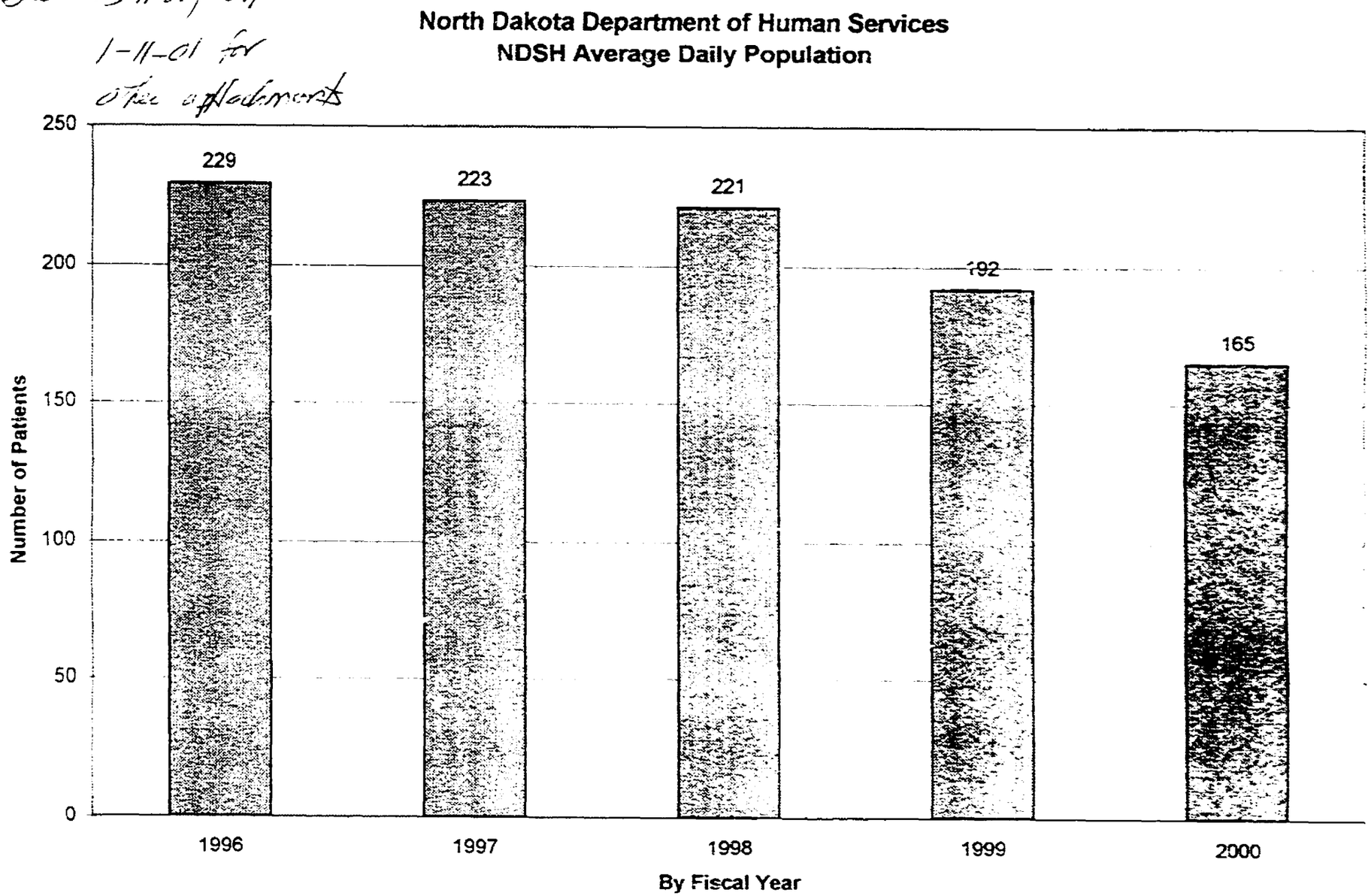
- The House adjusted the Developmental Center's capital budget request by $70,000, thus the capital request to the Senate totals $864,363.

(See Attachment G., for the total adjustments to the Developmental Center's operating and capital budget).

In conclusion, I am hopeful that this committee will approve the two institutions budgets as presented for the 2001 - 2003 biennium, consider the restoration of the funding for the hospital's landfill closure project and provide funding to the Human Service Centers to prevent unnecessary hospitalizations at the North Dakota State Hospital.

I would be glad to answer any questions from the committee.

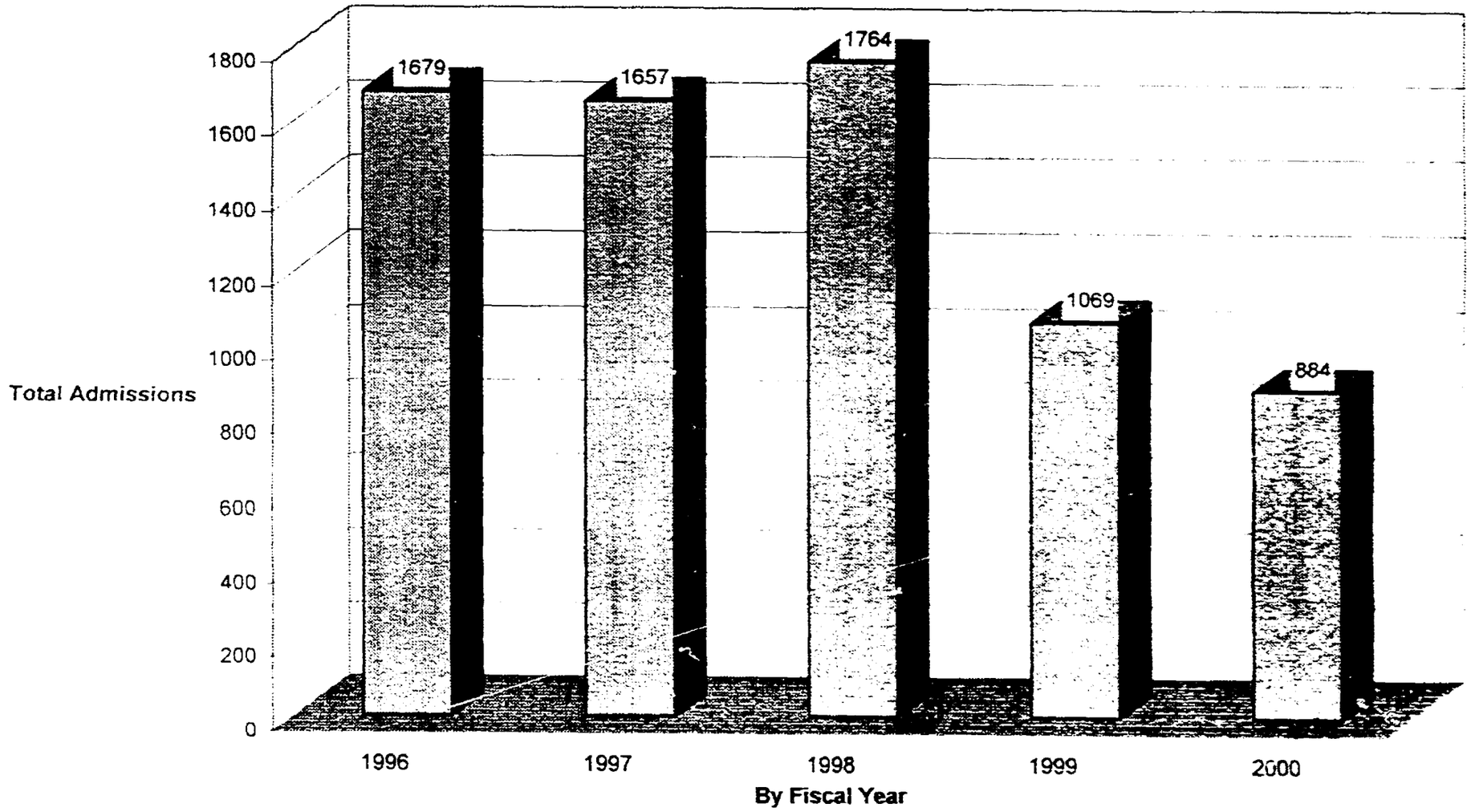
See testimony on 1-11-01 for other attachments



Attachment A

North Dakota Department of Human Services

NDSH Total Admissions



Prepared by NDSH, HIS Department on 12/26/00 @ 4:10 PM.
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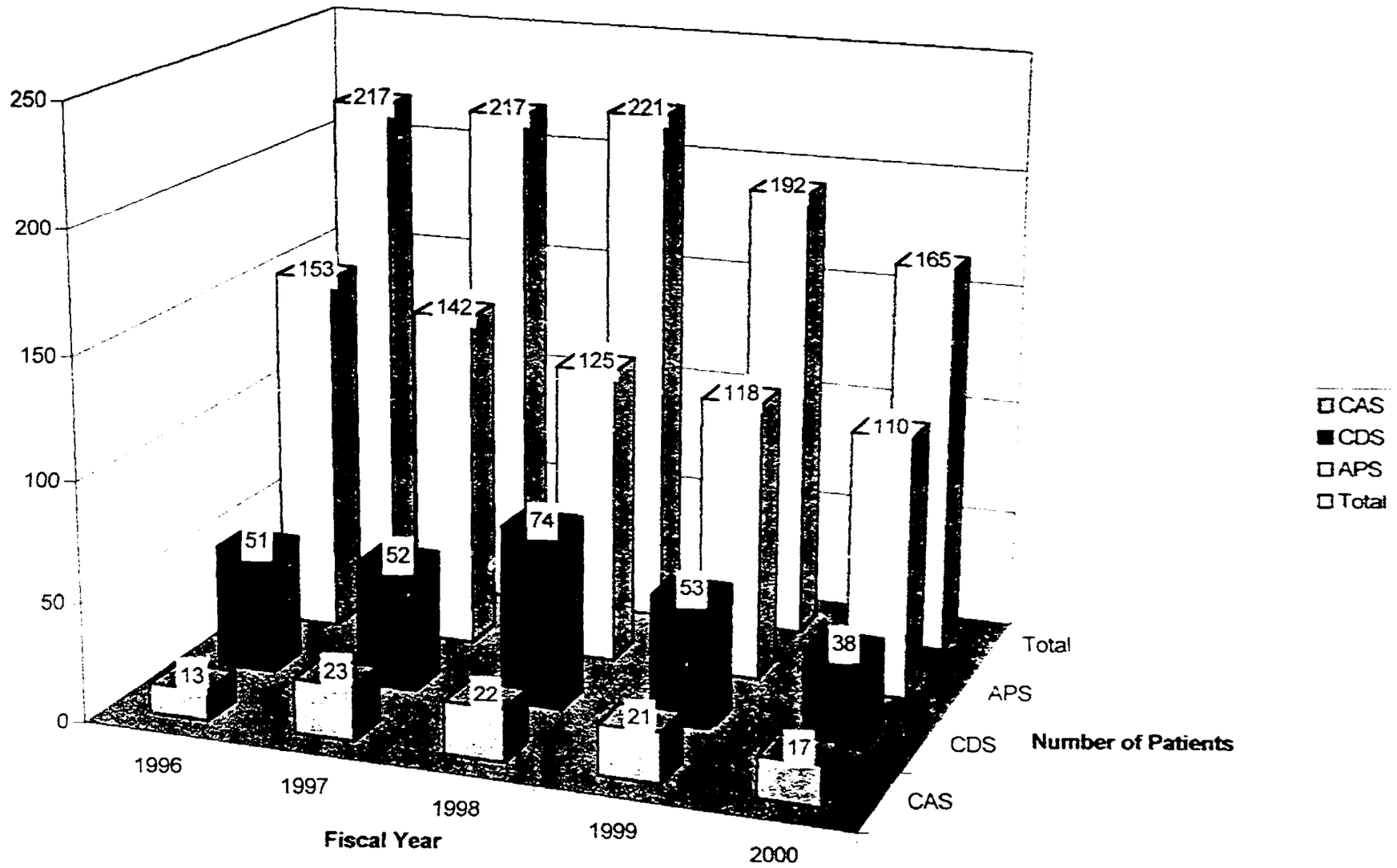
ATTACHMENT A

North Dakota State Hospital

Average Daily Population by Service and Total



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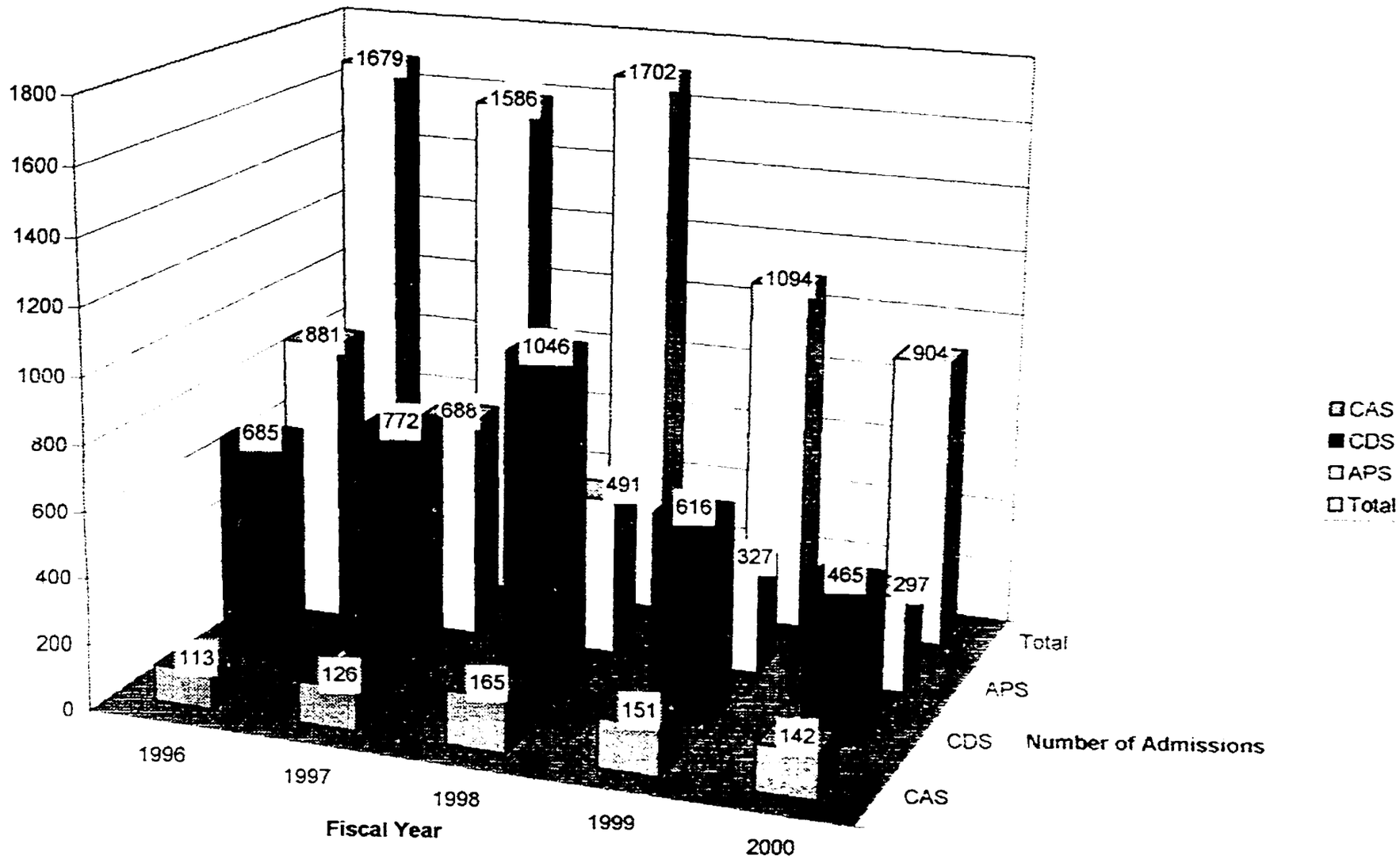
Attachment A

North Dakota State Hospital

Admissions by Service and Total



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Attachment A

NORTH DAKOTA STATE HOSPITAL
2001-03 BUDGET REQUEST
BY BUDGET OBJECT CODE

BOC	DESCRIPTION	1999-2001 BUDGET	CONTINUE CURRENT PROGRAMS	FUNDING SHIFTS	FTEs ELIMINATED 2001-2003	HOLD EVEN BUDGET	SEX OFFENDER OAR	TOTAL BUDGET TO OMB	EXEC BDGT OFF RECOMM	SALARY INCREASE RECOMM	GOVERNOR'S BUDGET	HOUSE ADJ	BUDGET TO SENATE
	FTEs	523.10			(12.10)	511.00	27.00	538.00	(27.00)		511.00		511.00
	EXPENSES:												
1001	SALARIES	29,917,250	940,467		(814,080)	30,043,637	1,245,744	31,289,381	(1,245,744)	1,234,578	31,278,215		31,278,215
1002	TEMP, OT & SHIFT DIFF	865,513	(86,087)			779,526		779,526			779,526		779,526
1008	BENEFITS	9,848,030	49,793		(255,809)	9,642,014	472,689	10,114,703	(472,689)	890,960	10,532,974		10,532,974
	TOTAL SALARIES--->	40,630,893	904,173		(1,069,889)	40,465,177	1,718,433	42,183,610	(1,718,433)	2,125,538	42,590,715		42,590,715
3002	IT-DATA PROCESSING	2,600	(200)			2,400		2,400			2,400		2,400
3003	IT-TELEPHONE	356,248	(64,160)			292,088		292,088			292,088		292,088
3004	TRAVEL	272,364	6,180			278,544	14,000	292,544	(14,000)		278,544		278,544
3005	IT - SOFTWARE - SUPPLIES	1,000	(1,000)										
3006	UTILITIES	1,292,653	181,719			1,474,372	11,676	1,486,048	(11,676)		1,474,372	(196,000)	1,278,372
3007	POSTAGE	49,220	(1,198)			48,022		48,022			48,022		48,022
3008	IT - CONTRACTUAL SERVICES	5,860	(1,460)			4,400		4,400			4,400		4,400
3011	LEASE - RENT EQUIP MENT	60,245	(18,828)			41,417		41,417			41,417		41,417
3012	LEASE - RENT BLDG - LAND	6,292	(2,640)			3,652		3,652			3,652		3,652
3013	DUES & PROFESSIONAL DEV	248,642	(17,553)			231,089		231,089			231,089		231,089
3014	OPERATING FEES & SRVC	237,519	(59,498)			178,021		178,021			178,021		178,021
3016	REPAIRS	435,842	(129,029)			306,813		306,813			306,813		306,813
3018	PROFESSIONAL SERVICES	677,330	273,987			951,317	55,034	1,006,351	(55,034)		951,317		951,317
3019	INSURANCE	94,832	59,876			154,708		154,708			154,708		154,708
3021	OFFICE SUPPLIES	123,017	(7,189)			115,828		115,828			115,828		115,828
3024	PRINTING	117,137	3,858			120,995		120,995			120,995		120,995
3025	PROF. SUPPLIES & MATERIALS	212,086	(52,956)			159,130		159,130			159,130		159,130
3027	FOOD & CLOTHING	1,023,045	(22,705)			1,000,340	53,754	1,054,094	(53,754)		1,000,340		1,000,340
3029	MEDICAL, DENTAL & OPTICAL	1,469,218	70,125			1,539,343	79,644	1,618,987	(79,644)		1,539,343		1,539,343
3030	BLDG GRNDS & VEH MTCE SUPP	657,255	26,446			683,701	24,044	707,745	(24,044)		683,701		683,701
3033	MISC SUPPLIES	216,790	(37,864)			178,926	18,008	196,934	(18,008)		178,926		178,926
	TOTAL OPERATING--->	7,559,195	205,911			7,765,106	256,160	8,021,266	(256,160)		7,765,106	(196,000)	7,569,106
4002	OFFICE EQUIP & FURN	61,000	(27,000)			34,000	14,000	48,000	(14,000)		34,000		34,000
4020	OTHER EQUIP	235,560	(134,082)			101,478		101,478			101,478	(30,000)	71,478
	TOTAL EQUIPMENT--->	296,560	(161,082)			135,478	14,000	149,478	(14,000)		135,478	(30,000)	105,478
	TOTAL EXPENSES--->	48,486,648	949,002		(1,069,889)	48,365,761	1,988,593	50,354,354	(1,988,593)	2,125,538	50,491,299	(226,000)	50,265,299
	REVENUE:												
7091	HSCS & INSTITUTIONS - GENERAL	32,787,042	949,002	1,018,958	(1,069,889)	33,685,113	1,988,593	35,673,706	(5,269,088)	2,125,538	32,530,156	(226,000)	32,304,156
7092	HSCS & INSTITUTIONS - FEDERAL	7,225,448		(2,407,231)		4,818,217		4,818,217			4,818,217		4,818,217
7093	HSCS & INSTITUTIONS - OTHER	8,474,158		1,388,273		9,862,431		9,862,431	3,280,495		13,142,926		13,142,926
	TOTAL REVENUE--->	48,486,648	949,002		(1,069,889)	48,365,761	1,988,593	50,354,354	(1,988,593)	2,125,538	50,491,299	(226,000)	50,265,299
	CAPITAL IMPROVEMENTS:												
5005	LAND & BUILDINGS	1,699,529	83,471			1,783,000	105,000	1,888,000	(771,069)		1,116,931	(713,255)	403,676
5020	OTHER CAPITAL PYMNTS	434,438	(434,438)						566,500		566,500		566,500
	CAP IMP EXPENSE--->	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(204,569)		1,683,431	(713,255)	970,176
5991	LAND & CPTL IMPRV - GENERAL	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(617,824)		1,270,176	(300,000)	970,176
5993	LAND & CPTL IMPRV - OTHER								413,255		413,255	(413,255)	
	CAP IMP REVENUE--->	2,133,967	(350,967)			1,783,000	105,000	1,888,000	(204,569)		1,683,431	(713,255)	970,176
	TOTAL BUDGET	50,620,615	598,035		(1,069,889)	50,148,761	2,093,593	52,242,354	(2,193,162)	2,125,538	52,174,730	(939,255)	51,235,475

SUB0103A WK4 by Ken Schulz

Revised 02/26/2001 03:34 PM

Attachment C

Attachment D

Associated General Contractors of North Dakota

Curt Peterson
Executive Vice President

422 North 2nd Street, Box 1624, Bismarck, North Dakota 58502 • Phone: 701-223-2770 • FAX: 701-223-6719

February 13, 2001

Mr. Alex C. Schweitzer
ND State Hospital
2605 Circle Drive
Jamestown, ND 58401-6905

Dear Mr. Schweitzer:

We have reviewed your request for a release to allow the North Dakota National Guard to provide assistance with the landfill closure project.

It appears to us that this project would conflict with private enterprise and therefore will not be released.

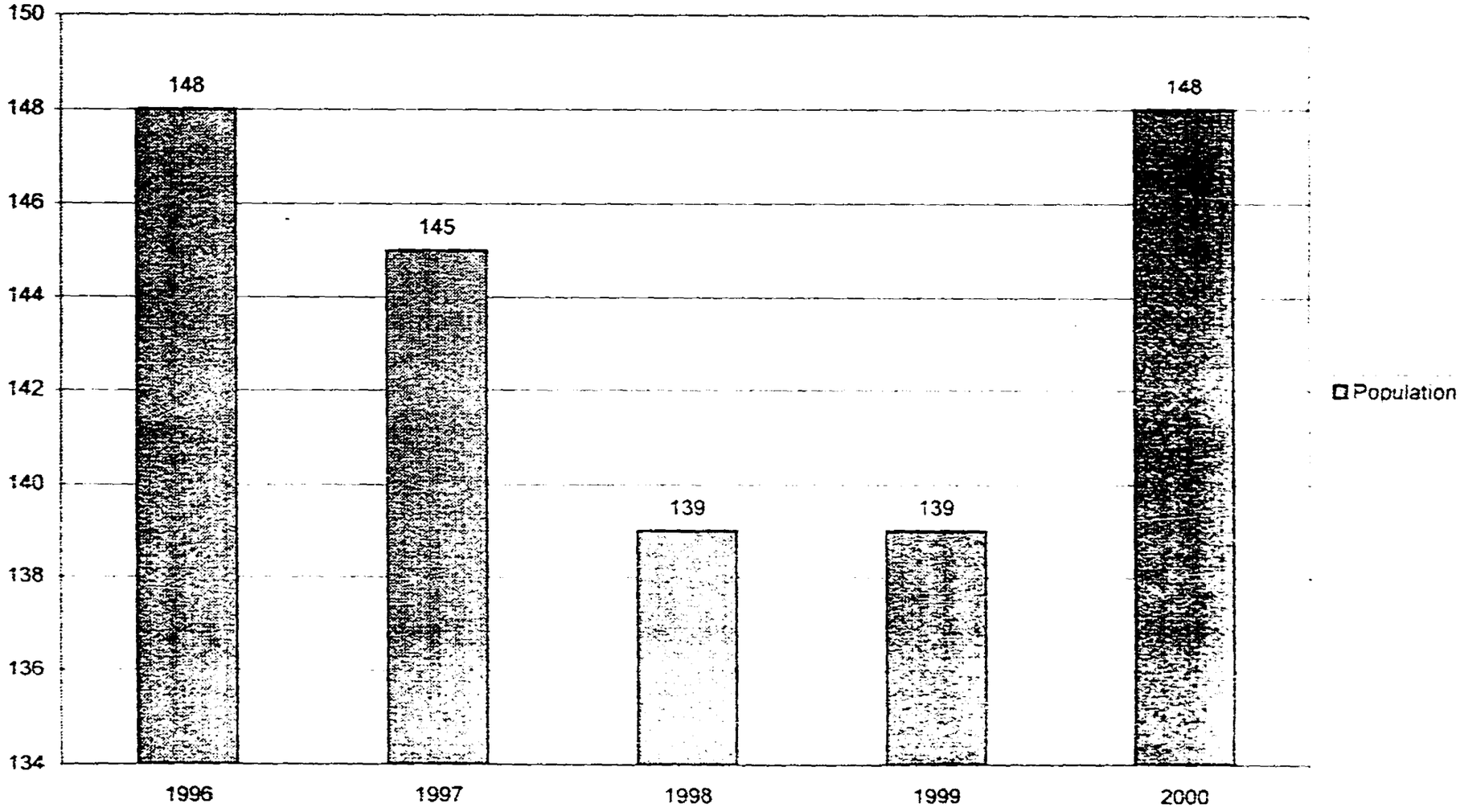
Sincerely,

CURT PETERSON
Executive Vice President

CP/bz

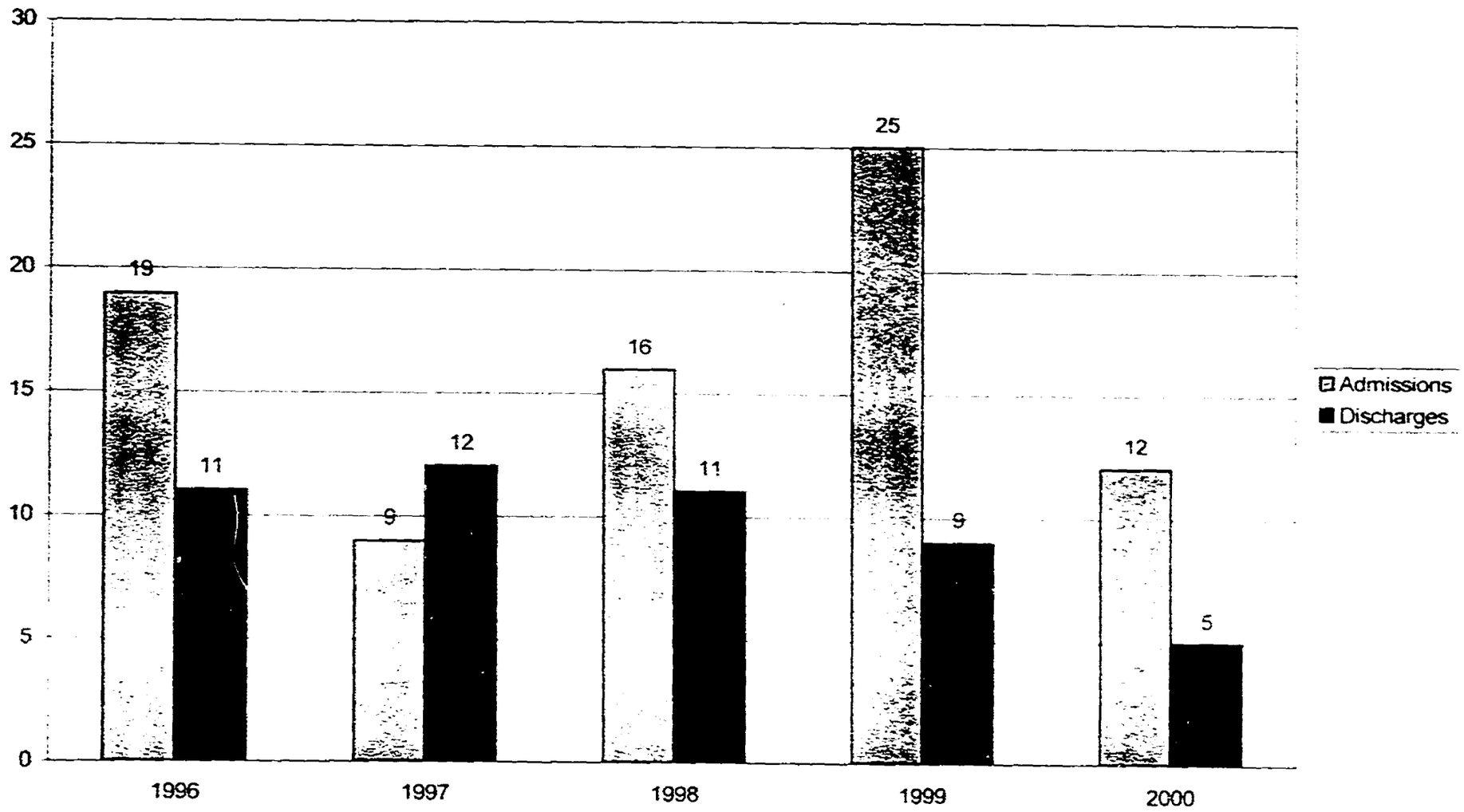
Cc: Adjutant General
DSMO-CP
Box 5511
Bismarck, ND 58502

North Dakota Department of Human Services - Developmental Center
2001-2003 Biennium
Average Daily Population 1996-2000



Attachment E

North Dakota Department of Human Services - Developmental Center
2001-2003 Biennium
Admissions and Discharges 1996-2000



Attachment E

DEVELOPMENTAL CENTER
BUDGET SUMMARY
2001-03 BIENNIUM

DESCRIPTION	1999-2001	INCREASE (DECREASE)	REQUEST TO OMB	OMB ADJUSTMENTS	GOVERNOR'S BUDGET	HOUSE ADJUSTMENT	HOUSE BUDGET
FTE EMPLOYEES	479.30	(6.70)	472.60	(1.46)	471.14	0.00	471.14
SALARIES & WAGES	31,682,425	(407,126)	31,275,299	1,765,848	33,041,152	0	33,041,152
OPERATING EXPENSES	7,523,267	(591,675)	6,931,592	0	6,931,592	(225,000)	6,706,592
EQUIPMENT	100,000	15,780	115,780	0	115,780	(40,000)	75,780
CAPITAL IMPROVEMENTS	423,610	(97,481)	326,129	608,234	934,363	(70,000)	864,363
TOTAL EXPENSES	39,729,302	(1,080,502)	38,648,800	2,374,082	41,022,887	(335,000)	40,687,887
GENERAL FUNDS	9,700,615	105,990	9,806,605	982,675	10,789,280	(121,500)	10,667,780
FEDERAL FUNDS	25,709,014	980,363	26,689,377	1,238,934	27,928,311	(185,500)	27,742,811
OTHER FUNDS	4,319,678	(2,166,855)	2,153,823	152,473	2,305,296	(28,000)	2,277,296
TOTAL REVENUE	39,729,307	(1,080,502)	38,649,805	2,374,082	41,022,887	(335,000)	40,687,887

OMB Adjustments:
Increase in salaries due to health insurance premium adjustments
FTEs - Reduced fractional FTEs totaling 1.46 FTE, reduced salaries and increase temporary salaries by the same amount ($72,293)

House Adjustments:
Reduce capital improvement funding for power generator ($70,000)
Reduce equipment funding - tray line ($40,000)
Reduce operating ($225,000)

Attachment G

Alex 1-25-01 #9

Attachment H

North Dakota State Hospital
Dues & Memberships
2001-2003 Budget

JCAHO - Survey Fees	$15,000
JCAHO - Lab	2,800
JCAHO - Performance Management (ORYX)	10,000
Western State Hospital Association	2,500
ND Long Term Care Association	500
Jamestown Chamber	750
National Assoc. of Rural Mental Health	300
ND Hospital Purchasing	9,400
ND Hospital Association Dues	14,477
Society for Resource Management	400
National Recall Alert (JCAHO Required)	400
(Informs us of Food & Drug Alerts)	
American Society of Safety Eng.	548
(Provides JCAHO of validation credentialing)	
ND Safety Council	200
Staff Development	172,076
Misc. Engineering	550
Carber & Beauty Ship	140
Pharmacy Membership	548
Adult Education Memberships	200
CDU Memberships	300
Total Dues & Memberships	**$231,089**

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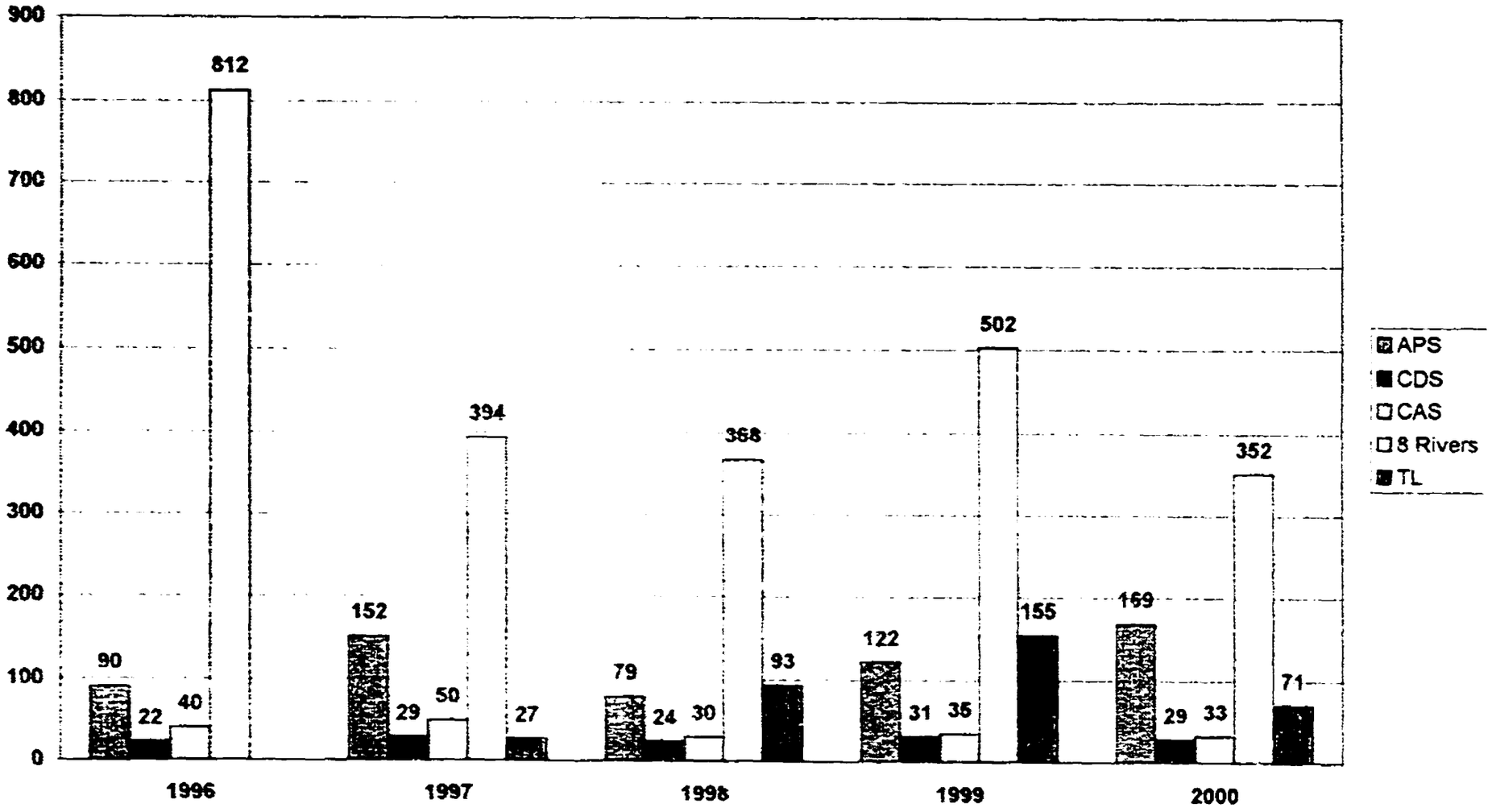
North Dakota State Hospital

Biennial FTE/Capital Operating Comparison

Biennium	FTE's	Salaries	Total Operating	Capital	Total Budget	General Funds
95 - 97	630.1	$43,941,975	$51,697,738	$2,326,939	$54,024,677	$37,744,298
97 - 99	622.6	$45,353,294	$54,618,607	$1,901,400	$56,520,007	$37,893,983
99 - 01	537.1	$41,625,110	$49,575,928	$1,699,665	$51,275,593	$35,457,035
01 - 03	511.0	$42,590,715	$50,491,299	$1,683,431	$52,174,730	$33,800,332

(The 01-03 is the Governor's Budget ONLY and not the final budget)

North Dakota State Hospital
Average Length of Stay per Service



NORTH DAKOTA STATE HOSPITAL

Average Length of Stay - Fiscal Years 1996 and 1997

FISCAL YEAR - 1996

Adult Psychiatric Services (APS)

L100	L200	L300	L300A	L400	L500	L600	ET5	Forensic Unit	APS Average Length of Stay
8	128	100	42	520	58	445	573	13	90

Chemical Dependency Services (CDS)

GM3	GM4	CDS Average Length of Stay
22	21	22

Child & Adolescent Services (CAS)

GM1	JRRC (8 Rivers)	CAS Average Length of Stay
40	812	47

FISCAL YEAR - 1997

Adult Psychiatric Services (APS)

L100	L200	L200A	L300	L300A	L400	L500	L600	ET5	Forensic Unit	APS Average Length of Stay
9	3681	17	101	35	165	167	140	405	15	152

Chemical Dependency Services (CDS)

GM2	GM3	GM4	CDS Average Length of Stay
423	21	22	29

Child & Adolescent Services (CAS)

GM1	JRRC (8 Rivers)	CAS Average Length of Stay
50	394	64

Transitional Living (TL) Average Length of Stay - 27

Attach 1-25-01 #4

NORTH DAKOTA STATE HOSPITAL

Average Length of Stay - Fiscal Years 1998 and 1999

FISCAL YEAR - 1998

Adult Psychiatric Services (APS)

L100	L200	L300	L400	L500	L600	Forensic Unit	APS Average Length of Stay
11	698	341	30	236	52	17	79

Chemical Dependency Services (CDS)

GM2	GM3	GM4	CDS Average Length of Stay
34	21	22	24

Child & Adolescent Services (CAS)

GM1	JRRC (8 Rivers)	CAS Average Length of Stay
30	368	45

Transitional Living (TL) Average Length of Stay - 93

FISCAL YEAR - 1999

Adult Psychiatric Services (APS)

L100	L200	L300	L300A	L400	L500	L600	APS Average Length of Stay
114	127	790	84	18	427	131	122

Chemical Dependency Services (CDS)

GM2	GM3	GM4	CDS Average Length of Stay
29	25	46	31

Child & Adolescent Services (CAS)

Prairie Rose	8 Rivers	CAS Average Length of Stay
35	502	60

Transitional Living (TL) Average Length of Stay - 155

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NORTH DAKOTA STATE HOSPITAL
Average Length of Stay - Fiscal Year 2000

FISCAL YEAR - 2000

Adult Psychiatric Services (APS)

L100	L100A	L200	L300	L300A	L400	L500	L600	APS Average Length of Stay
243	8	1757	331	734	19	307	225	169

Chemical Dependency Services (CDS)

GM2	GM3	CDS Average Length of Stay
31	28	29

Child & Adolescent Services (CAS)

Prairie Rose	8 Rivers	CAS Average Length of Stay
33	352	58

Transitional Living (TL) Average Length of Stay - 71

#6

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North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-20 STATE HOSPITAL	50	5005	LAND & BUILDINGS	1,432,393	16	2,148,589	1,116,931
4-20 STATE HOSPITAL	50	5020	OTHER CAPITAL PYMNTS	128,929	16	193,393	566,500
50 Total				1,561,322		2,341,982	1,683,431
4-20 STATE HOSPITAL	70	1001	SALARIES	20,218,154	17	28,543,276	31,278,215
4-20 STATE HOSPITAL	70	1002	TEMP, OT & SHIFT DIFF	578,767	17	817,083	779,526
4-20 STATE HOSPITAL	70	1008	BENEFITS	6,550,342	17	9,247,541	10,532,974
4-20 STATE HOSPITAL	70	3002	IT-DATA PROCESSING	1,704	16	2,556	2,400
4-20 STATE HOSPITAL	70	3003	IT-TELEPHONE	200,604	16	300,906	292,088
4-20 STATE HOSPITAL	70	3004	TRAVEL	161,211	16	241,816	278,544
4-20 STATE HOSPITAL	70	3005	IT - SOFTWARE - SUPPLIES	1,595	16	2,392	-
4-20 STATE HOSPITAL	70	3006	UTILITIES	740,720	15	1,185,152	1,474,372
4-20 STATE HOSPITAL	70	3007	POSTAGE	10,013	16	15,020	48,022
4-20 STATE HOSPITAL	70	3008	IT - CONTRACTUAL SERVICES	1,720	16	2,580	4,400
4-20 STATE HOSPITAL	70	3011	LEASE - RENT EQUIP MENT	29,890	16	44,835	41,417
4-20 STATE HOSPITAL	70	3012	LEASE - RENT BLDG - LAND	1,325	16	1,987	3,652
4-20 STATE HOSPITAL	70	3013	DUES & PROFESSIONAL DEV	132,836	16	199,255	231,089
4-20 STATE HOSPITAL	70	3014	OPERATING FEES & SRVC	145,134	16	217,701	178,021
4-20 STATE HOSPITAL	70	3016	REPAIRS	275,838	16	413,756	306,813
4-20 STATE HOSPITAL	70	3018	PROFESSIONAL SERVICES	432,799	16	649,199	951,317
4-20 STATE HOSPITAL	70	3019	INSURANCE	86,293	16	129,440	154,708
4-20 STATE HOSPITAL	70	3021	OFFICE SUPPLIES	86,610	16	129,915	115,828
4-20 STATE HOSPITAL	70	3024	PRINTING	84,864	16	127,295	120,995
4-20 STATE HOSPITAL	70	3025	PROF. SUPPLIES & MATERIALS	104,461	16	156,691	159,130
4-20 STATE HOSPITAL	70	3027	FOOD & CLOTHING	659,863	16	989,794	1,000,340
4-20 STATE HOSPITAL	70	3029	MEDICAL, DENTAL & OPTICAL	1,164,590	16	1,746,885	1,539,343
4-20 STATE HOSPITAL	70	3030	BLDG GRNDS & VEH MTCE SUPP	522,034	16	783,051	683,701
4-20 STATE HOSPITAL	70	3033	MISC SUPPLIES	118,104	16	177,155	178,926
4-20 STATE HOSPITAL	70	3900	OPERATING BUDGET ADJUSTMENT	4,475	16	6,713	-
4-20 STATE HOSPITAL	70	4002	OFFICE EQUIP & FURN	-	16	-	34,000
4-20 STATE HOSPITAL	70	4020	OTHER EQUIP	22,275	16	33,413	101,478
70 Total				32,336,219		46,165,407	50,491,299
4-20 STATE HOSPITAL Total				33,897,541		48,507,389	52,174,730
Utility billings are always one month behind due to billing process of utility companies							

Attch

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NORTH DAKOTA STATE HOSPITAL
2001-2003 BIENNIUM BUDGET
EQUIPMENT LISTING

BL	ACC	BOC	OBJ	DESCRIPTION	AMOUNT	COMMENTS
420-10	9515	4002	4002	Copier	12,000	Replace steno pool copier purchased in 1995. Heavy use by various departments.
420-10	9515	4002	4002	Copier	12,000	Replace copier in Chemical Dependency Service leased in 1996 at $327 per mo. Only copier in GM building.
420-10	9515	4002	4002	Copier	10,000	Replace copier in Admissions purchased in 1992. Used only for Admissions Dept. Staff cannot leave area to make copies.
420-10	9515	4020	4020	Scaffolding	2,000	For Engineering Department
420-10	9515	4020	4020	Industrial Vacuum	1,700	For the Heating Plant
420-10	9515	4020	4020	2 Floor Scrubbers	12,000	Replace worn equipment
420-10	9515	4020	4020	Hematology Analyzer	40,000	Replace Lab equipment
420-10	9515	4020	4020	2 Paper Shredders	7,078	For Work Activity Department. Work program for patients, saving landfill space and destroying papers containing patient names. Shredded paper is not sold because no recycler is available. Replacing current shredders.
420-10	9515	4020	4020	Food Chopper	4,300	Replace worn equipment in Dietary Department
420-10	9515	4020	4020	Freezer	2,000	Replace worn equipment in Dietary Department
420-10	9515	4020	4020	Pass Through Display Case	3,700	Allows food to remain at required temperature while on serving line
420-10	9515	4020	4020	Quick Chiller	14,000	Cools prepared foods rapidly to prevent bacteria growth
420-10	9515	4020	4020	2 Defibrillators	14,700	Replace existing equipment purchased in 1988. Hospital wide use.
				TOTAL EQUIPMENT	$ 135,478	

1-35-01

#10

Alex 1-25-01 #11

NORTH DAKOTA STATE HOSPITAL
REVENUE PROJECTIONS
2001-03 BIENNIUM

DESCRIPTION	2001-03 BUDGET TO OMB	OMB ADJUSTMENTS: DUI PROGRAM	LANDFILL GRANT	1% SALARY UNDERFUND	VACANT POSITIONS	GOV BUDGET TO HOUSE
FEDERAL FUNDS:						
Medical Assistance	3,848,132					3,848,132
Dis Pro Share	966,145					966,145
HIV Testing	3,940					3,940
TOTAL FEDERAL FUNDS	$ 4,818,217	$ -	$ -	$ -	$ -	$ 4,818,217
OTHER FUNDS:						
Medicare Part A	2,275,332					2,275,332
Medicare Part B	529,476					529,476
Commercial Insurance	1,237,741					1,237,741
M.A. CPTs	98,342					98,342
Blue Cross	2,140,596					2,140,596
Blue Shield	154,103					154,103
Estates	176,680					176,680
Collection Agencies	277,488					277,488
Private Pay	1,117,848					1,117,848
Land Transfer Income	374,856					374,856
Land Lease	102,853					102,853
Day Care Meals	18,826					18,826
Legal Fees	8,760					8,760
Other Reimbursements	2,144					2,144
Room Rent	146,019					146,019
Telephone Collections	1,059					1,059
Misc. Unclassified	9,600					9,600
Dietary Meals	14,715					14,715
Copies by Staff	73					73
Salvage & Scrap	250					250
IVN Collections	6,615					6,615
Postage	1,475					1,475
Jamestown Public Schools	106,746					106,746
Coffee Nook Sales	23,544					23,544
Gobbler	41,731					41,731
Landfill Grant	0		413,255			413,255
OMB Salary Adjustments	0			287,303	853,908	1,141,211
DOC - Lab	27,959					27,959
DOC - Utilities	470,257					470,257
DOC - Eng Services	44,998					44,998
DOC - Xray	8,278					8,278
DOC - Dietition	2,850					2,850
DOC - Physicians	160,945					160,945
DOC - DUI Program	0	2,139,284				2,139,284
DOC - Tompkins Center	275,472					275,472
Valley City State Univ. Lease	4,800					4,800
TOTAL OTHER FUNDS	$ 9,862,431	$ 2,139,284	$ 413,255	$ 287,303	$ 853,908	$ 13,556,181

by Ken Schulz

Alex 1-25-01 #12

North Dakota State Hospital
DOC Revenue
2001-2003 Budget

UTILITIES	DOC	SH	TOTAL
Natural Gas	$157,986	$631,949	$789,935
Electricity	214,239	159,535	400,774
Water	25,082	58,526	83,608
Landfill	12,597	12,596	25,193
Coal	19,253	77,010	96,263
Fuel Oil	14,100	56,399	70,499
	$470,257	$996,015	$1,466,272
		=======	
Misc. (distilled water, medical waste)			8,100
Total SH Utility Budget			$1,474,372
			========

Lab Tests	$ 27,959
X-Ray Tests	8,278
Dietician	2,850
Medical	160,945
Engineering Services	44,998
Tompkins Center	275,472
Total DOC Revenue	$990,759
	=======

Estimated CD Staffing Costs for Training at the Law Enforcement Center

FTE %	Position	Annual	Biennium
2.00	Addiction Counselor II	80132	160263
0.725	Addiction Counselor III	40643	81286
0.05	Occupational Therapist	2437	4874
0.05	Recreational Therapist	1989	3977
0.05	RN II	2216	4432
0.025	Psychiatrist	4074	8149
0.10	Addiction Tech	3168	6336
3.00		134659	269317
	Phone		2124
	Misc		~~1000~~ 3293
	Training -- bmotion		738
TOTAL			~~273179~~ 275472

Salary and fringes do not include Legislative Increases effective July 1999

Alex C. Schweitzer

23A

DEMOGRAPHICS
DEVELOPMENTAL CENTER
GRAFTON, ND

146 - 4 TBI

NUMBER OF PEOPLE WHO RESIDE AT DC 150

MALE	FEMALE	FUNCTIONING LEVEL	
95	55	PROFOUND	= 81
		SEVERE	= 21
		MODERATE	= 12
		MILD	= 32
		TBI	= 4

Many of the people who live at the Developmental Center have significant problems in addition to mental retardation, some of these include:

Individuals requiring personal or Mechanical assistance of mobility	73
Individuals who are blind/or who have visual impairment	25
Individuals who are deaf or hearing Impaired	18
Individuals who are both deaf and blind	5
Individuals who are nonverbal (cannot speak)	100
Individuals on special diets	114
Individuals who have seizures (epilepsy)	64
Individuals receiving medication for Behavioral/psychiatric purposes	89
Individuals receiving medication both for Epilepsy and behavioral/psychiatric purposes	
Individuals receiving medication both for Epilepsy and behavioral/psychiatric diagnoses In addition to developmental disabilities	

Attending public school = 6
Attending homebound school = 3

AUTISM	CP	EPILISPY	BLIND/	Vision Impaired
13	34	63	10	12

DEAF/HEARING	IMPAIRED
5	12

*DEMOGRAPHICS DOES INCLUDE THE FOUR PEOPLE WHO RESIDE IN THE TRAMATIC BRAIN INJURED RESIDENCE.

Developmental Center

DC Revenue
2001-2003 Budget

Federal

Original Request	$26,689,377	(All MA)
OMB Adjustment	1,238,934	Sal. Comp. Parkage
Total Govenor's Budget	$27,928,311	

Other

Original Request	*$2,152,823	
OMB Adjustment	152,473	(Rec. Lia. Inc.)
Total Governor's Budget	$2,305,296	

*	AEC Services	84,000
	Dak East	291,965
	Collette Auditorium	156,986
	Lease of Property	44,800
	Rent of Cottages	22,200
	Rent of Land	40,670
	Meals	95,025
	School Lunch	10,260
	Vets Admin	156,000
	Other Income	100,693
	C&T (all recipiant lia.)	1,150,224
		$2,152,823

North Dakota Department of Human Services
HSCs and Institutions
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Subdivision	LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
4-30 DEVELOPMENTAL CENTER	50	3014	OPERATING FEES & SRVC	79	16	118	-
4-30 DEVELOPMENTAL CENTER	50	5005	LAND & BUILDINGS	283,956	16	425,933	285,129
4-30 DEVELOPMENTAL CENTER	50	5020	OTHER CAPITAL PYMNTS	-	16	-	649,234
50 Total				**284,034**		**426,051**	**934,363**
4-30 DEVELOPMENTAL CENTER	70	1001	SALARIES	15,230,347	17	21,501,666	22,880,218
4-30 DEVELOPMENTAL CENTER	70	1002	TEMP, OT & SHIFT DIFF	1,003,682	17	1,416,963	975,744
4-30 DEVELOPMENTAL CENTER	70	1008	BENEFITS	5,578,986	17	7,876,215	9,185,190
4-30 DEVELOPMENTAL CENTER	70	3002	IT-DATA PROCESSING	9,477	16	14,216	-
4-30 DEVELOPMENTAL CENTER	70	3003	IT-TELEPHONE	156,127	16	234,191	199,108
4-30 DEVELOPMENTAL CENTER	70	3004	TRAVEL	236,594	16	354,891	272,623
4-30 DEVELOPMENTAL CENTER	70	3005	IT - SOFTWARE - SUPPLIES	847	16	1,270	-
4-30 DEVELOPMENTAL CENTER	70	3006	UTILITIES	888,351	16	1,332,526	1,446,853
4-30 DEVELOPMENTAL CENTER	70	3007	POSTAGE	16,098	16	24,147	21,628
4-30 DEVELOPMENTAL CENTER	70	3011	LEASE - RENT EQUIP MENT	49,813	16	74,719	78,180
4-30 DEVELOPMENTAL CENTER	70	3013	DUES & PROFESSIONAL DEV	36,549	16	54,824	56,570
4-30 DEVELOPMENTAL CENTER	70	3014	OPERATING FEES & SRVC	242,883	16	364,325	380,749
4-30 DEVELOPMENTAL CENTER	70	3016	REPAIRS	384,861	16	577,292	521,360
4-30 DEVELOPMENTAL CENTER	70	3018	PROFESSIONAL SERVICES	231,456	16	347,183	431,342
4-30 DEVELOPMENTAL CENTER	70	3019	INSURANCE	43,573	16	65,360	50,000
4-30 DEVELOPMENTAL CENTER	70	3021	OFFICE SUPPLIES	45,364	16	68,046	75,549
4-30 DEVELOPMENTAL CENTER	70	3024	PRINTING	112,682	16	169,023	150,361
4-30 DEVELOPMENTAL CENTER	70	3025	PROF. SUPPLIES & MATERIALS	28,929	16	43,394	31,390
4-30 DEVELOPMENTAL CENTER	70	3027	FOOD & CLOTHING	863,194	16	1,294,792	1,288,504
4-30 DEVELOPMENTAL CENTER	70	3029	MEDICAL, DENTAL & OPTICAL	547,488	16	821,233	884,701
4-30 DEVELOPMENTAL CENTER	70	3030	BLDG GRNDS & VEH MTCE SUPP	402,726	16	604,089	537,955
4-30 DEVELOPMENTAL CENTER	70	3033	MISC SUPPLIES	264,970	16	397,456	504,719
4-30 DEVELOPMENTAL CENTER	70	3900	OPERATING BUDGET ADJUSTMENT	967	16	1,451	-
4-30 DEVELOPMENTAL CENTER	70	4002	OFFICE EQUIP & FURN	2,605	16	3,908	-
4-30 DEVELOPMENTAL CENTER	70	4003	IT - EQUIPMENT	806	16	1,210	-
4-30 DEVELOPMENTAL CENTER	70	4020	OTHER EQUIP	39,728	16	59,592	115,760
70 Total				**26,419,105**		**37,703,982**	**40,088,524**
4-30 DEVELOPMENTAL CENTER Total				**26,703,140**		**38,130,033**	**41,022,887**

Ken Schulz

9:31 AM 01/10/2001

2001-2003 CAP. Imp.

Rank	Project	Justification and Supporting Documentation	Cost	Biennial Budget 01-03	03-05	05-07
		Exterior Projects				
	Generator and line power synchronization	This would allow the DC to switch from normal power to emergency power with no power outages during testing. This would also allow the DC to sell the lease the use of the generator to Ottertail Power for 1.85 per kW to have it available for their use if needed.	70,000	70,000		
	Roof Replacement	The following roofs are scheduled for replacement in the next 3 biennial budget periods. I am trying to get roof replacement done before there are roof leaks. All the roofs listed below have reached or pasted the recommended life span. By replacing the roof before there is a leak we can save damage to the interior and equipment in the buildings. It is a goal to try to not have any roof older than 20 years.				
	Roof replacement	Collette roof is the original roof. The building was constructed in 1967. There have been several patch jobs done on it in the past but it is in need of replacement.	46,285	46,285		
		PTOT gym, pool enclosure & mechanical penthouse have rubber roofs that are starting to deteriorate. The rubber is shrinking and there is a great potential for this roof to fail.	18,588	18,588		
		Cottage roofs are in bad shape there were last shingled in 1972. The shingles are in bad shape and if we are to continue to use these building we need to keep them up.	13,500	13,500		
		PSB – lower south end and high roof. These are original roofs – the building was built in 1978 and the lower north end was replaced in 1992. These roofs should be replaced before there is a roof failure.	34,056	34,056		
		Chapel roof is another original roof. The building was constructed in 1971 and has just been patched in the past. There are several small leaks in the roof at this time and is scheduled to be patched again in 2000.	47,300	47,300		
		Central Receiving – this building was remodeled in 1985 and a rubber roof was put on it. The rubber on this roof is starting to shrink and deteriorate. This roof had 1200 sq. ft replaced in 1997. This roof will need replacement by year 2003 or face roof failure.	78,328		78,328	
		Vehicle Maintenance was constructed in 1985 and has not had any roof work done on it. This building also has a rubber roof and will be nearing the end of is life cycle.	60,499		60,499	
		Power House – the roof areas to be replaced were installed in 1982. They are getting in bad shape. There are no leaks at this time but there is a lot of equipment in these building that needs to be protected.	32,412		32,412	
		Food Service – This roof is broken into 8 separate areas. We have been replacing the roof a section at a time. There are 3 sections of roofing that were installed in 1971.	15,394		15,394	
		New Horizons – This building was last re-roofed in 1987, this roof will be 20 years old by the end of this biennium.	55,366			55,366
		Prairie View – This building was last re-roofed in 1987, this roof will be 20 years old by the end of this biennium	79,587			79,587
		Collete Gym – at the present time this roof is in good shape but in 6 years it will have long past it life expectancy. This roof will need to be replaced at this time.	39,611			39,611
	Door Replacements	The electric doors in several buildings are wearing out and are in need of replacement. NH, MW and CG. These doors are 20 years old and get used extensively every day. Replacement parts are getting harder to find.	25,400	25,400		

	New Horizon window insulation	This project would insulate the window frames of the building, which are steel and have no insulation in them now. This would help keep the building more comfortable in all season of the year besides saving energy.	15,000		15,000	
		Interior Projects				
	Food Service Client Tray Line	This piece of equipment if part of the original building construction. It was moved to the present area in the 1985-building remodel. This piece of equipment is starting to break down and there are a few safety issues with it operation. A newer unit is modular and is easier to maintain.	41,000	41,000		
	Maplewood humidification	This project would install humidifiers in the air handler in Maplewood to increase the indoor air quality of the building in the winter months. This would also help with client ~~repository~~ respiratory problems.	15,000	15,000		
	Cedar Grove humidification	This project would install humidifiers in the air handler in Cedar Grove to increase the indoor air quality of the building in the winter months. This would also help with client repository problems.	15,000	15,000		
	Collette pool filtration system	This filter system was installed in 1967. This system has been deteriorating for several years, we have been patching and revamping the system to extend its use.	42,000		42,000	
	Food Service cooker replacement	The steam cookers being used at FSB are obsolete and cannot get replacement parts for them. They would be replace with convection ovens, which would be a more versatile piece of equipment.			x	
	Laundry Equipment Replacement	Replace older wash machines with new and smaller machines due to the change in client laundry needs.	40,000		40,000	
	Collette Gym Floor Replacement	The floor tiles in the gym are starting to lift. The carpenters have to go over there and re-glue down tile periodically.				x
		Equipment Projects				
	Feed Water Pump Replacement	These pumps feed the boilers with water so we can generate steam. These pumps have been rebuilt several times and we need to have backup pumps available if we have a pump failure. We now use steam for heating and cooling as well as cooking and heating domestic water.	15,000		15,000	
	Generator Overhaul	The standby generator was install in 1982 and has not had any major work done on it. We do oil and coolant analysis every year and the last report stated that there are signs of moderate bearing wear. This sample was taken after we had serviced the unit and had 4 hours of operating time on it.				x
	Air Handler Rebuilds	New Horizons – replace shafts and balance out fans. There are 5 air handlers in this building.	10,000		10,000	
		Food Service - replace shafts and balance out fans. There are 2 air handlers in this building that need to be rebuilt.	10,000		10,000	
	Utility Tunnel Steam Trap Replacement	Replacement of steam traps in the drip lines of the steam distribution system. Most of the traps in the system are getting old and are in need of replacement to improve the efficiency of the boilers.	10,000		10,000	
	Frequency Drives	PTOT air handlers – put frequency drives on the motors for the fan motors in this building. This would improve the efficiency of the units and extend the life of the motors.	14,000		14,000	

	Fan Motors	Replace the Joy fan motors in Maplewood and Cedar Grove. The motors are showing signs of vibration and wear as they are tested twice a year. These motors control the main heating system for the two buildings. If we lost these motors we would not be able to heat or cool these buildings at comfort levels.	14,000		14,000	
	Steam Distribution System	Replace direct bury steam and condensate line. These lines have passed their life expectancy and we have had leaks in this system and have lost large quantities of condensate and steam. When these pipes leak it sometimes takes several months to locate the leak as it takes a while for the leak to surface.	185 per ft			x
	Condensate Receiving Tank	This tank is 30 years old and should be scheduled for replacement before it fails.				x
	De-aerator Tank	This tank is 40 years old and should be scheduled for replacement before it fails. A new tank would be more efficient.				x
	PTOT Pool Piping	The PVC piping for this pool is showing signs of deterioration and this piping should be replaced before we loose the pool.				x
				326,129	356,633	

equip.xls

DEVELOPMENTAL CENTER
EQUIPMENT LISTING

Priority	Major Prog	Cost Center	Description	Item	Qty	Cost	Cumm Total
1	Auxiliary	9721	Dietary	Carpet Extractor	1	1800	1800
2	Auxiliary	9721	Dietary	Aladdin Trayline System	1	40000	41800
3	Res Liv	9834	Cedargrove 4	Table and Chairs	1	1000	42800
4	Res Liv	9842	HSC III	Hospital Beds	2	4000	46800
5	Res Liv	9814	Sexual Health	Dining Room Table	1	1600	48400
6	Res Liv	9835	Cedargrove Admin	Buffer	1	1500	49900
7	Res Liv	9815	TBI	Hoyer Lift	1	2000	51900
8	Res Liv	9806	Dakota East	Paper Shredder	1	1800	53700
9	Res Liv	9806	Dakota East	Sharpner	1	1400	55100
10	Res Liv	9806	Dakota East	Contractor Saw	1	1700	56800
11	Res Liv	9831	Cedargrove I	Couch	2	2000	58800
12	Res Liv	9842	HSC II	Couch	2	2000	60800
13	Res Liv	9811	NH Dual Sensory	Hospital Beds	2	4000	64800
14	Hserv	9711	Occupational Ther	Cast Cutter	1	1000	65800
15	Auxiliary	9730	Grounds	Lawn Mower	1	20000	85800
16	Hserv	9709	Lab	Centrifuge	1	4000	89800
17	Hserv	9707	Dental	Curing Light	1	1000	90800
18	Hserv	9712	Adaptive Equip	Simulator	1	8000	98800
19	Res Liv	9814	Sexual Health	Library Table	1	1500	100300
20	Res Liv	9806	Dakota East	Computerized Sewing Mach	1	2600	102900
21	Auxiliary	9721	Dietary	Combi-Oven	1	12880	115780
22		9721	Dietary	Power Sprayer	1	3000	118780
23		9705	Nursing	Medication Carts	4	4000	122780
24		9709	Lab	Lab Information System	1	17000	139780
25		9710	Physical Therapy	Digital Video Camera	1	1500	141280
26		9714	Speech	Voice Output Device	1	1000	142280
27		9710	Physical Therapy	Treatment Table	1	2600	144880
28		9712	Adaptive Equip	Welder 220	1	1800	146680
29		9713	Psychology	Plethysmagraphy Equipment	1	15000	161680
30		9713	Psychology	Security/Surveillance System	1	10000	171680
31		9709	Lab	Hematology Analyzer	1	29000	200680
32		9806	Dakota East	Ultra Hydraulic Press	1	3995	204675
33		9806	Dakota East	Ceramic Kiln	1	2500	207175
34		9806	Dakota East	Drill Press Air Feed	1	1300	208475
35		9843	Dispensary	Exam Table	1	3000	211475
				Total Amount		211475	

TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE

HB 1012

MIKE TIMM, CHAIRMAN

JANUARY 4, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

DISABILITY SERVICES DIVISION

DEVELOPMENTAL DISABILITIES

INTRODUCTION

Developmental Disabilities is the primary entity that plans, provides, develops, and funds statewide community services for individuals of all ages with developmental disabilities.

DD services include family support, residential, and day services for individuals with developmental disabilities to assist them with daily living and other needs. Most individuals will require services throughout their lifetime.

DD coordinates with the eight regional human service centers, the Developmental Center, and the State Hospital to achieve identified program results. Through the Developmental Disabilities Case Management system, DD purchases services from private providers on behalf of individuals with developmental disabilities.

Eligibility criteria for DD services has been established in North Dakota Administrative Code.

PROGRAM PURPOSE STATEMENTS:

The purpose of Family Support is to provide personal and financial assistance and training to families of individuals with developmental disabilities so their family member can remain at home and enjoy community life.

Services included in this area of the budget:

- Family Support Services
- Infant Development
- Family Subsidy

The purpose of Day and Residential Services is to provide training and assistance with daily living activities to persons with developmental disabilities so they can achieve their personal goals related to employment and living independently.

Services included in this area of the budget:

- Community group homes
- Supported living arrangements
- Day support centers
- Long term employment supports

(Chart DD-1)

MAJOR ACCOMPLISHMENTS:

- Case management services were provided to over 3700 persons with developmental disabilities and their families during SFY 2000.
- During the last year, 95% of all children receiving Developmental Disabilities Case Management were supported in a family home setting.
- Facilitated the opening of a day program in Belcourt to meet the needs of an underserved population. Worked with providers in other rural areas to establish services in their communities to meet local needs.

- Collaborated with the Department of Public Instruction and local school districts to establish a funding mechanism to assist students to transition from school to adult services without interruption.

BUDGET OVERVIEW (Chart DD-2):

- DD grants were increased by $2,080,746 in general funds and $6,367,287 in federal funds, which reflects a 2.2% inflationary increase each year of the biennium for private service providers.
- Operating budget reduced by $244,058 in federal funds were allocated to the human service centers to assist in the service provision to infants and toddlers at the local level.

CHALLENGES:

- Recruitment and retention of direct contact staff given the current competitive labor market and low unemployment rate.
- More children born with disabilities are surviving through medical advancements.
- As these children grow, they will require support services to remain with their families, to participate in school and ultimately to lead adult lives.
- Demand for community services may exceed our ability to provide them and result in clients being placed on waiting lists.

CONCLUSION:

DD will continue working with consumers, families, and service providers to find new ways to tailor services to meet individual needs and choices in a cost-effective manner.

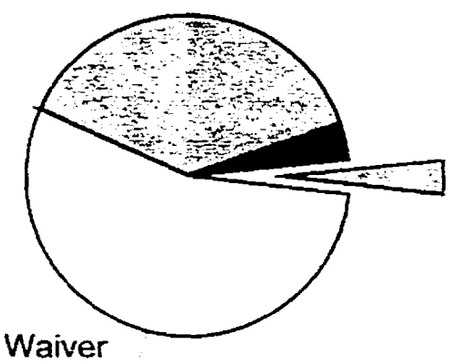
Chart DD-2

North Dakota Department of Human Services
Developmental Disabilities
HB 1012 to House
2001 - 2003 Biennium

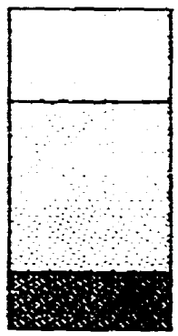
Total
$162,004,055

DD Community Based Care
$156,870,722 96.8%

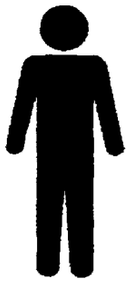
DD Unit
$5,133,333 3.2%



Part C
$25,754 0.0%
Comm Based Care State
$5,940,713 3.7%
DD Division
$5,133,333 3.2%



Funding DD Community Based Care is included in the Division of Medical Assistance's Budget		
	Requested Budget	Percent
General	$51,383,465	32.8%
Federal	$105,487,257	67.2%
Other	$0	0.0%
Total	$156,870,722	



9.5 FTES

DD Unit		
	Requested Budget	Percent
General	$1,427,024	27.8%
Federal	$3,706,309	72.2%
Other	$0	0.0%
Total	$5,133,333	

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Dave Nething

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

HB 1012

DAVE NETHING, CHAIRMAN

MARCH 1, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
DISABILITY SERVICES DIVISION
DEVELOPMENTAL DISABILITIES

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- Day support centers
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- During the last year, 95% of all children receiving Developmental Disabilities Case Management were supported in a family home setting.
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- Collaborated with the Department of Public Instruction and local school districts to establish a funding mechanism to assist students to transition from school to adult services without interruption.

BUDGET OVERVIEW (Chart DD-2):

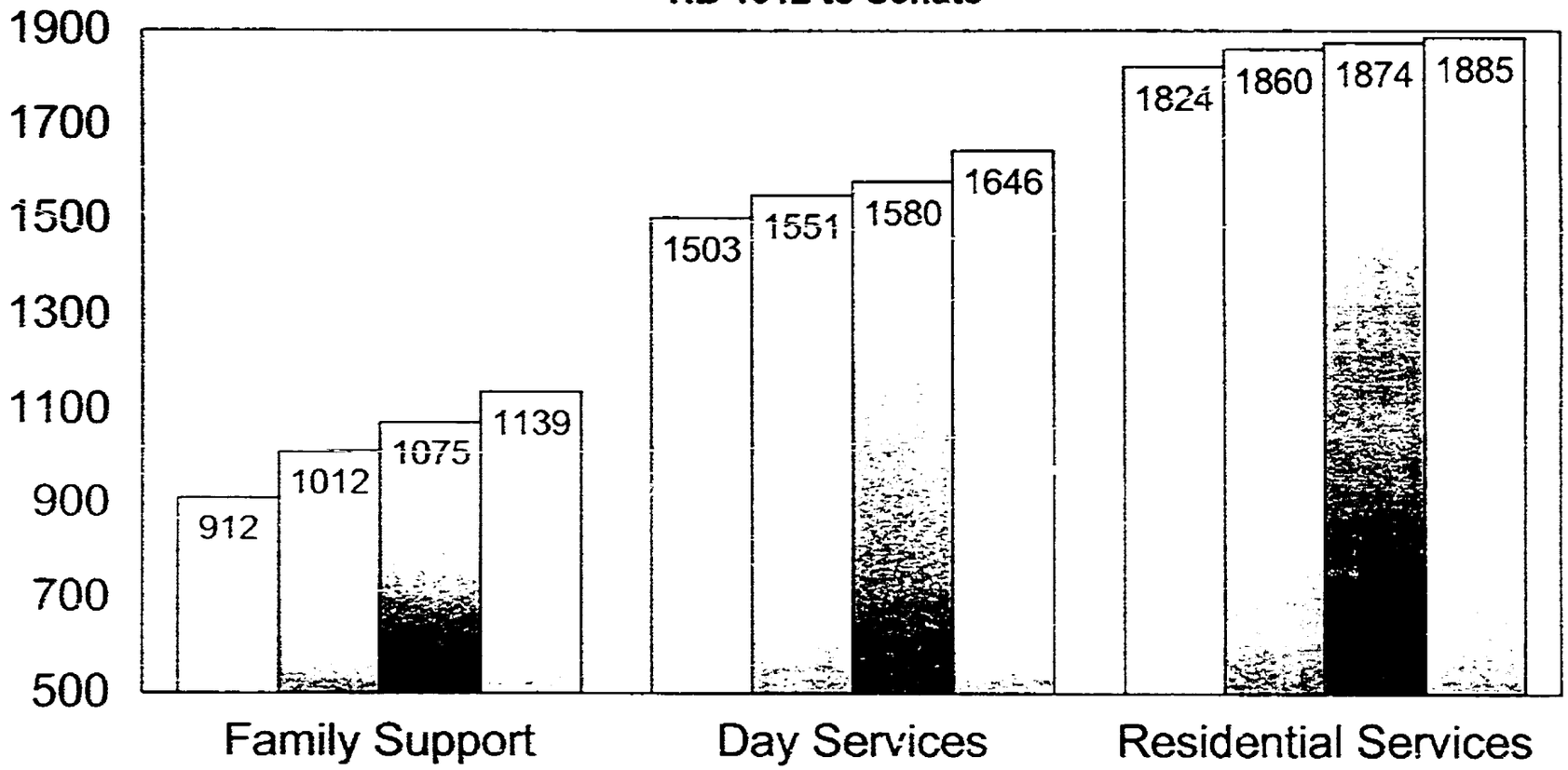
- In the Governor's Budget, DD grants were increased by $2,080,746 in general funds and $6,367,287 in federal funds, which reflects a 2.2% inflationary increase each year of the biennium for private service providers.
- DD Operating budget was reduced by $244,058 in federal funds that were allocated to the human service centers to assist in the service provision to infants and toddlers at the local level.
- DD grants budget, as approved by the House, does not address the November reprojections. The budget has a $5.2 million shortfall. Of this, $1.7 million is general funds. Of the general fund shortfall, $1 million is due to the Governor's underfunding and $700,000 is due to the projected increases based on the November reprojections.
- House action provided for an increase of $.10 per hour for direct contact staff, which results in an increase of $1,013,965 in federal funds and $484,547 in general funds.
- House action resulted in the DD Operating budget being reduced by $10,000 in general funds.

CHALLENGES:

- Recruitment and retention of direct contact staff given the current competitive labor market and low unemployment rate.
- More children born with disabilities are surviving through medical advancements.
- As these children grow, they will require support services to remain with their families, to participate in school and ultimately to lead adult lives.
- It is projected that demand for community services will exceed our ability to provide them and result in clients being placed on waiting lists or rate reductions to the DD Service Providers.

Chart DD-1

North Dakota Department of Human Services
Developmental Disabilities
Individuals Receiving DD Services, SFY 1997 - 2000
HB 1012 to Senate



SFY 1997 Total Undup: 3,420
SFY 1998 Total Undup: 3,615
SFY 1999 Total Undup: 3,672
SFY 2000 Total Undup: 3,788

Family Support: Infant Development, Family Subsidy, Family Support Services
Day Services: Day Supports, Developmental Work Activity, Developmental Day Activity
Extended Services, Prevoc. Work Activity, Adult Day Health, Adult Day Care
Residential Services: Adult Family Foster Care, Congregate Care, Home Health Aide,
ICF/MR Community, ISLA, MSLA, Specialized Placement, TCLF

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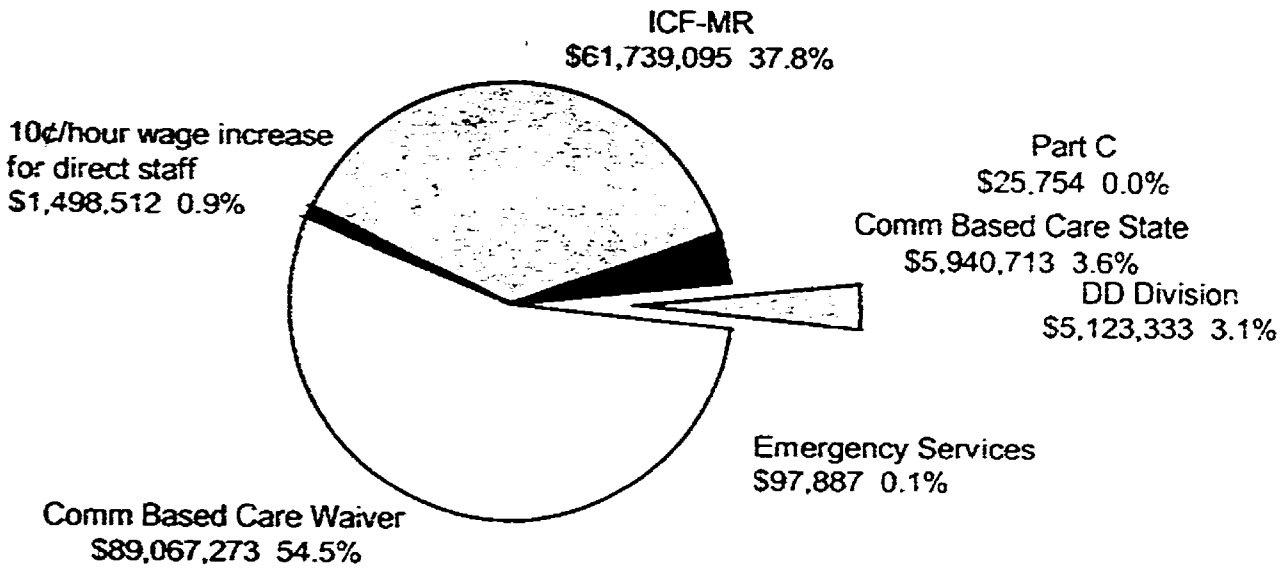
North Dakota Department of Human Services
Developmental Disabilities
HB 1012 to Senate
2001 - 2003 Biennium

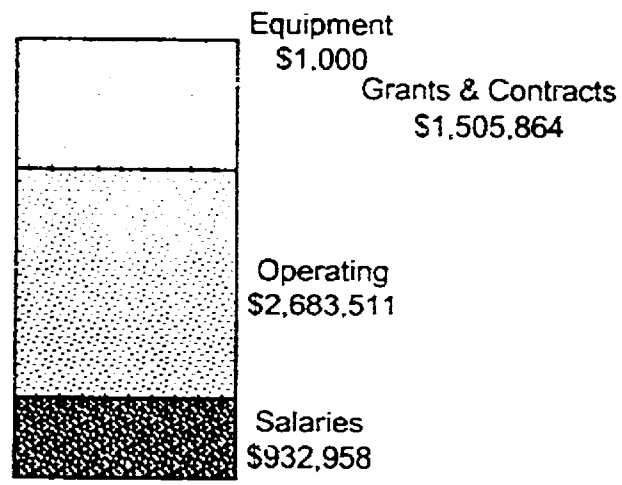
Chart DD-2

DD Community Based Care
$158,369,234 96.9%

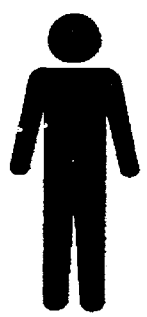
Total
$163,492,567

DD Unit
$5,123,333 3.1%





Funding DD Community Based Care is included in the Division of Medical Assistance's Budget		
	Requested Budget	Percent
General	$51,868,012	32.8%
Federal	$106,501,222	67.2%
Other	$0	0.0%
Total	$158,369,234	



9.5 FTES

DD Unit		
	Requested Budget	Percent
General	$1,417,024	27.7%
Federal	$3,706,309	72.3%
Other	$0	0.0%
Total	$5,123,333	

T:/leg01/dd0103s pr4 Rev 5

North Dakota Department of Human Services

Assumptions: 30 days/month
All 3 consumers are receiving the service 30 days every month

Month	Consumer A	Consumer B	Consumer C	Unduplicated Consumers	Total Units	Average Units	Available Units/Person
January	Suspends	Pays January	Pays January	2	60	30	30
February	Pays Jan/Feb	Suspends	Pays February	2	90	45	30
March	Pays March	Pays Feb/March	Suspends	2	90	45	30
April	Suspends	Pays April	Pays Mar/April	2	90	45	30
May	Pays April/May	Suspends	Pays May	2	90	45	30
June	Pays June	Pays May/June	Pays June	3	120	40	30
Totals					**540**		**180**

Total Units	540
Divided by total avail. units	180
Actual number of people paid for:	3

HB 1311
1-25-01
(14)

North Dakota Department of Human Services
Developmental Disabilities Grants Budget
Executive Budget Recommendation

Budget	Total	MA Federal	MA State	Other	Part C	DD State	Total State
01-03 Base Budget	154,984,518	104,120,931	44,766,971	0	200,000	5,896,616	50,663,587
99-01 Budget	148,922,689	99,119,970	41,969,228	500,000	0	7,333,491	49,302,719
Increase(Decrease)	6,061,829	5,000,961	2,797,743	(500,000)	200,000	(1,436,875)	1,360,868
01-03 Target # Budget	151,018,028	101,930,257	43,822,593	0	200,000	5,065,178	48,887,771
01-03 Base Budget	154,984,518	104,120,931	44,766,971	0	200,000	5,896,616	50,663,587
Increase(Decrease)	(3,966,490)	(2,190,674)	(944,378)	0	0	(831,438)	(1,775,816)
Cost of OARS							
01-03 Target # Budget	151,018,028	101,930,257	43,822,593	0	200,000	5,065,178	48,887,771
EBR OAR 1							
(Restore unfunded svcs)	154,984,518	104,120,931	44,766,971	0	200,000	5,896,616	50,663,587
Increase over Tgt # Bgt	3,966,490	2,190,674	944,378	0	0	831,438	1,775,816
EBR OAR 2							
2.2% Inflationary Increase	156,870,722	105,461,503	45,344,865	0	25,754	6,038,600	51,383,465
Increase over OAR #1	1,886,204	1,340,572	577,894	0	(174,246)	141,984	719,878
EBR	156,870,722	105,487,257					51,383,465
Needed Reductions	**0**	**(25,754)**					**0**

North Dakota Department of Human Services
Detail of Increases in DD Grants Budget (November Reprojection)

	Total	MA Federal	MA State	Other	Part C	DD State	Total State
99-01 Appropriation	148,922,689	99,119,970	41,969,228	500,000	0	7,333,491	49,302,719
Projected Ending Caseload/Rates	156,196,608	104,950,500	45,124,368	0	200,000	5,921,740	51,046,108
Increase/(Decrease)	7,273,919	5,830,530	3,155,140	(500,000)	200,000	(1,411,751)	1,743,389
Plus Growth	157,158,217	105,462,952	45,345,345	0	200,000	6,149,920	51,495,265
Increase/(Decrease)	961,609	512,452	220,977	0	0	228,180	449,157
Plus Inflation @ 2.2%	162,190,287	108,878,422	46,815,310	0	200,000	6,296,555	53,111,865
Increase/(Decrease)	5,032,070	3,415,470	1,469,965	0	0	146,635	1,616,600

HB 1012
10-35-01

Projected Demand
Family Care Program

Number of Families	PAR Level	Amount/Month For Each Client	$/Biennium
31	1	$500.00	$372,000.00
21	2	$400.00	$201,600.00
25	3	$300.00	$180,000.00
39	4	$200.00	$187,200.00
58	5	$100.00	$139,200.00
174			**$1,080,000.00**

01/09/2001

HB 1012 10-58-1 (#3)

HD 101C
125-01

#8

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
STATE CAPITOL - JUDICIAL WING
600 E BOULEVARD AVE DEPT 325
BISMARCK, NORTH DAKOTA 58505-0250

Carol K. Olson, Executive Director

Edward T. Schafer, Governor

DDD-PI-077

TO: Regional DD Program Administrators
Regional DD Case Managers
DD Service Providers

FROM: Mark Kolling, Director
Developmental Disabilities Unit
MK

DATE: September 24, 1999

SUBJECT: Requirement for Participation in Medicaid or Co-payment Responsibilities for Receipt of Developmental Disabilities Services

Effective Date: November 1, 1999

APPEAL: None

This policy supersedes DDD-PI-034 dated March 25, 1993, DDD-PI-039 dated May 25, 1993, DDD-PI-077 dated January 28, 1998 and DD-PI-077 dated June 10, 1999.

I. Background and Propose

Since 1993, the Department of Human Services has implemented policy that requires adults who receive certain services funded through the Developmental Disabilities program to apply for and maintain Medicaid eligibility. By consumers maintaining recipient status, the Department has been able to collect approximately 70% in federal funds to defray the cost of services and provide additional services.

In the Balanced Budget Act of 1997, Congress eliminated the long-standing statutory restriction on the Medicaid funded provision of prevocational and supported employment services to only those individuals who previously resided in a nursing facility or an ICF-MR. Effective October 1, 1997, states were permitted to claim Medicaid reimbursement for these services on behalf of all Home and Community Based Services (HCBS) waiver recipients, rather than just those who

previously resided in an institution.

SB 2012 of the 1999 legislative session included a provision for client participation in costs of service and a fiscal note to account for that participation. To implement legislative intent, this policy addresses co-payment responsibilities for families and individuals, as well as Medicaid participation requirements.

The co-payment portion of this policy was developed based on the following principles:

1) Co-payment responsibility should consider an individuals ability to pay so they can continue to receive the services they need.
2) A disincentive should not be created for individuals eligible for Medicaid.
3) Employment should be encouraged.
4) Family out of pocket medical expenses should be considered.
5) The process of determining co-payment responsibility should be as simple as possible.
6) In order for co-payment provisions to be fair they must be implemented in a consistent manner.
7) Children should live in a family home setting whenever possible and families should have less co-payment responsibility when their child is in their home.
8) If a child is not eligible for Medicaid, the family remains responsible for their child's medical expenses.
9) Co-payment procedures should be as similar as possible to Medicaid recipient liability and Social Security guidelines.

II. Requirements that Apply to all Categories

In an effort to maximize resources and provision of services, it is expected DD Case Managers will review all cases at least annually to determine if federal financial participation can be accessed or if co-payment provisions apply. If it is to the clients benefit, co-pay responsibility can be redetermined more frequently. Any time new services are being initiated, DD Case Managers must assess if federal financial participation can be accessed or if co-payment provisions apply.

DD Services not affected by this policy include:

1) DD Case Management,
2) Infant Development,
3) Family Subsidy,
4) Emergency Services, and
5) Regional Human Service Center Services (Human Service Centers providing "DD Services" not funded through the DD budget e.g. DWAC at SCHSC and DRTP at Badlands HSC are not subject to the co-payment provisions of this policy.)

Case management can screen an individual who does not currently meet the screening criteria on the Progress Assessment Review (PAR), if the individual was deinstitutionalized from an ICF-MR or Nursing Facility and was screened for that level of care. Case Management must confirm the individual was in a certified ICF/MR or Nursing Facility in order to screen the individual. Case Management must document this on the Case Action Form and also document the reasons why the individual continues to need this level of service(s).

When DD case management is referring an individual to another region, the home (sending) region retains responsibility for assuring the initial Medicaid application has been completed prior to the case transfer.

The licensed DD provider is responsible to collect all identified co-payment and Social Security amounts from the family or individual.

Regional offices do not have authority to waive a family's or individuals co-payment or Social Security responsibility or apply alternate fee scales or co-payment determination formulas for DD funded services.

III. Services for which there is *no* exception to Medicaid participation.

A. Category I Services

Services in Category I include:

- Adult ICF-MR
- Children's ICF-MR (Not Extended Family Care)
- Family Care Option III
- County Waiver Services

For all recipients of adult ICF-MR, Children's ICF-MR (not Extended Family Care), Family Care Option III (FCO III), and county waiver services (Adult Family Foster Care, Respite Care in conjunction with Adult Family Foster Care, Personal Care, Homemaker, Adult Day Health in a licensed hospital or nursing facility, and HCBS case management), Medicaid participation is required. If the individual does not meet the ICF-MR level of care screening criteria, the Department will not authorize use of general funds (all state dollars).

In order for DD to purchase Adult ICF-MR, Children's ICF-MR, Family Care Option III, or County Waiver Services, the individual must be Medicaid eligible and meet the Level of Care Screening Criteria.

IV. Individuals 18 Years of Age or Older

A. Category II Services

Services in Category II include:

- Transitional Community Living Facility (TCLF)
- Minimally Supervised Living Arrangement (MSLA)
- Specialized Placement (in Region VII)
- Congregate Care
- Individualized Supported Living Arrangement (ISLA)
- Adult Day Care
- Work Activity
- Developmental Day Activity

Screenable:

1. Not Medicaid Eligible due to Excess Resources

If an individual is not eligible for Medicaid due to excess resources, they will be private pay or need to arrange for funding sources other than state general funds.

2. Medicaid Eligible and Screenable

Once screened to the ICF-MR level of care, the individual must maintain Medicaid eligibility in order to continue to receive services. If the individual refuses to apply for Medicaid, complete the entire application process or complete the redetermination, DD will not participate in the cost of services and the individual will be private pay unless other payment sources can be obtained.

3. Medicaid Eligible and Not Screenable

Individuals not screenable to the ICF-MR Level of Care but who receive Medicaid benefits will not have a co-payment responsibility.

4. Medicaid Eligible and currently screened for Nursing Home Level of Care

a. A co-payment exception can be requested by the Regional DD Program Administrator for individuals who were screened for nursing facility level of care; i.e. placed in a nursing facility or swing bed, and required and received Work Activity, Day Activity, and/or Adult Day Care from a DD licensed service provider prior to

September 30, 1997. This applies to individuals living in a nursing facility or a swing bed. Each exception approved by the DD Unit will be limited to a period of one year.

b. For individuals screened for nursing facility level of care, i.e., placed in a nursing facility or swing bed after September 30, 1997, the DD Unit will authorize reimbursement with all state dollars for Work Activity, Day Activity, or Adult Day Care, if the day service is to be provided as part of a formal transition plan to move the individual back to a community setting. This exception will be limited to a six month period.

Requests for scenarios a and b must be submitted to the Administrator of Adult Services and include rationale for provision of the service(s), including identification of the skills to be enhanced or maintained as a result of the individual's involvement in the service.

5. Not Medicaid Eligible and Not Screenable

Individuals not Medicaid eligible and not meeting the ICF-MR Level of Care screening criteria ~~will be responsible for a co-payment~~.

The co-payment will be equal to the difference between an individuals total monthly income, less the first sixty five dollars plus one-half of the remaining monthly gross earned income, and the monthly maintenance level established by the Department. (The monthly maintenance level equals the Social Security SSI benefit payable each January plus $20.) Total monthly income equals the sum of the unearned income (Social Security, Railroad Retirement, support payments, etc.) benefit and gross earned income.

The co-payment determination is based on total monthly income defined as gross earned income <u>and</u> Social Security (or any other source of unearned income) before any deductions.

If an individual receiving a Category II service is also receiving SLA, Extended Services, or Family Support Services, a co-payment will be determined and assessed only for the Category II Service.

B. Category III Services

Services in Category III include:

- Supportive Living Arrangement (SLA)
- Extended Services
- Family Support Services

Screenable:

1. Not Medicaid Eligible due to Excess Resources

If an individual is not eligible for Medicaid due to excess resources, they will be private pay or need to arrange for funding sources other than state general funds.

2. Medicaid Eligible and Screenable

The individual can choose to be on the HCBS waiver if they are Medicaid eligible and screenable, or they can choose to not be on Medicaid and be subject to a co-payment requirement.

The co-payment will be equal to the difference between an individuals total monthly income, less the first $65 plus one-half of the remaining monthly gross earned income, and the monthly maintenance level established by the Department, not to exceed the cost of the service or $100 per month, which ever is less. (The monthly maintenance level equals the Social Security SSI benefit payable each January plus $20.) Total monthly income equals the sum of the unearned income (Social Security, Railroad Retirement, support payments, etc.) benefit and gross earned income.

If the individual is part of a multiple adult household, only the income of the individual receiving the service subject to co-pay will be used in determining the co-pay amount. If the household income for the couple cannot be separated, one half of the household income will be attributed to the individual receiving the service subject to co-pay.

If an individual 18 years of age or older is receiving Family Support Services and is responsible for a co-payment, the amount will be determined based on the formula described in the paragraph above. Utilizing a conversion table provided (Appendix B or C), the amount will

then be computed to a percentage to be entered on the Family Support Services authorization. If the individual is receiving Extended Services and Family Support Services, the co-payment will be determined for Extended Services only.

For Category III services, individuals who are Medicaid eligible and screenable to the HCBS Waiver can choose to either be screened to the Waiver or be subject to a co-payment. The maximum co-payment for an individual for a Category III services is $100/month or the cost of the services, whichever is less.

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3. Medicaid Eligible but Not Screenable

Individuals not screenable to ICF/MR level of care who receive Medicaid benefits will not have a co-payment responsibility.

V. Individuals Less Than 18 Years of Age

A. Category II Services

Service in Category II include:

•Extended Family Care

1. Not Medicaid Eligible

The DD Unit will consider use of general funds (Extended Family Care) if the Regional Developmental Disability Program Administrator submits a written request to the Administrator of Children and Family Supports documenting:

a. The individual meets the ICF/MR level of Care Criteria,
b. Initial Medicaid eligibility has been thoroughly explored, (i.e., Medicaid application must have been completed and the child found ineligible); and
c. A current Parental Placement agreement has been completed.

The co-payment for Extended Family Care will be a maximum of $10.00 per day or $310 per month based on a Taxable Income/Household Size Table (Appendix D) that compares taxable income and household size. The child's monthly Social Security benefits, minus a $45 personal needs allowance and 1/12 of the previous years insurance deductible and insurance co-payment for the child (if the family received no reimbursement through Family Subsidy for the excess insurance costs), will also be deducted from the Extended Family Care reimbursement. The Social Security benefit will not be deducted the first and last month the child is in the group setting, if the child is not in the group setting the entire month.

When a child receives Extended Family Care, parental co-payment responsibility and a portion of the child's Social Security benefits will be applied to the cost of care.

B. Category III Services

Service in Category III include:

- Family Support Services
  - In-Home Support
  - Family Care Option I and II

1. Medicaid Eligible and Screenable

Co-payment does not apply to either In-Home Supports or Family Care Option if the Child is Medicaid eligible and screenable. However, if the child is receiving FCO, the child's monthly Social Security benefits, minus a $45 personal needs allowance and 1/12 of the previous years insurance deductible and insurance co-payment for the child, will be prorated based on the number of days per month the child is in Family Care Option and deducted from the Departments Family Care Option reimbursement.

> Co-payment does not apply when a child receiving Family Care Option I or II is Medicaid Eligible and Screened, but a portion of their Social Security benefits must be applied to the FCO cost of care.

2. Not Medicaid Eligible or Not Screenable

When a child is not Medicaid eligible or not screenable to the ICF-MR Level of Care and the family is receiving In-Home Support, the family will be responsible for a co-payment up to $5.00 per hour for a maximum of $100 per month based on a Taxable Income/Household Size Table (Appendix D) that compares taxable income and household size.

> When In-Home Support is provided and the child is not Medicaid eligible or not screenable, the parents must contribute a co-payment based on their taxable income.

When a child is in Family Care Option I or II, the family will be responsible for up to $7.50 per day for a maximum of $200 per month based on a Taxable Income/Household Size Table (Appendix D) that compares taxable income and household size. The child's monthly Social Security benefits, minus a $45 personal needs allowance and 1/12 of the previous years insurance deductible and co-payment for the child will be prorated based on the number of days per month the child is in Family Care Option.

in these situations SSI only not SSDI

When FCO I or II is provided and the child is not Medicaid eligible or not screenable, the parents must contribute a co-payment based on their taxable income and a portion of their child's Social Security benefits.

DD Case Managers will need to see income tax statements for the previous year in order to apply the co-payment scale. If a family does not wish to share that information with the Case Manager, they will be responsible for 100% of the co-payment. The child receiving the service will be counted as a member of the household. If the families financial situation is significantly different from the last tax return they have filed, the Regional DD Program Administrator can request the Administrator of Children and Family Support review the information and determine if co-payment or Social Security responsibility can be adjusted.

When determining the insurance deductible and co-payment amount to be deducted from the child's Social Security payment, the DD Case Manager will need to see a statement from the insurance company explaining the benefits paid for the child during the last policy year. Families will also need to sign a statement assuring they have no secondary or supplemental insurance coverage for the child. If a family does not wish to share insurance information with the DD Case Manager, insurance deductible and co-payment amounts will not be deducted from the child's Social Security payment that will go towards the FCO or Extended Family Care payment. The family remains responsible for all medical expenses for their child.

If a family has more than one child receiving a service, the maximum co-payment they will be responsible for is the maximum amount per service. If a family is receiving more than one service for which a co-payment is applied, they are responsible for the greater of the co-payments, not the sum.

When a child is receiving ICF-MR or other group residential services in addition to In-Home Family Support Services during a transition period, the family will be responsible for In-Home Support co-payments.

cp
c: HSC Directors
HSC Business Managers
Protection and Advocacy

Appendix

A - Co-payment Computation Examples for Individuals 18 Years of Age or Over (09-24-99)

B - Conversion Table for In-Home Support for Individuals 18 Years of Age or Over (09-24-99)

C - Conversion Table for Family Care Option I or II for Individuals 18 Years of Age or Over (09-24-99)

D - Taxable Income/Household Size Table for Individuals Less Than 18 Years of Age (09-24-99)

Appendix A.1

EXAMPLE 1 - Computing Co-Payment for Category II Adult - not screenable for the DD Waiver and receiving at least one HCBS service.

(Work Activity; Day Activity; Adult Day Care provided by a DD service provider; MSLA; TCLF; Specialized Placement in Region VII; Congregate Care; and ISLA)

UNEARNED INCOME	
Social Security Benefit	$500.00
EARNED INCOME	
Gross monthly wages	$365.00
$65 Disregard	(65.00)
Remaining 1/2 Disregard	(150.00)
Countable Earned Income	$150.00
COUNTABLE INCOME	
Unearned Income	$500.00
Countable Earned Income	150.00
Gross Countable Income	$650.00
Maintenance Level (for 1)	(520.00)
Monthly Co-Payment	$130.00

530

****

Note: When entering an SSDI amount, use amounts before any deductions. The Medicare Part B disregard is built into the formula

Note: Gross wages is before taxes, FICA, Social Security, etc. have been deducted.

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Appendix A.2

EXAMPLE 2 - Computing Co-Payment for Category III Adult - not screenable for the DD Waiver and receiving Extended Services and/or SLA.

UNEARNED INCOME	
Social Security Benefit	$500.00
EARNED INCOME	
Gross monthly wages	$365.00
$65 Disregard	(65.00)
Remaining 1/2 Disregard	(150.00)
Countable Earned Income	$150.00

COUNTABLE INCOME	
Unearned Income	$500.00
Countable Earned Income	150.00
Gross Countable Income	$650.00
Maintenance Level (for 1)	(520.00)
	$130.00
Monthly Co-Payment	$100.00

****

Note: When entering an SSDI amount, use amounts before any deductions. The Medicare Part B disregard is built into the formula.

Note: Gross wages is before taxes, FICA, Social Security, etc. have been deducted.

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In-Home Support Co-payment Conversion Table (18 Years of Age and Over)

HOURS OF IN-HOME SUPPORT PER MONTH

RESPONSIBILITY	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	95	100
$10.00	40	20	13	10	8	6	5	5	4	4	3	3	3	2	2	2	2	2
$15.00	60	30	20	15	12	10	8	7	6	6	5	5	4	4	4	3	3	3
$20.00	80	40	26	20	16	13	11	10	8	8	7	6	6	5	5	5	4	4
$25.00	100	50	33	25	20	16	14	12	11	10	9	8	7	7	6	6	5	5
$30.00	100	60	40	30	24	20	17	15	13	12	10	10	9	8	8	7	6	6
$35.00	100	70	46	35	28	23	20	17	15	14	12	11	10	10	9	8	7	7
$40.00	100	80	53	40	32	26	22	20	17	16	14	13	12	11	10	10	8	8
$45.00	100	90	60	45	36	30	25	22	20	18	16	15	13	12	12	11	9	9
$50.00	100	100	66	50	40	33	28	25	22	20	18	16	15	14	13	12	10	10
$55.00	100	100	73	55	44	36	31	27	24	22	20	18	16	15	14	13	11	11
$60.00	100	100	80	60	48	40	34	30	26	24	21	20	18	17	16	15	12	12
$65.00	100	100	86	65	52	43	37	32	28	26	23	21	20	18	17	16	13	13
$70.00	100	100	93	70	56	46	40	35	31	28	25	23	21	20	18	17	14	14
$75.00	100	100	100	75	60	50	42	37	33	30	27	25	23	21	20	18	15	15
$80.00	100	100	100	80	64	53	45	40	35	32	29	26	24	22	21	20	16	16
$85.00	100	100	100	85	68	56	48	42	37	34	30	28	26	24	22	21	17	17
$90.00	100	100	100	90	72	60	51	45	40	36	32	30	27	25	24	22	18	18
$95.00	100	100	100	95	76	63	54	47	42	38	34	31	29	27	25	23	20	19
$100.00	100	100	100	100	80	66	57	50	44	40	36	33	30	28	26	25	21	20

09-24-99

In-Home Support Co-payment Conversion Table (18 Years of Age and Over)

HOURS OF IN-HOME SUPPORT PER MONTH

RESPONSIBILITY	105	110	115	120	125	130	135	140	145	150	155	160	165	170	175	180	185	190	195	200
$10.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$15.00	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1
$20.00	3	3	3	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$25.00	4	4	4	4	4	3	3	3	3	3	3	3	3	2	2	2	2	2	2	2
$30.00	5	5	5	5	4	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3
$35.00	6	6	6	5	5	5	5	5	4	4	4	4	4	4	4	3	3	3	3	3
$40.00	7	7	6	6	6	6	5	5	5	5	5	5	4	4	4	4	4	4	4	4
$45.00	8	8	7	7	7	6	6	6	6	6	5	5	5	5	5	5	4	4	4	4
$50.00	9	9	8	8	8	7	7	7	6	6	6	6	6	5	5	5	5	5	5	5
$55.00	10	10	9	9	8	8	8	7	7	7	7	6	6	6	6	6	5	5	5	5
$60.00	11	10	10	10	9	9	8	8	8	8	7	7	7	7	6	6	6	6	6	6
$65.00	12	11	11	10	10	10	9	9	8	8	8	8	7	7	7	7	7	6	6	6
$70.00	13	12	12	11	11	10	10	10	9	9	9	8	8	8	8	7	7	7	7	7
$75.00	14	13	13	12	12	11	11	10	10	10	9	9	9	8	8	8	8	7	7	7
$80.00	15	14	13	13	12	12	11	11	11	10	10	10	9	9	9	8	8	8	8	8
$85.00	16	15	14	14	13	13	12	12	11	11	10	10	10	10	9	9	9	8	8	8
$90.00	17	16	15	15	14	13	13	12	12	12	11	11	10	10	10	10	9	9	9	9
$95.00	18	17	16	15	15	14	14	13	13	[illegible]	12	11	11	11	10	10	10	10	9	9
$100.00	19	18	17	16	16	15	14	14	13	[illegible]	12	12	12	11	11	11	10	10	10	10

09-24-99

In-Home Support Co-payment Conversion Table (18 Years of Age and Over)

HOURS OF IN-HOME SUPPORT PER MONTH

RESPONSIBILITY	205	210	215	220	225	230	235	240	245	250	255	260	265	270	275	280	285	290	295	300
$10.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
$15.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$20.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$25.00	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1
$30.00	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$35.00	3	3	3	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$40.00	3	3	3	3	3	3	3	3	3	3	3	3	3	2	2	2	2	2	2	2
$45.00	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
$50.00	4	4	4	4	4	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3
$55.00	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4	3	3	3	3	3
$60.00	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4	4
$65.00	6	6	6	5	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4
$70.00	6	6	6	6	6	6	5	5	5	5	5	5	5	5	5	5	4	4	4	4
$75.00	7	7	6	6	6	6	6	6	6	6	5	5	5	5	5	5	5	5	5	5
$80.00	7	7	7	7	7	6	6	6	6	6	6	6	6	5	5	5	5	5	5	5
$85.00	8	8	7	7	7	7	7	7	6	6	6	6	6	6	6	6	5	5	5	5
$90.00	8	8	8	8	8	7	7	7	7	7	7	6	6	6	6	6	6	6	6	6
$95.00	9	9	8	8	8	8	8	7	7	7	7	7	7	7	6	6	6	6	6	6
$100.00	9	9	9	9	8	8	8	8	8	8	7	7	7	7	7	7	7	6	6	6

09-24-99

In-Home Support Co-payment Conversion Table (18 Years of Age and Over)

HOURS OF IN-HOME SUPPORT PER MONTH

RESPONSIBILITY	305	310	315	320	325	330	335	340	345	350	355	360	365	370	375	380	385	390	395	400
$10.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
$15.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
$20.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$25.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$30.00	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
$35.00	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1
$40.00	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$45.00	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$50.00	3	3	3	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2
$55.00	3	3	3	3	3	3	3	3	3	3	3	3	3	2	2	2	2	2	2	2
$60.00	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
$65.00	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
$70.00	4	4	4	4	4	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3
$75.00	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	3	3	3	3	3
$80.00	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
$85.00	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4	4
$90.00	5	5	5	5	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4	4
$95.00	6	6	6	5	5	5	5	5	5	5	5	5	5	5	5	5	4	4	4	4
$100.00	6	6	6	6	6	6	5	5	5	5	5	5	5	5	5	5	5	5	5	5

09-24-99

Family Care Option I or II
Co-payment Conversion Table
(18 Years of Age and Over)

DAYS OF FAMILY CARE OPTION I or II PER MONTH

RESPONSIBILITY	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
$10.00	100	64	44	33	26	22	19	16	14	13	12	11	10	9	8	8	7	7	7	6	6	6	5	5	5	5	4	4	4	4
$15.00	100	100	66	50	40	33	28	25	22	20	18	16	15	14	13	12	11	11	10	10	9	9	8	8	8	7	7	7	6	6
$20.00	100	100	88	66	53	44	38	33	29	26	24	22	20	19	17	16	15	14	14	13	12	12	11	11	10	10	9	9	9	8
$25.00	100	100	100	83	66	55	47	41	37	33	30	27	25	23	22	20	19	18	17	16	15	15	14	13	13	12	12	11	11	11
$30.00	100	100	100	100	80	66	57	50	44	40	36	33	30	28	26	25	23	22	21	20	19	18	17	16	16	15	14	14	13	13
$35.00	100	100	100	100	93	77	66	58	51	46	42	38	35	33	31	29	27	25	24	23	22	21	20	19	18	17	17	16	16	15
$40.00	100	100	100	100	100	88	76	66	59	53	48	44	41	38	35	33	31	29	28	26	25	24	23	22	21	20	19	19	18	17
$45.00	100	100	100	100	100	100	85	75	66	60	54	50	46	42	40	37	35	33	31	30	28	27	26	25	24	23	22	21	20	20
$50.00	100	100	100	100	100	100	95	83	74	66	60	55	51	47	44	41	39	37	35	33	31	30	28	27	26	25	24	23	22	22
$55.00	100	100	100	100	100	100	100	91	81	73	66	61	56	52	48	45	43	40	38	36	34	33	31	30	29	28	27	26	25	24
$60.00	100	100	100	100	100	100	100	100	88	80	72	66	61	57	53	50	47	44	42	40	38	36	34	33	32	30	29	28	27	26
$65.00	100	100	100	100	100	100	100	100	96	86	78	72	66	61	57	54	50	48	45	43	41	39	37	36	34	33	32	30	29	28
$70.00	100	100	100	100	100	100	100	100	100	93	84	77	71	66	62	58	54	51	49	46	44	42	40	38	37	35	34	33	32	31
$75.00	100	100	100	100	100	100	100	100	100	100	90	83	76	71	66	62	58	55	52	50	47	45	43	41	40	38	37	35	34	33
$80.00	100	100	100	100	100	100	100	100	100	100	96	88	82	76	71	66	62	59	56	53	50	48	46	44	42	41	39	38	36	35
$85.00	100	100	100	100	100	100	100	100	100	100	100	94	87	80	75	70	66	62	59	56	53	51	49	47	45	43	41	40	39	37
$90.00	100	100	100	100	100	100	100	100	100	100	100	100	92	85	80	75	70	66	63	60	57	54	52	50	48	46	44	42	41	40
$95.00	100	100	100	100	100	100	100	100	100	100	100	100	97	90	84	79	74	70	66	63	60	57	55	52	50	48	46	45	43	42
$100.00	100	100	100	100	100	100	100	100	100	100	100	100	100	95	88	83	78	74	70	66	63	60	57	55	53	51	49	47	45	44

Parental Financial Responsibility Table

for Children Less than 18 Years of Age
Receiving Family Support Services or Extended Family Care
Based on Household Size and Monthly Taxable Income

Household Size	0% Co-payment	10% Co-payment	20% Co-payment	30% Co-payment	40% Co-payment	50% Co-payment	60% Co-payment	70% Co-payment	80% Co-payment	90% Co-payment	100% Co-payment
2	0-856	857-952	953-1047	1048-1142	1143-1237	1238-1332	1333-1427	1428-1522	1523-1617	1618-1712	1713+
3	0-1075	1076-1195	1196-1314	1315-1433	1434-1552	1553-1671	1672-1790	1791-1910	1911-2029	2030-2148	2149+
4	0-1291	1292-1435	1436-1578	1579-1721	1722-1865	1866-2008	2009-2151	2152-2294	2295-2438	2439-2582	2583+
5	0-1508	1509-1676	1677-1843	1844-2011	2012-2178	2179-2346	2347-2513	2514-2681	2682-2848	2849-3015	3016+
6	0-1726	1727-1918	1919-2110	2111-2302	2303-2493	2494-2685	2686-2877	2878-3068	3069-3260	3261-3452	3453+

Monthly Taxable Income is derived from Annual Taxable Income recorded on Income Tax Form 1040 line 39, 1040 A line 24, or 1040 EZ line 6.

(09-24-99)

Supplement to DDD-PI-077
Interpretation/Clarification
11-12-99

In order to assure timely provider claims processing, all documentation regarding copayment must be submitted to Central Office by November 23, 1999.

EXTENDED FAMILY CARE

If a parent has not signed and returned the Parental Placement Agreement, the regional dd program administrator should send a registered letter notifying the family that the Parental Placement Agreement indicating the copay and supplemental security income amount(s) will be submitted without their signature and they will receive a bill from the provider for their copay/SSI amount(s). The letter should be cc'd to the provider.

If the parents have not provided the necessary financial information, the regional dd program administrator should notify them via registered letter that they will be responsible for the maximum copayment and receive no SSI deduction for insurance deductible and co-payment, and they can expect to receive a bill from the provider for their copay/SSI amount(s). The letter should be cc'd to the provider.

Case Management should maintain contact with provider staff and notify the Regional Representative of Child Protective Services of the current situation. This may become a child protective service issue if the parental decision(s) affect the health and safety of their child.

Collection of the copayment is the responsibility of the provider, similar to Medicaid recipient liability. The provider will determine if they will continue to serve the child if copayment is not received. Case management must work closely with the provider and the family in the event discharge is initiated.

In the event a child is discharged from a community provider due to parental failure to meet copayment responsibility, a referral to the Developmental Center through D.D. case management should not be initiated even though the child meets the ICF/MR level of care. Referral to the institution should be based on the appropriateness of placement, not payment source. This is not to say a child cannot be referred to the institution for emergency placement when the County has custody. However, institutional placement should not be considered when the child's needs can be met in a less restrictive environment and parental refusal to pay is the reason the child cannot be served in the present setting.

When parents share joint custody of a child in an ICF/MR, the co-payment responsibility for Extended Family Care is split (i.e. the maximum either parent would pay would be $165 per month).

ALL CASES

D.D. case managers will review all cases at least annually to determine if federal financial participation can be accessed or if copayment provisions apply. In addition, the case manager must review the case when:

1) there is a change in service,
2) the individual reaches age 18,
3) Medicaid eligibility status changes (see example below),
4) HCBS indicator changes (ICF/MR level of care), or
5) the consumer's financial situation changes significantly which would result in a lower copayment.

Example: In situations where an individual is **receiving Medicaid but is not screenable to the ICF/MR level of care,** a copayment will not be applied. However, if the Medicaid recipient liability is not met for 6 continuous months, the County will close the Medicaid case at the end of the 7th month because there is no medical need. Central Office claims processing staff will become aware of the Medicaid case closure and will alert the regional dd program administrator. Case management must then determine copayment responsibility based on the fact that the individual is no longer Medicaid eligible. The copayment will be effective the month following the Medicaid case closure.

QUALIFIED MEDICARE BENEFICIARIES (QMB) and SPECIAL LOW-INCOME BENEFICIARIES (SLMB)

Individuals who are enrolled as a QMB or SLMB in Medicaid are not necessarily regular Medicaid recipients. **If the individual is designated as QMB or SLMB only, the copayment applies.** However, an individual may be eligible as QMB or SLMB and regular Medicaid. Under these circumstances the copayment will not apply as Medicaid will have budgeted to determine if there is a recipient liability. If there are questions regarding QMB or SLMB and Medicaid eligibility, contact Central Office.

OTHER INSURANCE POLICIES

If a family carries more than one insurance policy, i.e., major medical and dental for their minor child, the insurance copayment and deductible from both policies can be subtracted from the SSI.

CHILD SUPPORT

In the event child support payment is court directed to the provider for cost of care, the family will be responsible for the difference between the child support payment and copayment responsibility if the copayment responsibility is greater than the child support. If the copayment is less than the child support payment, this does not reduce the child support responsibility.

In the event the **client subject to copay pays child support** to a custodial parent, the child support payment may be deducted from gross income in determining copay responsibility.

In the event a **client is a custodial parent and receives child support** payments, add the payment to the gross family income and divide by the family size (i.e., the family unit consists of a client, her spouse, and her child for whom she receives a child support payment--add the income of all the household members including the child support amount and divide by three.)

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Executive Budget Recommendation

Budget Level		LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
300-48	DEVELOPMENTAL DISABILITIES	10	1001	SALARIES	405,963	17	573,152	654,394	711,483
300-48	DEVELOPMENTAL DISABILITIES	10	1002	TEMP, OT & SHIFT DIFF	66	17	93	100	-
300-48	DEVELOPMENTAL DISABILITIES	10	1006	BENEFITS	120,572	17	170,219	187,824	221,475
		10 Total			526,620		743,464	842,318	932,958
300-48	DEVELOPMENTAL DISABILITIES	30	3002	IT-DATA PROCESSING	240	15	360	300	287
300-48	DEVELOPMENTAL DISABILITIES	30	3003	IT-TELEPHONE	996	16	1,493	290	1,489
300-48	DEVELOPMENTAL DISABILITIES	30	3004	TRAVEL	82,933	16	124,400	75,450	79,500
300-48	DEVELOPMENTAL DISABILITIES	30	3005	IT - SOFTWARE - SUPPLIES	529	16	794	3,182	1,836
300-48	DEVELOPMENTAL DISABILITIES	30	3007	POSTAGE	149	16	224	400	437
300-48	DEVELOPMENTAL DISABILITIES	30	3012	LEASE - RENT BLDG - LAND	45,731	16	68,596	71,322	72,141
300-48	DEVELOPMENTAL DISABILITIES	30	3013	DUES & PROFESSIONAL DEV	13,340	16	20,010	31,117	58,234
300-48	DEVELOPMENTAL DISABILITIES	30	3014	OPERATING FEES & SRVC	584,620	16	876,930	2,510,734	2,355,727
300-48	DEVELOPMENTAL DISABILITIES	30	3016	REPAIRS	53	16	79	120	-
300-48	DEVELOPMENTAL DISABILITIES	30	3018	PROFESSIONAL SERVICES	-	16	-	780	780
300-48	DEVELOPMENTAL DISABILITIES	30	3021	OFFICE SUPPLIES	4,928	16	7,393	7,621	8,200
300-48	DEVELOPMENTAL DISABILITIES	30	3024	PRINTING	25,273	16	37,910	61,002	62,350
300-48	DEVELOPMENTAL DISABILITIES	30	3025	PROF. SUPPLIES & MATERIALS	26,047	16	39,071	37,163	43,750
300-48	DEVELOPMENTAL DISABILITIES	30	3033	MISC SUPPLIES	4,102	16	6,153	6,000	8,800
300-48	DEVELOPMENTAL DISABILITIES	30	6006	GRANTS, BENEFITS, & CLAIMS	101,301	16	151,951	-	-
		30 Total			890,242		1,336,364	2,806,481	2,683,511
300-48	DEVELOPMENTAL DISABILITIES	40	4002	OFFICE EQUIP & FURN	-	16	-	2,000	1,000
		40 Total			-		-		1,000
	DEVELOPMENTAL DISABILITIES Total				1,416,863		2,078,828	3,648,799	3,627,469

Gene Hysjulien
1-24-01
#11 11

Gene Hysjulien

North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	Grant Type	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
300-48 DEVELOPMENTAL DISABILITIES	4172 DD Training Contracts	155,983	16	233,974	263,155	195,138
300-48 DEVELOPMENTAL DISABILITIES	4178 DD Infnts / Tddlrs w/ Handicaps - Part H	469,773	16	704,660	1,408,000	1,310,726
300-48 Total		625,756		938,634	1,671,155	1,505,864

1-24-01

#12

Gene Mark

DEPT OF HUMAN SERVICES

JAN 17 2001

DISABILITY SER DIV

CONTACT DEPARTMENT OF HUMAN SERVICES, GENE MARK, FOR A COPY OF THIS 29 PAGE DOCUMENT

DD TABLES

FOR

MONTH OF NOVEMBER 2000

Includes the November 2000 Reprojection

Includes the Novemeber 2000 Reprojection

10-24-01

#28

Fiscal Administration - Lawrence Hopkins

Date 01/17/2001

Gene

1-24-01

#26

North Dakota Department of Human Services
Caseload Growth in the 2001-2003 DD Grants Budget

Service	Growth	Comments
Adult Day Care	0	
Congregate Care	0	
Day Activity	0	
Developmental Work Activity	0	
Emergency Services	0	Reduced budget by over 1/2 based on current usage.
Extended Familiy Care	0	
Extended Services	0	
Extended Services HCBS	10	5 each May for HS Graduations (includes proj 5 from DC in 99-01)
Family Subsidy	0	
Family Support - In-Home	46	over biennium - growth of 2 per month based on current trends
Family Support - FCO 1&2	0	
Family Support - FCO3	0	
ICF/MR Adult	0	
ICF/MR Children	0	
ICF/MR Physically Handicapped	0	
Infant Development	18	over biennium - Growth of .8 per month based on trend from 7/97 - 3/00
ISLA	20	10 each in May for HS Graduations (includes 25 proj from DC in 99-01)
MSLA	0	
Prevocational Work Activity	10	5 each May for HS Graduations (includes proj 20 from DC in 99-01)
Specialized Placement	0	
SLA	0	
County Waivered	0	
TCLF	0	
Adult Ed Transition Services	0	New Service - currently serving 4 people - project to servie 10 by end of 99-01

1-15-01
Tape 2 - side A Public Comment

Chairmen & members of the committee,

I am here today because my son is a recipient of respit care. I have been receiving help from them now for about two years and I receive 80 hours a month which isn't much, but without it I don't know what I would do.

Day care is out of the question because of my sons disability and putting my son in a home is not an option and it would cost the government between $6 & $7,000 a month if I were to put him in a home. I've thought about quitting my job & staying home, but then I would have to go on welfare.

I think the government should be providing more money for such programs instead of trying to take it away, and no matter how you look at it the government is going to have to provide the money for alternatives such as group homes for families like me that can't afford care for their children.

Thank you

Jessica Lemer
2406 E Thayer Ave #8
Bismarck ND 58501

Phone 258-7041

Grant Wills 1-15-01 #6

Public Comment

House Appropriations Committee

Mr. Chair and Committee Members, we are the parents of two little boys, Cole who is 20 months and Jordan 8 years. Our son Jordan, a normally developing, beautiful little boy had a very prolonged seizure at the age of 16 months, which left him with a devastating brain injury and subsequent disabilities.

I'm sure you realize we could write a book about the days, months, years, following Jordan's injury, and in our minds it could never all be said. There is so very much parents of children with disabilities face on a daily basis that only other parents and family members who have shared the same experience can relate. I say that because I too was once someone who did not truly understand the day-to-day duties involved in having a family member with a disability.

We have chosen to keep Jordan at home with our family, which is, as you well know, where all little children have a right to be. One of the things that keeps our family together is the family support services we receive. A trained caregiver comes into our home to help with some of the special care required for Jordan. Funding for excess needs specifically related to Jordan's disability are also provided by that program.

Shortly after Jordan's brain injury and release from the hospital, he did live at the Anne Carlson Center for Children in Jamestown, ND. ACCC is an ICFMR facility. Though Jordan's care was very involved, we were determined to have him at home with us. After almost two years, we brought Jordan home. The cost of Jordan's stay at the Anne Carlson Center was, at one point, about $10,000 per month. I am not sure what the cost would be now. I do not have an exact figure for the cost of our family support, but I have to say $500 to $1000 a month, on average, is a high estimate.

I guess you know by now that we are asking you to consider the importance of your decision on House Bill #1012. Please consider, if you will for a moment, having to send one of your children away from your home because you do not have the necessary resources to care for them there. Please do not allow our services to be cut short!

Most Respectfully Yours,

Grant & Angela Wilz

3945 61 Ave. SE.

Cleveland, ND. 58424

701-763-6327

North Dak[illegible] Department of Human Services
Detail Su[illegible]ting Developmental Disabilities Operating [illegible]s + Services
Requested by Chairman Svedjan
EXECUTIVE BUDGET RECOMMENDATION

BL	ACC	ACCD	LINE	FB	BOC	BOCD	PB	CB	CHM1	INC/DEC
300-48	4171	DD Director and Staff	30	B	3014	OPERATING FEES & SRVC	10,864	6,265	20,605	14,340
300-48	4172	DD Training Contracts	30	B	3014	OPERATING FEES & SRVC		1,000		(1,000)
300-48	4176	DD Corporate Guardianship	30	B	3014	OPERATING FEES & SRVC	664,364	729,370	708,008	(21,362)
300-48	4178	DD Infnts / Tddlrs w/ Handicaps - Part H	30	B	3014	OPERATING FEES & SRVC	134,323	1,774,099	1,627,114	(146,985)
						Subtotal -->	**809,551**	**2,510,734**	**2,355,727**	**(155,007)**

OPERATING FEES & SERVICES:

	Total	General	Federal
Representative payee - 25 people x $25/month x 24 months	15,000	8,775	6,225
Sexual Offender Consultation	2,500	1,463	1,037
Legal Advertising (notice of rule changes/ RFPs)	2,400	1,404	996
Awards/Rewards/Prizes	500	293	207
Freight & Express	205	120	85
Total CC 4171	**20,605**	**12,055**	**8,550**
Corporate Guardianship Services (300people x $3.20/day x 730 days)	700,800	700,800	
Additional funds due to target number	7,208	7,208	
Total (CC 4176)	**708,008**	**708,008**	
Mediation	15,114		15,114
At-Risk Projects	768,000		768,000
Parent Liaison	40,000		40,000
DD Parent	120,000		120,000
Tracking Program	624,000		624,000
Service Coordinators/Case Management technical support contract	30,000		30,000
AC Council Review costs	30,000		30,000
Total CC 4178	**1,627,114**		**1,627,114**
Grand Total	**2,355,727**	**720,0[illegible]3**	**1,635,664**

1-25-01

HB 1012

TESTIMONY BEFORE THE SENATE APPROPRIATIONS COMMITTEE REGARDING HB 1012
MARCH 6, 2001

Mr. Chairman and members of the Committee. My name is Allan Marx. I am here to testify about the DD Co-payment in HB 1012. After the last session, I received a phone call from my DD case manager at West Central Human Services. She explained to me that I would have to start paying $100 per month for my service provider. Up until this point, my service provider came into my home twice a month to help me with budgeting, with my computer, with filling out government forms, or other things I needed help with. This help allows me to be independent and live on my own.

The formula that they used to calculate what I would have to pay only took into account the income I had, not all the bills I had to pay. I get SSDI and, at the time, only income from plowing snow and mowing lawns. But my income was limited and I could not afford $100 a month. So I got quotes from other providers and had to change to a new one that cost less. This was a really hard adjustment for me because I had been using the same provider for 12 years. I would like to be able to go back to my old provider because it made things much easier for me. They knew me so well and I think the services were better quality. I'm not saying that the one I have now is bad, but the other was much better. It takes me a while to get used to change so a lot of the time I have with my new provider has been used for them to get to know me rather than to help me.

So I would like to see this co-payment done away with. Please put this money back in the budget for people like me and others who are having a tough time paying for services and adjusting to the change. Thank you for your time.

Allan Marx, Sr.
P.O. Box 81
Bismarck, ND 58502
701-224-1402

North[illegible]a Department of Human Services

Deve[illegible]ental Disabilities Community Based Care - AC[illegible]651

2001-2003 Biennium

Current Service Level Budget plus projected caseload increase

NOVEMBER REPROJECTION

Service	TOTAL	Medicaid Total	Federal	State	SWAP (1)	Other	DD State	TOTAL STATE	
Adult Day Care	3,001,800	3,001,800	2,097,656	904,144	0	0	0	904,144	
Congregate Care	2,762,447	2,762,447	1,930,395	832,052	0	0	0	832,052	
Day Activity	9,083,990	9,083,990	6,347,880	2,736,110	0	0	0	2,736,110	
Developmental Work Activity	83,088	0	0	0	0	0	83,088	83,088	
Emergency Services	98,232	0	0	0	0	0	98,232	98,232	
Extended Family Care - Habilitation	1,340,748	0	0	0	0	0	1,340,748	1,340,748	
Extended Services	686,832	0	0	0	0	0	686,832	686,832	
Extended Services HCBS	3,713,736	3,713,736	2,595,149	1,118,587	0	0	0	1,118,587	
Family Subsidy	1,878,140	0	0	0	0	200,000	1,678,140	1,678,140	
Family Support Services	4,284,643	3,554,533	2,483,885	1,070,648	0	0	730,110	1,800,758	
Family Support Services	388,684	368,078	257,618	110,460	0	0	20,606	131,066	
Family Support Services	734,952	734,952	514,396	220,556	0	0	0	220,556	
ICF/MR - Adult	33,675,241	33,675,241	23,532,235	10,143,006	0	0	0	10,143,006	
ICF/MR - Children	14,291,755	14,291,755	9,987,064	4,304,691	0	0	0	4,304,691	
ICF/MR - Physically Handicapped	17,029,588	17,029,588	11,900,262	5,129,326	0	0	0	5,129,326	
Infant Development	1,889,395	920,136	642,986	277,150	0	0	969,259	1,246,409	
ISLA - Habilitation & Personal Care	39,709,896	39,709,896	27,749,202	11,960,694	0	0	0	11,960,694	
MSLA	5,433,044	5,433,044	3,796,606	1,636,438	0	0	0	1,636,438	
Prevocational Work Activity	8,247,687	8,247,687	5,763,474	2,484,213	0	0	0	2,484,213	
Specialized Placement	798,283	798,283	557,838	240,445	0	0	0	240,445	
Supported Living Arrangement	1,348,699	659,159	460,616	198,543	0	0	689,540	888,083	
Title XIX County Waivered Services	1,359,158	1,359,158	949,780	409,378	0	0	0	409,378	
Transitional Community Living - Training	10,089,171	10,089,171	7,050,302	3,038,869	0	0	0	3,038,869	
Adult Education Transition Services	261,078	261,078	261,078	0	0	0	0	0	
TOTAL	**162,190,287**	**155,693,732**	**108,878,422**	**46,815,310**	**0**	**200,000**	**6,296,555**	**53,111,865**	**0**
1999 - 2001 Appropriation	148922689	141089198	99119970	38702980	3266248	500000	7333491	49302719	
Difference (positive = increase)	***13267598***	***14604534***	***9758452***	***8112330***	***-3266248***	***-300000***	***-1036936***	***3809145***	***0***

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PROJECTION NOTES:

Federal Title XIX participation @ 69.99% and 69.87% for the biennium

The explanation for projected growth is included on each table affected by growth

Unit rates net as of Nov 2000 grant reprojection for 99-01 budget

Reflects 2.2% inflation each year.

Cong. Care, ICF/MR Adult, ICF/MR PH, MSLA and TCLF Group homes budgeted @ 97.5% occupancy, or current caseload

DD Community Based Care

1-24-01

H 27

Gene H

North Dakota Department of Human Services

Developmental Disabilities Community Based Care - ACC 3651

2001-2003 Biennium

Executive Budget Recommendation

Revised 12/8/2000

Service	TOTAL	Medicaid Total	Federal	State	SWAP (1)	Other	DD State	TOTAL STATE	
Adult Day Care	3,105,658	3,105,658	2,170,230	935,428	0	0	0	935,428	
Congregate Care	2,544,893	2,544,893	1,778,366	766,527	0	0	0	766,527	
Day Activity	9,438,036	9,438,036	6,595,282	2,842,754	0	0	0	2,842,754	
Developmental Work Activity	83,088	0	0	0	0	0	83,088	83,088	
Emergency Services	97,887	0	0	0	0	0	97,887	97,887	
Extended Family Care - Habilitation	785,814	0	0	0	0	0	785,814	785,814	
Extended Services	743,472	0	0	0	0	0	743,472	743,472	
Extended Services HCBS	3,867,798	3,867,798	2,702,806	1,164,992	0	0	0	1,164,992	
Family Subsidy	1,703,894	0	0	0	0	25,754	1,678,140	1,678,140	
Family Support Services	4,284,643	3,554,533	2,483,885	1,070,648	0	0	730,110	1,800,758	
Family Support Services	368,684	368,078	257,618	110,460	0	0	20,606	131,066	
Family Support Services	719,948	719,948	503,892	216,056	0	0	0	216,056	
ICF/MR - Adult	32,400,380	32,400,380	22,641,359	9,759,021	0	0	0	9,759,021	
ICF/MR - Children	12,703,939	12,703,939	8,877,504	3,826,435	0	0	0	3,826,435	
ICF/MR - Physically Handicapped	16,634,776	16,634,776	11,624,365	5,010,411	0	0	0	5,010,411	
Infant Development	2,301,861	1,121,008	783,353	337,655	0	0	1,180,853	1,518,508	
ISLA - Habilitation & Personal Care	38,107,564	38,107,564	26,629,498	11,478,066	0	0	0	11,478,066	
MSLA	5,045,694	5,045,694	3,525,926	1,519,768	0	0	0	1,519,768	
Prevocational Work Activity	8,514,249	8,514,249	5,949,743	2,564,506	0	0	0	2,564,506	
Specialized Placement	837,225	837,225	585,051	252,174	0	0	0	252,174	
Supported Living Arrangement	1,405,584	686,954	480,043	206,911	0	0	718,630	925,541	
Title XIX County Waivered Services	1,416,218	1,416,218	989,650	426,568	0	0	0	426,568	
Transitional Community Living - Training	9,483,655	9,483,655	6,627,170	2,856,485	0	0	0	2,856,485	
Adult Education Transition Services	255,762	255,762	255,762	0	0	0	0	0	
TOTAL	**156,870,722**	**150,806,368**	**105,461,503**	**45,344,865**	**0**	**25,754**	**6,038,600**	**51,383,465**	**0**
1999 - 2001 Appropriation	148922689	141089198	99119970	38702980	3266248	500000	7333491	49302719	
Difference (positive = increase)	***7948033***	***9717170***	***5341533***	***6641885***	***-3266248***	***-474246***	***-1294891***	***2080746***	***0***
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	0		0					0	

Federal Part C

PROJECTION NOTES:

Federal Title XIX participation @ 69.99% and 69.87% for the biennium

The explanation for projected growth is included on each table affected by growth

Unit rates net as of July 2000 grant reprojection for 99-01 budget

Units rates reduced in the tables for services that are funded 100% with MA funds by 2.04% to account for underfunding of $3,333,333 total funds

Reflects 2.2% inflation each year.

Other funds (which is Part C funds was reduced by $174,246 to account for underfunding.

Cong. Care, ICF/MR Adult, ICF/MR PH, MSLA and TCLF Group homes budgeted @ 97.5% occupancy

1-24-01

Tape3 #6

HB 1012

DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS
Testimony of Tom Wallner Before the House Appropriations Committee
Human Resources Division
On the Developmental Disabilities Council's 2001-03 Budget Request

Mr. Chairman and members of the Committee, my name is Tom Wallner and I am executive director of the State Council on Developmental Disabilities. My testimony pertains to the D.D. Council's budget request which is located within the budget request for the D.H.S. Program and Policy Division.

PURPOSE

The D.D. Council administers the federal Developmental Disabilities Act Basic State Grant allocated to North Dakota. The Council utilizes that funding to advocate policies and to promote and support programs which enable North Dakota's citizens with developmental disabilities to maximize their independence, productivity, inclusion and integration into the community.

By state statute (chapter 25-01-01.1 of the N.D. Century Code), the D.D. Council is administered by the Department of Human Services. From this perspective, the purpose of D.D. Council administration under the D.H.S. umbrella is to provide executive support, management and technical assistance to enable the Council to initiate programs for and advocate on behalf of North Dakotans with developmental disabilities.

SERVICES

To fulfill its mission, the D.D. Council awards grants to state and local agencies and primarily to private nonprofit organizations under four priority activity areas. They are:

-- Employment

-- Community Living

--Child Development

--System Coordination/ Community Education

Project activities supported under these priority areas are intended to:

-- Assist and facilitate employment opportunities for people with D.D.

-- Facilitate community integration and inclusion of people with D.D.

-- Promote prevention of disabilities and minimization of their impact.

-- Facilitate empowerment of people with D.D. and their families to access needed services and supports.

ACCOMPLISHMENTS

For 1999 and 2000, the D.D. Council reported on a number of federally required performance outcomes in its annual Program Performance Report to the Administration on Developmental Disabilities. From the performance outcome data reported in those PPR's, during the 1999-2001 biennium, the following are highlighted as accomplishments:

-- 35 adults with D.D. have jobs of their choice through Council efforts.

-- 27 businesses/employers employed adults with D.D. (Three of these were self-employment business ventures initiated through a revolving loan fund established with S.C.D.D. funds.)

-- 995 people with D.D. have control, choice and flexibility in the services and support they receive through Council efforts.

-- 1,781 individuals with D.D. are valued, participating members of their communities through Council efforts.

-- 1,900 self-advocates and family members were trained in systems advocacy about community inclusion and participation.

- 353 self-advocates and family members were active in systems advocacy about community inclusion and participation.
- 122 people with D.D. attained membership on public and private bodies and boards.
- 1,534 consumers along with professionals and other staff employed in D.D. services were trained in community inclusion and participation.
- 1,371 people including educators and other professionals and family members received training on inclusive education.
- 208 parents were trained regarding their children's educational rights.

A profile listing of current project grants awarded by the Council for fiscal year 2001 can be provided at your request. Similar project information for previous years can also be made available.

BUDGET REQUEST

The Developmental Disabilities Council's proposed budget for the 2001-03 biennium requests $873,457. This amount is 100 percent federal funds. The line item amounts for this total and the comparison amounts for the 1999-2001 budget are:

	2001-2003 Executive Budget Request	1999-2001 Approved Budget	Change
Salaries and Wages	$131,053 1.3 F.T.E.	$122,239 1.3 F.T.E.	+ $ 8,814 -0-
Operating	55,787	55,787	-0-
Equipment	-0-	-0-	-0-
Grants	686,617	821,629	– ($135,012)
TOTALS	$873,457	$999,655	– ($126,198)

Federal requirements dictate that D.D. Councils spend no less than 70 percent of their annual allotments on priority area activities. Our requested 2001-03 budget allocates 78.6 percent of our funding to the grants line item for priority activities. As previously mentioned, those priority areas are: Employment, Community Living, Child Development and System Coordination/Community Education.

I also want to note that the 2001-03 budget request reflects a $126,198 decrease from the 1999-2001 biennium. This decrease is a result of projecting a smaller carryover of unspent federal funds from the present biennium to the next biennium than we projected as carryover from the 1997-99 biennium to the present biennium.

RELATIONSHIP TO D.H.S. STRATEGIC PLAN

Programs and activities of the D.D. Council relate to the following goal identified in the Department of Human Services strategic plan:

-- To support people with disabilities in their efforts to live safely and productively in the least restrictive appropriate setting and to attain employment and independence.

CONCLUSION

This concludes my testimony on the D.D. Council's 2001-03 budget request. At this time I can try to answer questions from committee members.

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-42 DD COUNCIL	10	1001 SALARIES	66,166	17	93,411	100,898
300-42 DD COUNCIL	10	1008 BENEFITS	13,157	17	18,574	30,155
	10 Total		79,323		111,985	131,053
300-42 DD COUNCIL	30	3003 IT-TELEPHONE	-	16	-	50
300-42 DD COUNCIL	30	3004 TRAVEL	17,705	16	26,557	25,321
300-42 DD COUNCIL	30	3007 POSTAGE	83	16	125	1,200
300-42 DD COUNCIL	30	3011 LEASE - RENT EQUIP MENT	-	16	-	200
300-42 DD COUNCIL	30	3012 LEASE - RENT BLDG - LAND	4,618	16	6,927	6,985
300-42 DD COUNCIL	30	3013 DUES & PROFESSIONAL DEV	8,660	16	12,991	9,175
300-42 DD COUNCIL	30	3014 OPERATING FEES & SRVC	1,124	16	1,686	4,770
300-42 DD COUNCIL	30	3016 REPAIRS	-	16	-	200
300-42 DD COUNCIL	30	3018 PROFESSIONAL SERVICES	-	16	-	3,036
300-42 DD COUNCIL	30	3021 OFFICE SUPPLIES	21	16	31	900
300-42 DD COUNCIL	30	3024 PRINTING	85	16	127	1,500
300-42 DD COUNCIL	30	3025 PROF. SUPPLIES & MATERIALS	-	16	-	750
300-42 DD COUNCIL	30	3030 BLDG GRNDS & VEH MTCE SUPP	-	16	-	200
300-42 DD COUNCIL	30	3033 MISC SUPPLIES	-	16	-	1,500
	30 Total		32,296		48,444	55,787
DD COUNCIL Total			111,619		160,429	186,840

Tom Wallner

1-25-01

#1

North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	Grant Type	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	2001 - 2003 Executive Budget Recommendation
300-42 DD COUNCIL	0013 DD Child Development	32,002	16	48,003	75,000
300-42 DD COUNCIL	0014 DD Employment	65,516	16	98,275	175,000
300-42 DD COUNCIL	0015 DD Community Living	77,034	16	115,550	200,000
300-42 DD COUNCIL	0017 DD System Coord / Community Ed.	232,593	16	348,890	236,617
300-42 Total		**407,145**		**610,718**	**686,617**

Tom Wallner

1-25-01

#7

1-15-01

#8

HB 1012

DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS

Testimony of Dr. Bryce Fifield Before the

House Appropriations Committee's Human Resource Division

Mr. Chairman and members of the Committee, my name is Bryce Fifield and I am the Executive Director of the North Dakota Center for Persons with Disabilities at Minot State University. I am also the Chairman of the North Dakota State Council on Developmental Disabilities and I appear before you today on behalf of that Council.

One of the Council's roles is to serve as a public policy advocate on behalf of persons with developmental disabilities. Council members are appointed by the Governor. The Council has a number of concerns regarding the funding levels requested in HB 1012 for services and programs under DHS that serve people with developmental disabilities.

First of all, the Council encourages you to restore $3.3 million of underfunding in the overall D.D. grants budget proposed for the 2001-03 biennium. Of that total, $1 million would be general funds, and $2.3 million is federal funds. This funding supports community based services for North Dakota's citizens with developmental disabilities.

Next, the State Council on Developmental Disabilities recommends that funding in the D.D. grants budget for Individualized Supported Living Arrangements (ISLA) be increased by $1,569,362. Of this total, only $478,874 is in state general funds and is matched with $1,090,488 in federal funds. This funding will allow for additional growth in ISLA services of 30 client placements. These are individuals who have requested ISLA placement or who have been identified by Regional DD case managers as appropriate for ISLA services. Some have recently graduated from high school, and others are living with aging parents. This request was submitted by DHS in an Optional Adjustment Request (OAR) that was not included in the Governor's budget.

Thirdly, the Council encourages you to add funding back into the budget for a Family Care Program proposed in another OAR but that was not approved. This amount totaled $1,080,768, of which $753,456 was federal funding and $327,312 was state funding. The Family Care Program pays participating families for providing care to a family member with developmental disabilities over 21 years old and who lives in the family home. It augments but does not replace existing programs and is intended to be an additional option. Regional D.D. case managers estimate that 174 North Dakota families need and would utilize a Family Care Program.

The D.D. Council also supports the OAR requesting funding to increase hourly pay by $.45 per hour for all staff employed by community-based D.D. service provider organizations across the state. This $6.7 million OAR consisted of $4.6 million in federal funding and $2.1 million in state funding, but was not included in the Executive Budget Request. The Council believes that such a pay increase will help reduce the high turnover among direct care staff, and will enhance the continuity and quality of care provided to people who have developmental disabilities. In 1997, the Legislature mandated that provider pay increases approved in the budget be given to direct care staff only. In the 1999 Session, pay increases were approved across the board for all provider employees. We recommend that the Legislature once again specify that this $.45 per hour pay adjustment be targeted to direct care staff only and not for administrative and support staff employed by service provider organizations.

Our final request is that you consider sufficient funding to cover the actual cost of Corporate Guardianship Services. Since 1986, Catholic Family Service, under contract with DHS, has served as corporate guardian for people with developmental disabilities who have no family member or other individual available or willing to serve as their guardian. There are currently about 300 people in North Dakota who receive this service. Corporate Guardianship is their only alterative. The 2001-03 budget request for Corporate Guardianship purposes level funding which would essentially maintain a reimbursement rate of $3.20 per day per ward. Catholic Family Service has calculated their actual cost to furnish Corporate Guardianship Services to be $4.00 per day per ward. We urge you to adjust funding budgeted for Corporate Guardianship to accommodate the actual $4.00 per day per ward cost of this service.

We believe that these recommendations will enhance opportunities for North Dakotans with developmental disabilities to achieve greater levels of independence, inclusion and community participation.

This concludes my testimony, and I will be happy to answer questions from the Committee.

Opportunity Foundation, Inc.
612 East Broadway PO Box 1027
Williston, ND 58802-1027

January 11, 2001

Honorable Ken D Svedjan
State Representative
Human Resources Division - Appropriations
600 East Boulevard Ave
Bismarck, ND 58505

Dear Representative Svedjan,

I am writing to request your committee's support of NDACF's platform in relation to HB 1012. As our members testified, we are asking for the following:

1. $.45/hour wage increase for all staff.
2. Increase our benefits from 30% to 36.4%.
3. Increase our inflationary increase from 2.2% to 3.0%.

My rationale for my support is simple. We must stay competitive in the labor market, unemployment is low and applications are few. We need to provide incentives for our present employees to stay and attract new applicants who are qualified to do the job. It is my firm belief our requested platform will assist us to achieve our goal.

Thank you for your support.

Sincerely,

Charlie Robinson

Charlie Robinson
Executive Director

Red River Human Services Foundation
2506 35th Avenue South
Fargo, ND 58104-8897
OFFICE: 701-235-0971
FAX: 701-235-1051
E-mail: fargo@rrhsf.org

Together we can help

Board of Directors
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Tom Fischer, Vice Chair
Deanna Bakker, Treas.
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Joseph J. Talley, CPA
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Stephen Dawson
Alice A. Haugen
Woody Caspers
Russell Thane
Doug Payne
Chief Executive Officer
Thomas R. Newberger, CPA

January 12, 2001

Honorable Ken Svedjan and Committee Members
Human Resources Division
State Representative
600 East Boulevard
Bismarck, ND 58505

Re: **HOUSE BILL 1012 - FUNDING FOR DEVELOPMENTAL DISABILITY PROVIDERS**

Dear Chairman Svedjan and Members of the Committee:

I want to thank you for allowing me to testify before your Committee on January 9, 2001. As I indicated in my testimony, I support the North Dakota Association of Community Facilities' request for funding as follows:

1. Increase wages for all staff by 45 cents per hour;
2. Annual inflationary increase of 3%;
3. Increasing fringe benefits from 30% to 36.4%.

The wage adjustments in previous Legislative sessions were greatly appreciated and reduced our turnover. An additional 45 cents per hour for all staff will continue this positive trend.

Annual inflationary increases of 3% per year are needed to pay for costs that we have been told to absorb by the Department of Human Services. Examples include increases in Occupational Therapy, Physical Therapy, Dietitians, Nursing, et cetera.

Increasing the fringe benefits from 30% to 36.4% will help offset double-digit increases in health insurance costs and put our level of funding at the same level as the Developmental Center in Grafton.

Please support the above request and feel free to call me at 701-235-0971 if you have any questions.

Sincerely,

Thomas R. Newberger
Chief Executive Officer

c: Board of Directors

CATHOLIC HEALTH INITIATIVES

Friendship, Inc.

January 12, 2001

Honorable Representative Ken Svedjan:
State Capitol
Bismarck, ND 58501

Dear Representative Svedjan:

I am writing to you regarding your support of increases in (House Bill) HB 1012 for private providers of people with developmental disabilities. As the CEO of Friendship, Inc. and a citizen of North Dakota, I feel it is of the greatest importance that we continue to provide adequate resources in the provision of service delivery to our state's most vulnerable population, people with developmental disabilities.

The areas for increases are as follows:

1. At the very minimum, a 45¢ per hour increase to all staff. Over the past three bienniums, providers have requested $1.25 per hour increase to bring them in line with similar positions within the market as well as state government. The legislature has provided all but the remaining 45¢ per hour of our request over the past two bienniums. Please increase the reimbursement to allow for the remaining 45¢ per hour. It is vital in retention and recruitment of staff.

2. We request fringe benefits be computed at 36.4% of salary costs versus the current 30%. Escalation of health care costs has been tremendous! Current rates for single policies exceed $230 per month and family rates are over $625 per month! Again, our ability to attract and maintain adequate staffing is key. Benefits offered are another vital part of the retention and recruitment issues facing providers today.

3. The preliminary governor's budget has not allowed for any inflationary increase to providers' budgets. We request that a 3% inflationary cost be added to the budget for each year of the biennium. This inflationary rate is minimal but, tied together with the increase in wages of 45¢ per hour plus an increase in fringe benefits from 30% to 36.4%, we feel we can meet the needs of our clientele.

Your support has been vital and much appreciated in the past! We need your continued support in the three major areas identified above in order to provide quality services to people with developmental disabilities!

If you have any questions, I would be happy to meet, discuss or clarify any of the issues you may have.

Thank you in advance for your help and assistance in this crucial matter!

Sincerely,

Jeff Pederson
President/CEO

Providing services for persons with developmental disabilities

1521 Business Loop East • P.O. Box 824 • Jamestown, ND 58402-0824
(701) 252-0162 • FAX (701) 252-7770 • 1-888-252-0162

January 12, 2001

Ken Svedjan, Chairperson
Human Resource Committee
North Dakota Legislature
Bismarck, ND 58505

Dear Mr. Svedjan:

Our agency is in complete support of the position of NDACF in requesting $0.45 per hour salary increase of all employees, a 3% COLA adjustment for each employee, and an increase of allowable fringe benefits to 36.4% of gross salary.

These increases would provide some parity for our staff.

Sincerely,

Jerrold P. Baenen
Administrator

LAKE REGION CORPORATION

ADMINISTRATIVE OFFICE
P.O. Box 108
224 3rd St. SW
Devils Lake, ND 58301
Telephone (701) 662-8681

January 15, 2001

Honorable Ken D. Svedjan
State Representative
Human Resources Division
600 E. Boulevard Ave.
Bismarck, ND 58505

Dear Representative Svedjan:

I am the C.E.O of Lake Region Corporation. We provide support services for around 100 people that have disabilities in the Devils Lake area. It is increasingly hard to attract and keep good direct service staff and support service staff. Our demands on the other hand of providing quality services grow stronger. Providers of services need the increase proposed by the NDACF platform to meet this demand.

As you are aware, services for people that have developmental disabilities in the State of North Dakota are some of the best in the nation. I am afraid that without support, these services will deteriorate and that would not be right for the people that have disabilities in our State. I am a member of the NDACF Board of Directors and I do not feel our requests are excessive.

Please support the NDACF's platform in House Bill (HB) 1012 that asks for the following:

1. 45 cents per hour for all staff of Community Providers.
2. Increase benefits from 30% to 36.4% (current % for Developmental Center).
3. Increase inflationary increases from 2.2% to 3.0%.

Thank you for your time.

Sincerely,

Terrill Brenno,
CEO/LRC

TB/kt

Easter Seals Goodwill ND, Inc.

Creating Solutions, Changing Lives

State Office:
P.O. Box 1206
Mandan, ND 58554-7206
(701) 663-6828
Toll Free: 1-800-247-0698
Fax: (701) 663-6859

Regional Offices:

P.O. Box 1240
Minot, ND 58702-1240
(701) 838-0669
(701) 839-4121
Fax: (701) 838-5998

Best Kept Secret Store
(701) 838-1666

Goodwill Retail Store
P.O. Box 1240
1405 South Bdwy.
Minot, ND 58702-1240
(701) 852-1201

P.O. Box 14214
Grand Forks, ND 58208-4214
(701) 772-0704
(701) 772-0351
Fax: (701) 772-0336

P.O. Box 9376
Fargo, ND 58106-9376
(701) 237-9908
(701) 232-1333
Fax: (701) 234-9390

AgrAbility
P.O. Box 1206
Mandan, ND 58554
1-800-247-0698 ext 303

Goodwill Retail Store
P.O. Box 9376
Goodman Plaza
3207 Main Avenue
Fargo, ND 58106-9376
(701) 234-9101

P.O. Box 756
Jamestown, ND 58402-0756
(701) 251-1446
Fax: (701) 252-9527

P.O. Box 361
Dickinson, ND 58602-0361
(701) 264-1060
Fax: (701) 264-1099

January 15, 2001

Representative Ken Svedjan
Chairman, Human Resources
Division Committee
House Appropriations Committee
State Capitol
600 E. Boulevard Ave.
Bismarck, ND 58505

Dear Representative Svedjan and Committee Members of the Human Resources Division Committee,

Please accept this letter in support of House Bill (HB) 1012 which outlines the North Dakota Association of Community Facilities' (NDACF) platform requesting the following:

1. 45 cents per hour increase for all staff;
2. Increasing benefits from 30% to 36.4% which is the current percentage of benefits for the Developmental Center;
3. Increasing inflationary increases from 2.2% per year to 3.0%.

As a provider of services to persons with disabilities and/or disadvantages throughout North Dakota, Easter Seals Goodwill ND, Inc. is hard pressed to find workers at the current wages allocated by Human Services. As you know, the turnover rate in staff is tremendous and if providers could offer more competitive wages and incentives, workers could be retained.

Please support NDACF's efforts in this important and worthwhile HB 1012.

Sincerely,

Gordon L. Hauge
President/CEO

1-15-01 tape 2 side A 11.5

Public Comment

January 15, 2001

HOUSE APPROPRIATIONS HUMAN RESOURCES DIVISION
HB 1012

CHAIRMAN SVEDJAN AND COMMITTEE MEMBERS:

My name is Jack McDonald. I'm appearing here today on behalf of The ARC . The Arc is an open membership organization made up of people with mental retardation and other related developmental disabilities, their families, friends, interested citizens, and professionals in the disability field.

It is organized on three levels: local chapters, state chapters and the national organization. All three levels provide opportunities to engage policy-makers in efforts to improve public policy affecting people with mental retardation and related developmental disabilities and their families.

The Arc of North Dakota has over 1,200 committed members and friends...your neighbors and constituents...in chapters in Grand Forks, Fargo, Valley City, Jamestown, Bismarck, Dickinson and Bowman.

Our **Mission Statement** is to improve the quality of life for children and adults with mental, retardation and related developmental disabilities and their families through advocacy, education and family support services.

Public policy advocacy is an essential component of the Arc movement, and that's why we're here today. Arc members have worked together over the past 50 years to secure family support services, special education, health care, leisure opportunities, vocational training, community housing and other community support services.

The ARC has a number of legislative priorities for the 57th Legislative Assembly. Our **number one priority is to increase the average wage for Community Provider Direct Care Workers by 90 cents per hour.** Direct care workers are the key element in providing services to people with disabilities. These are the individuals who have direct involvement with people with disabilities for the better part of the day. Direct care workers are in a position that largely mandates the safety and well being of the people they support. A key component in any success of a state service delivery system will be the quality of the direct care workers.

We support the North Dakota Association of Community Facilities (NDACF) request in HB 1012 for a $.45/per hour wage increase for all staff members. However, this does not go far enough. These are the people in the trenches. They deserve the best wages possible. The Arc strongly supports a $.90/per hour wage increase for community provider direct care workers.

Our **next priority is to increase fringe benefits from 30% to 36.4% of salaries.** We support NDACF's request in HB 1012 for this increase. An adequate benefit package needs to be maintained for community providers. Providers have had to down grade their benefit package because of increasing health insurance premiums.

(OVER)

Another **priority is to increase funding for the individualized supervised living arrangement (ISLA) program.** Financing the growth of the ISLA program is critically important. North Dakota should regain lost momentum in reducing reliance on public arid private institutions by placing people in more personalized, supported living arrangements (ISLA).

The Arc supports NDACF's request for additional funding in HB 1012 for the ISLA program, and the Department of Human Services, Developmental Disabilities Grants Budget, Optional Adjustment Request, of $1 .6 million for the ISLA program which was not included in the revised Executive Budget.

Nationally, spending for supported living/ISLA programs have increased 27% per year. To regain lost momentum in North Dakota, additional funding of $8.8 million for the 2001-03 biennium should be considered for the ISLA program.

Families are always a priority and we support increased funding for Family Support Services. North Dakota should increase its commitment to family support spending given the lack of any increases since 1995. Families are the single largest source of care giving services and need support for their family members with disabilities. During 1994-98, the most recent period for which nation wide data is available, spending for family support services increased 17% annually across the nation. To regain lost momentum, The Arc supports additional funding of *$857,780* for family support services.

Another **priority is to enhance the rate of expansion of the Home and Community Based Service Waiver Program.** There has been a slowdown in the state's use of matching federal funds for community based services and supports. North Dakota's growth in federal waiver spending grew by only a quarter of the national average growth rate from 1993-98. The Arc supports enhancing the rate of expansion of the Home and Community Based Service Waiver Program. Expanding the waiver program would require additional funding authority.

Our final **priority is to restore funding for the Department of Human Services, Developmental Disabilities Grants Budget, Optional Adjustment Request to Repeal Co-pay and add Family Care Program.** The Arc supports the Department of Human Services' funding request to repeal co-pay and add Family Care Program that was not included in the revised Executive Budget.

We understand this is a lot to ask. But a lot is needed for North Dakotans with disabilities. If you have any questions, I will be happy to try to answer them. THANK YOU FOR YOUR TIME AND CONSIDERATION.

Chairman Nething, members of the Senate Appropriations Committee, my name is Jon Larson. I am the executive director of Enable, Inc. and am here today to urge you to consider amending House Bill 1012 to allow private providers to increase the rate of pay given to their staff and to maintain their level of fringe benefits.

As providers of services to people with developmental disabilities, our primary concern is to provide consistent quality services to the people to our care. Having well trained staff who are known by the people receiving services and who utilize consistent training techniques is directly related to our ability to provide quality support services. This has become increasingly difficult to do because of the current competitive environment for quality staff. Staff recruitment, wages, benefits, and turnover continue to be primary issues for DD providers.

The Department of Human Services included in their budget request an increase in wages for staff of DD providers of $.45 per hour and an increase in fringe benefits to 33%. These were included in the budget as Optional Adjustment Requests in the Governor's budget. These increases are critical in our efforts to maintain a quality work force.

The House amended HB1012 to increase wages by $.10 an hour for direct service staff. We appreciate this increase but it is simply not enough

to help us keep our staff. There were amendments offered by members of the House Appropriations Committee provide a $.90 increase for staff, as requested by the ARC, but this amendment was defeated. We need a substantial increase to help our staff earn a wage that is somewhat competitive with other options available to them in our community.

A fringe benefit increase is also critical in our efforts to maintain a quality work force. Mandatory fringe benefits, such as FICA, Workers Compensation and Unemployment Insurance consume roughly one-half of our fringe benefit allowance. Health insurance costs have had double digit inflationary increases for several years. Providers have had to respond to these increases by decreasing our coverage our by having our employees pick up a higher percentage of the premium cost. We are asking for an increase in our fringe benefit allowance to 36.4%, which would make us comparable with the fringe benefit costs at the Developmental Center in Grafton.

I urge your consideration of the amendments being sought by NDACF and thank-you for this opportunity to express my views.

H-15-01

#29

NDacf

Current Members/ Organizations

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

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[illegible]

HAVIC Adult Services

Knife River Group Homes, Inc

LESTEN, Inc

Lake Region Corporation

Minot Vocational Adjustment Workshop, Inc

Open Door Center

Opportunity Foundation, Inc

Pride, Inc

REM North Dakota, Inc

Red River Human Services Foundation

Svee Home/Lutheran Social Services of ND

Tri City CARES, Inc.

We are requesting the House Appropriations Committee consider amending HB1012 to add the following to the Developmental Disabilities Budget:

- $.45/hour wage increase for all staff of DD Providers.
- Increase fringe benefits from 30% to 36.4%.
- Inflationary increase from 2.2% to 3% annually.

We started our request for increasing our staff wages by $1.25/hour and increasing our fringe benefit allowance to 33% in the 1997 Legislative Session. That year we were granted a $.44/hour increase. During the last session we were given an additional $.36/hour increase and an increase in our fringe benefits to 30%. While these increases have been helpful, we need the additional $.45/hour and additional fringe benefit allowance to become somewhat competitive for a quality labor force. We have worked with the Department of Human Services on these needs and they did include our request in Optional Adjustment Requests.

Any one of our members would be glad to meet with your committee to answer any of your questions or to provide further clarification.

For further information, please call Todd Kranda, 663-9818.

P.O. BOX 7071 • BISMARCK, NORTH DAKOTA 58507-7071

HB 1012

North Dakota Department of Human Services
Cost of Fringe Benefit and Salary Increases for DD Providers

Reprojected Budget with 2.2% Inflation, 30% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
$.45/Hour Increase	168,813,465	113,376,556	48,754,096	200,000	6,482,813	55,236,909
Increase	6,623,178	4,498,134	1,938,786	0	186,258	2,125,044

Reprojected Budget with 2.2% Inflation, 33% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
33% Fringe Ben	164,900,394	110,718,828	47,608,527	200,000	6,373,039	53,981,566
Cost of FB Increase	2,710,107	1,840,406	793,217	0	76,484	869,701
$.45/Hour Increase	171,653,836	115,304,756	49,585,185	200,000	6,563,895	56,149,080
Cost of Sal. Increase	6,753,442	4,585,928	1,976,658	0	190,856	2,167,514

Reprojected Budget with 2.2% Inflation, 36.4% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
36.4% Fringe Ben	167,914,065	112,764,642	48,490,289	200,000	6,459,134	54,949,423
Cost of FB Increase	5,723,778	3,886,220	1,674,979	0	162,579	1,837,558
$.45/Hour Increase	174,864,883	117,484,587	50,524,702	200,000	6,655,594	57,180,296
Cost of Sal. Increase	6,950,818	4,719,945	2,034,413	0	196,460	2,230,873

SCENARIO.WK4 prepared by c stockert 01/18/2001 01:26 PM

Prepared by
Todd Kinsda

COMMUNITY LIVING SERVICES, INC.

111 North University—Fargo, ND 58102

January 15, 2001

The Honorable Ken Svedjan
Human Resources Division
State Capitol
Bismarck, ND 58501

Dear Representative Svedjan: RE: House Bill 1012

This letter is to encourage your support for the North Dakota Association of Community Facilities platform in House Bill 1012. This platform addresses providing increases in wages and benefits for staff who work with residents of North Dakota who are developmentally disabled. Specifically, the NDACF platform requests 45 cents per hour for all staff; increasing benefits from 30% to 36.4%; and raising inflationary increases from 2.2% per year to 3%.

Our agency, Community Living Services, has been a provider of support services for individuals with developmental disabilities since 1981 in the Fargo region. We believe that addressing the issue of staff wages and benefits is absolutely necessary to maintain quality services for these individuals. Over the past few years, we have found it increasingly difficult to attract and retain good staff. From our exit interviews, completed when a person leaves employment, the number one reason for leaving employment is poor wages. Unfortunately, we have been losing many of the best of these individuals to other states and other types of fields, because they were unable to sustain a living based upon the limited salaries they are paid.

Benefits, in particular health benefit costs, have become a significant issue in the last few years as well. By way of example, five months ago the cost of our health insurance premiums was almost doubled, raised from $177/month (single policy) to $329/month and from $436/month (family) to $810/month. We have had to radically change our benefit structure as a result.

The increases the Legislature has provided in the past have been extremely helpful and have resulted in some improvements in limiting staff turnovers; however, we again request your help in making further progress in this area. We ask for your support in the areas outlined above relative to HB1012. Thank you for your consideration.

Sincerely,

James Berglie, CRC
Executive Director

cr1-15/2

CLS, Inc.

Phone: 701/232-3133
Fax: 701/232-3038

Catholic
Family Service

Bismarck
Fargo
Grand Forks
Minot

2537 South University
Fargo, North Dakota 58103
(701) 235-4457
FAX (701) 239-8266
www.cfsnd.org

January 15, 2001

Honorable Ken D. Svedjan
State Representative
600 E. Boulevard Avenue
Bismarck, ND 58505

Re: H.B. 1012

Dear Representative Svedjan,

I am writing to respectfully ask that you and the members of the Human Resources Division to support House Bill 1012. This bill asks for a wage increase of 45 cents per hour for staff who provide services for people who are developmentally disabled and receive community based services. The bill also asks for an increase in benefits from 30% to 36.4% and inflationary increases from 2.2% per year to 3.0%.

Catholic Family Service/Guardianship Division currently provides guardianship services for over 275 people with developmental disabilities who receive community based services. As guardian, we spend a great deal of time in group homes, apartments, vocational settings and workshops. We see the ongoing struggle of agencies when they try to hire and keep competent staff. Time and time again, excellent staff have quit for better paying jobs not related to human services with less responsibilities. As guardian, this is very troubling to watch. Because of the high turnover rate, our wards do not have consistent staff on a day to day basis and on many occasions programs may be understaffed because of the shortage.

In closing, I again urge you to support H.B. 1012 as it will greatly benefit the quality of services of some of the most vulnerable citizens of North Dakota. Thank you very much for your time.

Sincerely,

Donna Byzewski

Donna Byzewski, Supervisor
Guardianship Division

P. Griffin

Paul Griffin, Executive Director
Catholic Family Service

GOD'S SHARE GOD'S GIFT ACCREDITED COUNCIL ON ACCREDITATION OF SERVICES FOR FAMILIES AND CHILDREN, INC A UNITED WAY AGENCY

Pride, Inc.
People Helping People

- PRIDE, INC. ADMINISTRATION
  1929 N. Washington, Bismarck, ND 58501, (701) 253-7838, FAX: (701) 258-7911
- PRIDE, INC. EMPLOYMENT SERVICES
  2400 E. Broadway, Bismarck, ND 58501, (701) 223-1543, FAX: (701) 223-9480
- PRIDE, INC. WORKFORCE DEVELOPMENT CENTER
  2400 E. Broadway, Bismarck, ND 58501, (701) 258-7915, FAX: 701-258-7924

January 16, 2001

Honorable Ken Svedjan, State Representative, Chairperson
House Appropriations Committee
Human Resources Division
600 E Boulevard Ave
Bismarck, ND 58505

Representative Svedjan,

I am writing to ask your support for the enhancements to HB 1012, to allow for a $.45 per hour increase for all Provider staff, for a 3% increase for each year of the biennium, and to increase the fringe benefit from 30% to 36.4 %.

This will greatly increase our ability to hire and retain good staff, both at the direct care and professional levels, and assist with the sky rocketing costs of health insurance.

Thank you for your attention to this matter.

Sincerely,

Barbara Murry

Barbara Murry, COO
Pride, Inc.

Pride, Inc.
People Helping People

- PRIDE, INC. ADMINISTRATION
  1929 N. Washington, Bismarck, ND 58501, (701) 258-7838, FAX: (701) 258-7911
- PRIDE, INC. EMPLOYMENT SERVICES
  2400 E. Broadway, Bismarck, ND 58501, (701) 223-1543, FAX: (701) 223-9480
- PRIDE, INC. WORKFORCE DEVELOPMENT CENTER
  2400 E. Broadway, Bismarck, ND 58501, (701) 258-7915, FAX: 701-258-7924

January 16, 2001

Honorable Ken Svedjan, State Representative, Chairperson
House Appropriations Committee
Human Resources Division
600 E Boulevard Ave.
Bismarck ND 58505

Dear Representative Svedjan,

The number one priority of Pride, Inc. is quality services. We cannot accomplish quality services without confronting the low salary and benefits received by the staff. The low salary and benefits have a direct relationship to turnover and turnover to quality. We need wage and benefit enhancement for all employees.

Please support enhancements to HB 1012 for a $.045 per hour increase for all Providers staff, a 3% increase for each year of the biennium and an increase for fringe benefits from 30% to 36.4%.

Thank you for your leadership on these issues. I look forward to hearing from you at your earliest convenience.

Cordially,

Charles S. Bisnett, CEO
Pride, Inc.

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A non-profit organization serving people with disabilities

January 16, 2001

Honorable Ken Svedjan
Chairman of Human Resources Division
State Senator
600 E. Boulevard Ave
Bismarck, ND 58505

Dear Senator Svedjan,

The purpose of this letter is to request your support of House Bill 1012. HIT is a private non-profit agency whose mission is to provide superior services that promote independence, dignity and respect to people with disabilities. We provide services to more than 150 disabled people in the Bismarck-Mandan area through residential and vocational services. As a provider of Human Services, our greatest asset is the people that work for us, without quality employees we cannot provide the high level of services that we currently offer.

The $.45 per hour increase is part of the $1.25 per hour we requested two legislative sessions ago. As you know, our hourly rate of reimbursement is dictated on the Dept. of Human Services. With the labor pool at such a low point, it is extremely difficult to attract responsible employees to care for disabled individuals, when they can virtually earn about the same hourly rate at a local fast food restaurant, without the responsibility and regulations. In addition, we need to stay competitive in order to retain the quality, dedicated employees.

Fringe benefits are every increasing. Currently, an employee making the hourly rate reimbursed by the Dept. and taking a family health plan, receives a fringe benefit package in excess of 47% of their monthly wages. We strive to offer a health insurance plan that our employees can afford. This becomes even more difficult when you take into account a monthly gross income of $1,400 per month. Using the current allowance of 30%, you can't afford much of an insurance policy for $268.80 (19.2% = 30% less 7.65% FICA and 3.15% Workers Comp.)

Inflationary increase of 2.2% and 3% respectively over the next two years is the bare minimum that our employees need to keep them from falling behind. Why keep working for agencies such as HIT if your disposable income is not keeping up the annual inflation.

I would like to thank you in advance for your support of House Bill 1012. Should you have any questions, I would be more than happy to visit with you.

Respectfully,

Michael J. Remboldt
Executive Director

1402 2nd St. NW • Mandan, ND 58554 • Tel: 701-663-0379 • Fax: 701-663-1535 • www.hitinc.org

Marla Ludwig Kulig, Executive Director
Jay Klabunde, Assistant Director

January 16, 2001

Human Resources Division Committee
Representative Svedjan

Re: House Bill 1012

Dear Representative Svedjan,

We are writing to you in support of House Bill 1012 and NDACF's platform requests of:

1. 45 cents per hour for all staff
2. Increasing benefits from 30% to 36.4%
3. Increasing inflationary increases from 2.2%/year to 3%.

We feel that these issues are critical to the needs of individuals with disabilities in North Dakota. The problems in staff turnover and loss because of low pay are significant in our organization as well as throughout North Dakota. It is critical that we will be able to further compensate our staff for their hard work and dedication to helping people with disabilities in leading productive and quality lives. We feel that we provide a very important and significant service to the citizens of North Dakota.

If you should have any questions about the services or programs provided by our agency, please feel free to contact me at (701) 839-4240 or I can be reached by email at rehab@ndak.net Thank you.

Sincerely,

Marla L. Kulig
Executive Director

Jay Klabunde
Assistant Director

1421 2nd Avenue Southwest • Minot, North Dakota 58701 • (701) 839-4240 • Fax (701) 838-2621

621 31 Ave S.W.
Minot, North Dakota 58701
Phone 701 839 6650
Fax 701 837 0066

REM
North Dakota

January 16, 2001

Honorable Ken Svedjan, Chairman
North Dakota Legislature
Appropriations Committee – Human Resources Division
600 East Boulevard Avenue
Bismarck, ND 58505

RE: Support for House Bill 1012

Dear Representative Svedjan and Committee Members,

As a member of North Dakota's Association of Community Facilities (NDACF) and the Executive Director for REM North Dakota, Inc. I am requesting your support of NDACF's platform as presented to you on January 9, 2001 for an increase of $.45 per hour for all staff, increasing the benefits from 30% to 36.4% and increasing inflationary increases from 2.2% per year to 3.0%.

In the field of Developmental Disabilities, as well as within other healthcare environments, the costs of screening new employees and providing them with the mandated and essential types of training they need to perform their jobs is extremely costly. On a more human note, it is very disruptive to our clients' lives to continuously have staff turnover, therefore it is imperative that we are able to offer competitive salaries and benefits to our dedicated and loyal workforce, as well as to remain competitive in our increasingly difficult labor market.

The adjustments made by the legislature during the last two sessions have helped to reduce our turnover rate, but the labor market continues to be very tight and extremely competitive. I believe that the $.45 we are requesting will help keep our wages somewhat competitive.

As you know, NDACF is also asking for an increase in our benefit rate, which is currently 30%. The costs associated with providing health and dental insurance for our employees continues to rise, therefore we are asking for an increase to 36.4% to cover the associated costs of providing affordable health insurance for our employees.

An increase in the inflationary percentage to 3% will help us cover increasing costs associated with providing services to the ND citizens with developmental disabilities. These costs include such things as food, electricity, heat, gasoline and professional services such as occupational, physical and speech therapy, which are rising at a rate higher than the inflationary increases have been.

I would like to add one more thing for you and the Committee to think about. I know that the Long Term Care Association has asked for a substantial increase for staff salaries as well. Our association did not feel that asking for a similar increase for DD services would sit well, but you need to realize that we all draw staff from the same labor pool and if the salaries paid by the Long Term Care Industry are significantly higher than what we can pay in the DD field, our problem of staff turnover – due to our staff leaving for higher wages in the Long Term Care field will only be exacerbated.

Thank you for your attention and consideration of our platform.

Sincerely,

Brenda Niess

Brenda J. Niess
Executive Director

Knife River Group Home

608 3rd Ave. W. – RR 1, Hazen, ND 58545 Phone 701-748-6627

January 16, 2001

Honorable Ken Svedjan, Chairman
& The Human Resources Division
600 E. Boulevard Ave.
Bismarck, ND 58505

I am writing in regard to HB1012 and am requesting your full support of the NDACF's platform of:

1. .45 per hour increase for all staff
2. Increasing benefits from 30 to 36.4%
3. Increasing inflationary increases from 2.2%/year to 3.0%

I believe the key to quality services for individuals with disabilities is keeping and maintaining qualified staff. It is very difficult to do that when most businesses around you are paying much more than you can, and do not require the stringent training and testing nor completion of many of the 'unpleasant' tasks that my staff are required to do on a regular basis. Tasks such as dealing with aggressive behavior, incontinence and the clean-up of such, etc.

By increasing the rates I am allowed to pay would make this job the primary job for some of my employees rather than their secondary job, and therefore, increase the quality of work and availability of that employee. (Being short staffed has been a big problem for KRGH, Inc.). Hence, better services to the individuals served.

Again, I ask your full support on HB1012. Let's all work together at improving services to those whom we serve.

Thank you.

Sincerely,

Marilyn D. Jensen

Marilyn D. Jensen
Executive Director

"Empowering people with disabilities to lead meaningful lives"

MEMO TO: HUMAN RESOURCES DIVISION
FROM: NANCY R. MCDONALD
EXECUTIVE DIRECTOR
DEVELOPMENT HOMES, INC.
RE: REQUEST FOR SUPPORT OF NDACF REQUESTS
DATE: JANUARY 17, 2001

As a member of NDACF, and as a contracted provider of services to persons with disabilities in the State of North Dakota, Development Homes, Inc. requests your support for the budgetary increases identified by our provider association.
Each of the requests have a major impact on our ability to attract, train, and keep qualified employees. Small increases have been given over the past 2 legislative sessions; however, those salary increases, and over all budget increases have fallen drastically short of keeping up with inflation, and with the general cost of living. As an example, our health care premiums increased nearly 25% in 2000, and will go up another 10% this year. DHI pays for a single health and dental package for our employees, but the employee must pay out of pocket for dependent and family medical and dental coverage. Out of pocket for a family plan with Blue Cross and Blue Shield costs our employees close to $500. a month. Hourly employees (of which we have nearly 200) cannot afford to work for us. With low wages we can only attract very part time employees who do not see this as a career choice. We are now required to do criminal back ground checks at our expense. These are important, but have brought two issues to light. One, they are very time consuming and can cost up to $30 or $40 per potential employee. There was no increase in our budget to cover the additional administrative time to run these checks or to cover the actual costs of the checks. This is an impossible expense to pass on to the caliber of employee who applies for a job at the amount we pay. The second issue that was brought to light was the fact that we are attracting many employees who have criminal records, several of which we have had to terminate after spending time and money on their hiring, and orientation. The checks take up to 3 weeks and longer if there are multiple out of state work histories.

As previously stated, all of the increases will affect our employees, putting more earnings or benefits into their take home pay. The results will be that we can attract a higher educated, more stable work force that will look at their work as a long term career and commitment. And of course the over all outcome is that the people we serve will be able to achieve greater independence, integration into their communities, and move more quickly into productive jobs because the delivery of services will not be interrupted with the constant turn over of staff.
We appreciate your consideration and support of our requests for:

- An increase of $.45 per hour for all staff
- A 3% overall inflationary increase
- An increase in allowable benefits from 30% to 36.4%

Respectfully,
Nancy R. Mcdonald

2902 South University Drive • Fargo, ND 58103
Telephone 701-232-3301
Fax 701-237-5775
E-Mail: fraser@fraserltd.org
Website: www.fraserltd.org

January 17, 2001

Honorable Ken D. Svedjan
State Representative
600 East Boulevard Avenue
Bismarck, North Dakota 58505

Ref; House Bill 1012

Dear Representative Svedjan:

I am asking for support of the platform presented by North Dakota Association of Community Providers. The platform requests consideration for 45 cents per hour for all staff; a benefits increase from 30% to 36.4%, and an increase to inflationary increases from 2.2% to 3%.

Fraser employs approximately 140 people in the communities of Fargo, West Fargo, and Arthur, North Dakota. We provide residential and day services to adults with developmental disabilities and also provide childcare services to typically developing and special needs children.

We have kept informal statistics of our employment needs for the past year. This information includes direct care (entry level) staffing needs, as well as non-direct care staffing needs. The following observations can be drawn from a sample of this data:

Direct care positions for our Developmentally Disabled (DD) Division are continuously turning over and the number of applications received to fill these positions do not come close to covering the number of open positions. In comparison our Child Care Division and other DD, non- direct care positions continue to attract new employees on a regular basis. Turnover in these positions is less than half of what we see in DD entry-level positions.

A recent example of hiring a receptionist, (again entry-level position) provided this insight: 19 applications were received; 6 were screened for interview. Wages requested ranged from $8/hour to $10.50/hour. In this same period Fraser has 43 part-time direct care positions open with 6 applications to date and our average hourly rate is $7.25/hour. The average hourly rate for childcare is $6.07 and still we are able to attract employees to fill these positions.

We conclude that we need to provide a higher hourly wage to attract people to work with adults in a setting that requires them to interact with personal hygiene issues, toileting, behavior issues, etc. Also under consideration by perspective employees is the fact that our agency is open 365 days a year and operates 24 hours a day. In other industries this non-traditional work schedule typically commands a higher salary for employees.

Our community is currently and has been the past few years very competitive for entry-level positions. We need to be able to compete. An increase to our benefits package and inflationary increases would enable us to negotiate a better employment package for our employees.

Thank you for your consideration of this information. Your service to the citizens of North Dakota is much appreciated.

Sincerely,

Sandra Leyland,
Executive Director

2-1-01

4TH CORPORATION

Main Office
120 11th Street
New Rockford, ND 58356
(701) 947-2147
Fax: (701) 947-2027

Devils Lake Branch
320 West Walnut Street
Devils Lake, ND 58301
(701) 662-4791
Fax: (701) 662-4355

January 17, 2001

Human Resources Division
ND Department of Human Services
600 East Boulevard
Bismarck, ND 58505

RE: Salaries and Fringe Benefits for staff who work with people with Developmental Disabilities.

To whom it may concern:

On behalf of all 4th Corporation employees I am requesting your support on the three requests being presented by the North Dakota Association of Community Facilities.

The three requests are:

1. 45 cents per hour increase for all staff.
2. 3% inflationary increase.
3. Increase fringe benefits from 30% to 36.4%.

We feel these requests are necessary in order to recruit and retain quality staff so 4th Corporation can continue to provide quality services to people with Developmental Disabilities.

Sincerely,

Peggy Hibsch

Peggy Hibsch, Executive Director

The mission of 4th Corporation is to provide real life opportunities to people with developmental disabilities.

TRAES, INC.

Box 423
Stanley, ND 58784
Phone 701-628-2990

Center for Administering Rehabilitation and Employment Services

• New Town • Stanley • Tioga •

January 17, 2000

Honorable Ken Svedjan
State Representative
600 E. Boulevard
Bismarck, ND 58505

Dear Representative Svedjan and Members of the Human Resources Appropriations Committee:

I am writing this letter requesting your support for North Dakota Association of Community Facilities platform for HB 1012. The Association' platform consists of:

1.) 45 cents per hour increase for all staff
2.) Increasing benefits from 30% to 36.4 % (which is the current percent for the Developmental Center)
3) Increasing the inflationary increases from 2.2% per year to 3%.

This is consistent with our request made during the 1999 legislative session. At that time we requested a $1.25 raise for all staff. We received 45 cents in 1999 and 36 cents in 2000 and the 45 cents would bring us to the total of $1.25 originally requested.

We have facilities in Stanley, Tioga and New Town. Historically there has been an effort to save the small town and bring more jobs to them. This has not resulted in an increase in population but instead, a shift of the labor force already present to these new jobs. Since the spring of 2000 we have lost 5 staff to one business that has a new location in Ray. We currently have 120 hours per week open and have had this amount since April of 2000. With current wages and benefits we are unable to attract staff to fill these hours and they are being staffed by existing staff. Further concern is the probability of more staff leaving as other jobs with better pay and less responsibility become available.

I encourage you to support the platform of NDACF for HB 1012. This will increase are likelihood of retaining and recruiting staff.

Sincerely,

Marla Niemitalo

Marla Niemitalo
Acting Executive Director

NDacf NORTH DAKOTA ASSOCIATION OF COMMUNITY FACILITIES

Current Members/ Organizations

4th Corporation
Able, Inc
Agassiz Enterprises
Alpha Opportunities, Inc
Anne Carlsen Center for Children
Catholic Family Service
Community Living Services, Inc
Development Homes, Inc
Easter Seal Society/Goodwill of ND
Enable, Inc.
Evaluation and Training Center
Fraser, Ltd
Friendship, Inc
H.E.L.P., Inc
HAVIT Adult Services
Knife River Group Homes, Inc
L I S T E N , Inc
Lake Region Corporation
Minot Vocational Adjustment Workshop, Inc
Open Door Center
Opportunity Foundation, Inc
Pride Inc
REM/North Dakota, Inc
Red River Human Services Foundation
Sunne Home/Lutheran Social Services of ND
In-City CARES, Inc

We are requesting the Senate Appropriations Committee consider amending HB1012 to add the following to the Developmental Disabilities Budget:

- $.35/hour wage increase for all staff of DD Providers. (original amount of $.45/hour less the $.10 increase granted by the House)
- Increase fringe benefits from 30% to 36.4%.
- Inflationary increase from 2.2% to 3% annually.

We started our request for increasing our staff wages by $1.25/hour and increasing our fringe benefit allowance to 33% in the 1997 Legislative Session. That year we were granted a $.44/hour increase. During the last session we were given an additional $.36/hour increase and an increase in our fringe benefits to 30%. While these increases have been helpful, the additional hourly increase and additional fringe benefit allowance are necessary to become somewhat competitive for a quality labor force. We have worked with the Department of Human Services on these needs and they did include our request in Optional Adjustment Requests. The House has included an additional $.10/hour increase which leaves the wage increase request at $.35/hour.

Several NDACF members are here to provide some brief testimony and answer any of your questions or provide further clarification.

For further information, please contact Todd Kranda, NDACF's lobbyist at 663-9818.

P.O. BOX 7071 • BISMARCK, NORTH DAKOTA 58507-7071

January 18, 2001

Honorable Ken Svedjan
State Representative
600 E. Boulevard Avenue
Bismarck ND 58505

Dear Chairman Svedjan,

I am the executive director of ABLE, Inc. We provide residential, day supports and ISLA services. I am asking you and your committee to support the request for additional funding for providers who serve people with developmental disabilities. The requests are for:

- 45 cents per hour increase for all staff;
- 36.4% for fringe benefits;
- Increasing the inflationary increases from 2.2% per year to 3.0%.

I am very concerned that if increases do not go into effect, several of our staff will be in a position to lose up to $1000 dollars a year starting this May! This is due to the rising cost of health insurance. Our rates have significantly increased over the years. We are anticipating a 15% to 19% increase again this year. I have enclosed information, which gives you a chance to view what might happen to some of our employees who need to have insurance for their family. These employees will be the hardest hit group in our agency.

I would be available should the committee have any questions I might help answer.

Sincerely,

Mary Anderson
Executive Director

Enclosure

MA/cd

Anne Carlsen
Center for Children
Making a difference in the lives of children with special needs

January 18, 2001

Representative Ken Svedjan
Chairman, Appropriations – Human Resources Division
State Capitol
Bismarck, ND 58505

Dear Representative Svedjan:

As a provider of services to children with developmental disabilities and a member of the North Dakota Association of Community Facilities we ask for your support of House Bill 1012. We support the 45 cent per hour increase for all staff, 36.4 percent in benefits which is consistent with the Developmental Center and increasing the inflationary increases from 2.2 percent to 3 percent.

In these times of low unemployment, it continues to be a struggle for us to find good people to take care of our children and to pay them a wage that recognizes the skills required to meet the daily challenges at Anne Carlsen Center. We are fortunate that we have had a history of support from our communities in North Dakota and across the country through their charitable giving to help support our programs. Most providers in North Dakota don't have that same support and rely heavily on the reimbursement that they get from the state and the medicaid program.

We urge your committee to support House Bill 1012 and thank you for your efforts.

Best Regards,

Dan Howell
Administrator

jlk

301 7th Ave. NW • Jamestown, ND 58401 • 701-252-3850 • 800-568-5175 • Fax 701-253-7154 • www.annecenter.org

Enable Inc.

1836 Raven Drive • Bismarck, ND 58501
(701) 255-2851 • Fax (701) 258-4765

January 18, 2001

Honorable Ken D. Svedjan
State Representative
600 East Boulevard Ave.
Bismarck, ND 58505

Re: HB 1012

Dear Representative Svedjan and Committee Members:

I am writing to request your committee's support of the changes to HB1012 that were requested by the North Dakota Association of Community Facilities. I provided my verbal testimony on behalf of our association to your committee on January 09, 2001.

Specifically, we are requesting the following amendments;

1. Increase hourly wage for all provider staff by $.45/hour.
2. Increase fringe benefit allowance from 30% to 36.4%.
3. Increase the inflationary increase from 2.2% to 3%.

We are appreciative of the legislature's past support. The above request is a continuation of the request we started in the 1997 Legislative session where we asked for an additional $1.25 per hour plus an increase in our fringe benefits.

We began working with Gene Hysjulien and Department staff last March on what we felt was necessary in this fiscal period. We were pleased to see our request included in the Department of Human Services OAR's submitted to the Governor's Office. Although not currently contained in HB1012, we urge you to consider amending the bill to include our request.

Without these changes I am afraid we will fall further behind in our ability to be competitive in attracting and retaining a quality work force. If you have any questions I would be glad to meet with you or any members of your committee. I can be reached at 255-2851, ext. 111 or enable@gcentral.com.

Thank-you for your support.

Sincerely,

Jon E. Larson
Executive Director

HAV-IT SERVICES
Harvey
Area
Vocational
Instructional
Training

409 WEST BREWSTER STREET
HARVEY, NORTH DAKOTA 58341-1466
Phone: (701) 324-4636
Fax: (701) 324-4778
website: www.harveynd.com/havit.htm

January 18, 2001

Representative Ken Svedjan, Chairperson
Human Resources Division Committee on House Bill (HB) 1012
State Capital
Bismarck, ND 58505

RE: HB 1012

Dear Representative Svedjan,

This letter is to share our agency's support for NDACF's request for additional funding in HB 1012 as identified below.

1. $0.45 cents per hour for all staff
2. Increasing benefits from 30% to 36.4% (which is the current % for the Developmental Center)
3. Increasing inflationary increases from 2.2 per year to 3.0%.

HAV-IT Services employees 45 full and part-time people who provide support services to people with disabilities in the Harvey area. The current salary reimbursed to us for each full-time equivalent staff working with residents in our group home is $7.64 per hour. In our sheltered workshop, the amount is $8.15 per hour. These pay rates are an average. In other words, we hire new staff at a salary that is less, while we have veteran staff who are earning a greater salary. At a starting wage of less than $15,891 and $16,952 respectively, we are concerned about attracting applicants who have the ability to learn the skills needed to support people with developmental disabilities as well as having the important quality of compassion in a career working with people who have disabilities.

Equally important for us to retain direct service staff, we believe it is important to retain our support staff. They are key leaders in our agency and are responsible for coordinating each of their departments so they are efficient and ultimately lead to the successes and accomplishments of both the staff we employ and the people with disabilities whom we serve. We currently employee six full-time and three part-time support staff who have an accumulative 85 years of experience at our agency.

Finally, increasing health care costs are paired with increasing premium costs. In order to meet these increases, we have worked hard to minimize our unemployment rate and have applied for and received a substantial discount to our Worker's Compensation premium after establishing a "Risk Management" safety program with North Dakota Worker's Compensation Bureau. Currently, we pay 70% of our employee's group health plan premium. In order to stay competitive, we need to continue the 70% benefit level and work toward paying group health premiums at 75% to 80%.

Thank you for considering our input regarding HB 1012.

Sincerely,

Tim Huseth

Tim Huseth
Executive Director

PERSONAL CHOICES -- QUALITY SERVICES

1-25-01

North Dakota Department of Human Services
Cost of Fringe Benefit and Salary Increases for DD Providers

Reprojected Budget with 3% Inflation, 30% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
3% Inflation	164,095,120	110,172,920	47,372,444	200,000	6,349,756	53,722,200
Cost of 3% Inflation	1,904,833	1,294,498	557,134	0	53,201	610,335
$.45/Hour Increase	170,738,168	114,684,327	49,316,945	200,000	6,536,896	55,853,841
Increase	6,643,048	4,511,407	1,944,501	0	187,140	2,131,641

Reprojected Budget with 3% Inflation, 33% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
3% Inflation	164,095,120	110,172,920	47,372,444	200,000	6,349,756	53,722,200
Cost of 3% Inflation	1,904,833	1,294,498	557,134	0	53,201	610,335
33% Fringe Benefits	166,824,134	112,026,073	48,171,166	200,000	6,426,895	54,598,061
Cost of FB Increase	2,729,014	1,853,153	798,722	0	77,139	875,861
$.45/Hour Increase	173,611,651	116,635,106	50,157,744	200,000	6,618,801	56,776,545
Cost of Sal. Increase	6,787,517	4,609,033	1,986,578	0	191,906	2,178,484

Reprojected Budget with 3% Inflation, 36.4% Fringe Benefits, and $.45 per Hour Increase

	Total	MA Federal	MA State	Other Federal	DD State	Total State
Reprojected Budget	162,190,287	108,878,422	46,815,310	200,000	6,296,555	53,111,865
3% Inflation	164,095,120	110,172,920	47,372,444	200,000	6,349,756	53,722,200
Cost of 3% Inflation	1,904,833	1,294,498	557,134	0	53,201	610,335
36.4% Fringe Ben	169,874,141	114,096,859	49,063,698	200,000	6,513,584	55,577,282
Cost of FB Increase	5,779,021	3,923,939	1,691,254	0	163,828	1,855,082
$.45/Hour Increase	176,864,629	118,844,008	51,109,844	200,000	6,710,777	57,820,621
Cost of Sal. Increase	6,990,488	4,747,149	2,046,146	0	197,193	2,243,339

HB 1012

Mr. Chairman, members of the committee, my name is Mary Simonson. I am the Administrator of Open Door Center a community facility located in Valley City. Our agency serves people with disabilities including children and adults with developmental disabilities, individuals with chronic mental illness and people with a brain injury. Open Door Center was established in the late 1950's and when asked, agreed to assist the State with the deinstitutionalization of the State Developmental Centers due to the ARC lawsuit. We have continued to meet the needs of North Dakota citizens with disabilities by expanding our services to provide more cost effective but also quality services. We have met all of the requirements of ICF certification, Basic Care licensing and national accreditation which we received with distinction. However in order to continue to provide quality services we must be able to obtain and retain quality direct contact as well as support staff. We must be able to meet the rising costs.

I am here to day to ask your support of NDACF's request for funds. We are requesting a $.45 per hour raise for the first year of the biennium for all staff, 3 per cent inflationary costs and an increase of our fringe benefits to 36.4% The 45 cents is the remainder of the increase we have asked for over the previous two bienniums. It is the figure that would have provided

comparable pay for the community facility staff and state staff performing similar work. In order to maintain and retain quality staff throughout the community facility network, we need this increase in wages. We are competing with long-term care, acute care hospitals, fast food restaurants and manufacturing concerns that are offering sign-on bonuses. However our staff has more training requirements, does not have support staff readily available 24-hours a day and performs similar work.

The 3 per cent inflation cost for each year of the biennium would assist in meeting the rising cost of fuel for heating of the residential and day program as well as transportation costs. It would also help with increasing food and supply expenses. With our population mirroring that of North Dakota, the need for specialized supplies, medical services and food is rising rapidly. The 3 per cent inflationary increase would help, in part, to meet these costs.

Our current allocation for fringe benefits is 30 percent of the salary line item. With this fraction we must meet the obligated expense of social security, worker's compensation, taxes etc., as well as provide for health insurance, retirement, paid-time off, holidays and any other benefits offered to employees. We all know of the increasing cost of health insurance. Yet, to retain and obtain quality employees we must be competitive with

the outside business world. We must have this increase in fringe benefits. The community facility network has been a cost-saving enterprise for the State. Our rates are one-half to two-thirds of those charged by the State Developmental Center or the State Hospital. It is the best interest of the taxpayers of North Dakota to maintain this viable option not only from an economical standpoint but also from a humanitarian perspective. It is a proven fact that North Dakota diligently strives and provides quality services to its citizens who have a disability.

I would urge you to adopt, as a minimum, the NDACF platform of $.45 per hour increase for all staff for the first year of the biennium, a 3 per cent inflationary increase for both years of the biennium and an increase of fringe benefit allocation to 36.4 per cent, the current fringe allocation for State employees.

I would like to thank you for this opportunity to share my thoughts. I would be happy to attempt to answer any questions that the committee may have.

Pat Kradie

MR/MADAM CHAIRMAN-DISTINGUISHED SENATORS. I AM HERE TODAY TO SPEAK IN SUPPORT OF HB 1012.

SENATORS, I BELIEVE IT IS ABSOLUTELY CRITICAL THAT THIS BILL BE PASSED INTACT, AND MOST ESPECIALLY WITH ALL OF THE FULL FUNDING PROVISIONS. (incl.) THIS IS MOST ESPECIALLY NEEDED IN THE AREAS OF PAY INCREASES FOR THOSE OF US WHO PROVIDE DIRECT CARE TO OUR MENTALLY & PHYSICALLY DISABLED ADULTS. I HAVE HAD THE PRIVILEDGE OF WORKING IN THIS FIELD FOR NEARLY SIX YEARS AND LIKE MANY OF THOSE IN THIS PROFESSION, I WORK TWO JOBS IN AN EFFORT TO MAKE ENDS MEET. MANY OF MY COLLEAGUES AND CO-WORKERS WORK THREE JOBS TO MAKE ENDS (meet) & TO ADEQUATELY PROVIDE FOR THEIR FAMILIES. ONE OF THE MOST DIFFICULT ASPECTS OF THIS JOB, IS THE FACT THAT YOU USE YOUR OWN AUTOMOBILE ON A DAY TO DAY, WEEK TO WEEK AND MONTH TO MONTH BASIS TO TAKE CLIENTS TO THEIR VARIOUS DESTINATIONS, WHETHER IT BE MEDICAL OR DENTAL APPTS, TO THE GROCERY STORE TO BUY FOOD, TO SPECIAL OLYMPICS MEETINGS,ET CETERA. THE COST OF MAINTAINING A CAR, THAT IS USED SO CONTINUOUSLY, IS GETTING TO BE FAR BEYOND BOTH THE PAY AND THE VERY INADEQUATE CONPENSATION WE RECEIVE FOR GAS MILEAGE. THE EFFECT OF ALL OF THIS IS A CONTINUING TREND WHERE PEOPLE ARE LEAVING THIS JOB IN DROVES. IT IS GETTING EXTREMELY DIFFICULT TO FIND PEOPLE WHO WANT TO WORK UNDER SUCH CONDITIONS,AND THOSE WHO DO-DO NOT STAY IN THIS JOB FOR LONG.

RECENTLY, MY CAR BROKE DOWN AND I HAD TO MAKE MAJOR REPAIRS ON IT. I LOST A FULL WEEK OF WORK PLUS IT COST ME 80% OF BOTH MY PAYCHECKS JUST TO FIX MY CAR, NEEDLESS TO SAY HAD I NOT HAD A CREDIT CARD, I WOULD NOT HAVE MADE IT THROUGH THE MONTH & GOTTEN ALL MY BILLS PAID. AND THIS IS WORKING TWO JOBS, BOTH OF THEM IN THE FIELD OF ASSISTING DISABLED ADULTS. I HAVE SERIOUS CONCERNS ABOUT HOW THE AGENCIES IN THIS STATE ARE GOING TO BE ABLE TO DELIVER SERVICES, TO SAY

NOTHING OF DELIVERING QUALITY SERVICES, WHEN THE PAY THEY OFFER IS EQUAL TO WHAT YOU CAN EARN AT MCDONALDS OR AS A JANITOR. IN THIS JOB WE DEAL WITH PEOPLE LIVES...WE ADMINS. MEDICATION, WE HAVE TO ACT IN STRESSFUL OR OFTEN, IN EMERGENCY SITUATIONS. SOMETIMES, IT CAN EVEN BE A MATTER OF LIFE AND DEATH. AND REMEMBER, THE PEOPLE WE SERVE ARE THE SONS AND DAUGHTERS - DISABLED THOUGH THEY MAYBE - OF THE CITIZENS OF THIS STATE. THEY ARE DEPENDING ON US, TO DO THE BEST JOB WE CAN. THAT REQUIRES, HIRING AND RETAINING PEOPLE WHO CAN DELIVER QUALITY SERVICES. IN ORDER TO DO THAT, WE NEED TO PAY PEOPLE WHAT THEY ARE WORTH. PUSHING A BROOM, MAKING A HAMBURGER OR GIVING SOMEONE THE PROPER MEDICATION_WHILE ALL ARE NECESSARY AND WORTHWHILE JOBS, DO NOT REQUIRE THE SAME LEVEL OF RESPONSIBILITY AND TRAINING....THEY SHOULD NOT RECEIVE THE SAME AMOUNT OF COMPENSATION. THIS IS WRONG, THIS IS UNFAIR....IF WE DO NOT RECTIFY THIS INEQUITY...THE DAY WILL COME WHEN THE LEVEL OF SERVICE AND CARE WILL UNFORTUNATELY BE COMPROMISED. WE MUST NOT LET THIS HAPPEN.

THE LEVEL OF TRAINING IN THIS FIELD IS MUCH HIGHER...AND THE REQUIREMENTS MORE STRINGENT, THAN PEOPLE WHO WORK IN RESTAURANTS OR IN OTHER SERVICE INDUSTRIES. THE LEVEL OF STRESS AND PERSONAL LIABILITY FOR SUCH THINGS...AS ABUSE, NEGLECT AND EXPLOITATION IS ALSO VERY HIGH.

YOU HAVE IT WITHIN YOUR POWER TO MAKE THINGS MORE FAIR, MORE EQUITABLE...AND TO PERHAPS, ONE DAY TO EVEN SAVE A LIFE. YOUR SUPPORT FOR HB 1012 IS CRITICAL AND NECESSARY. AND FRANKLY, WE NEED IT MORE DESPARATELY THAN YOU WILL EVER KNOW. THANK YOU.

HB 1012

Testimony

Charles Bremseth, Executive Director
LISTEN, INC.

My name is Charles Bremseth. I am the Executive Director of the LISTEN Center in Grand Forks. Our mission is to serve people with disabilities. We receive funding from the State of North Dakota Department of Human Services to provide Day Services to 52 people with developmental disabilities.

The "Summary of Findings" section of the just recently released Grand Forks Labor Market Study commissioned by the Grand Forks Region Economic Development Corporation and Job Service North Dakota and prepared by the Social Science Research Institute at the University of North Dakota reveals several very interesting pieces of information.

1) There is an estimated labor force of 37,625 people who are available for potential employment opportunities in the Grand Forks primary labor market draw area (40-60 mile area surrounding Grand Forks).
2) It is estimated that 26,371 (70%) adults would change jobs. This shows a fluid job market.
3) The average working age is 38 compared to 44 in the general population.
4) The 2/3 of the labor force (13,056) is trained beyond high school and 1/3 graduated from college or a tech school. This points to a more educated employee.
5) The minimum acceptable wage reported averaged is $10.30 an hour. Over ½ would be willing to accept $10.00 or less. Nearly ½ (13,827) said that an increase in salary would be the main factor influencing their decision to change jobs, and 61% said health insurance would be a factor in changing jobs.

All of this points to trouble for the providers. As the study points out the employee market is fluid, applicants are better educated, there is an expectation of high wages and employees will move into higher paid jobs especially if it comes with health insurance. To add to this frustration, Grand Forks is seeing the opening of a new Super Target, the Alerus Center, The Englestad Hockey Arena, and Best Buy.. There was a call for close to 400 employees. I am told that nine people walked off their jobs at the Target and applied for janitor jobs at the Alerus Center for $9.00 an hour. This is what we are competing with, and it makes employing, training, and retention of direct care staff a problem not to mention trying to keep our professional staff from walking. Without some help I'm afraid that the problem that now exists will only get worse. Please consider our request for a 45 cent increase with the corresponding increase in benefits.
Thank you.

Discover ND Your Gateway to North Dakota

Wage Survey Data for 1996-1998
Return to wages / View OES wages

Occupational Employment Survey (OES)
Below are the **1** occupation(s) matching your request.
Column definitions

OES Code Sort	OES Title Sort	Area Sort	* Est Emp Sort	Hourly Ave Sort	Hourly Median Sort	Hourly Entry Sort	Hourly Exper Sort	Annual Ave $ Sort
68035	Aides, Personal & Home Care	Statewide	390	6.97	6.5	5.8	8.27	14,500

* Estimated employment

Return to top of page

Column definitions
Ave = average
entry = entry level
exper = experienced level
median = the wage where 1/2 of those surveyed were above and 1/2 were below

INA and N/A means Not Available.

Email comments and suggestions to: sviton@state.nd.us

JOB SERVICE North Dakota

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Wage Survey Data for 1996-1998
Return to wages / View OES wages

Occupational Employment Survey (OES)
Below are the **1** occupation(s) matching your request.
Column definitions

OES Code Sort	OES Title Sort	Area Sort	* Est Emp	Hourly Ave Sort	Hourly Median Sort	Hourly Entry Sort	Hourly Exper Sort	Annual Ave $ Sort
67005	Janitors & cleaners	Statewide	5,870	7.75	7.5	6.12	9.04	16,130

* Estimated employment

Return to top of page

Column definitions
Ave = average
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exper = experienced level
median = the wage where 1/2 of those surveyed were above and 1/2 were below

INA and N/A means Not Available.

Email comments and suggestions to: sviton@state.nd.us

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Wage Survey Data for 1996-1998
Return to wages / View OES wages

Occupational Employment Survey (OES)
Below are the **1** occupation(s) matching your request
Column definitions

OES Code Sort	OES Title Sort	Area Sort	* Est Emp Sort	Hourly Ave Sort	Hourly Median Sort	Hourly Entry Sort	Hourly Exper Sort	Annual Ave $ Sort
98705	Refuse & Recyclable Material	Statewide	200	9.21	9.47	7.28	10.86	19,160

* Estimated employment

Return to top of page

Column definitions
Ave = average
entry = entry level
exper = experienced level
median = the wage where 1/2 of those surveyed were above and 1/2 were below

INA and N/A means Not Available.

Email comments and suggestions to: sviton@state.nd.us

JOB SERVICE North Dakota

/ Home / Job Seekers / Employers / Job Insurance /
/ Labor Market Information / Related Sites / Search /

Attach 2

Honorable Senators and Chairperson Nething,

My name is Sharon Kromarek. For 13 years I have worked at an agency in Bismarck that provides services to people with developmental disabilities. I have been in this field for a total of 17 years. First as a direct staff and currently as a Residential Supervisor which requires a four year degree in a related field. It is very frustrating to love your job and pour yourself into the people you serve, yet find that you are unable to meet your financial needs. A 2% raise in salary allowed for each year of the biennium, is a start, but it is still not enough to cover the increase in the cost of living.

Our employee turnover is a horrendous problem. Staff can often go to a fast food restaurant and earn more per hour flipping hamburgers than they can working with a population of people who are really counting on their service. At least 1/3 of our professional staff, with college degrees, are working full time jobs which are supplemented by a second part or full time job to make ends meet. Like wise our direct staff who make less are also working additional jobs which leads to scheduling conflicts as well as burnout. It is disheartening to have topnotch, highly trained staff trying to feed their families on a salary of less than $8.00 an hour. Just recently one of my best staff took a job at Fed. Ex. If they like him, and I know they will... Myself and several of the people he works with will feel abandoned again, as he leaves this job for a higher wage.

Consider if you had a family member living in an apartment or a group home. Wouldn't you want people working there who are long term and care deeply for them??? Since the people we serve become very attached to their staff and often think of them as family, they take it

personally when they leave. They do not understand why some of the best people in their lives are leaving them. Everyone needs and deserves stability in their lives. People with disabilities are no different. Because of the lack of incentive (pay) we often lose the very best. This results in a decline in the type of service we provide. If this were your brother or sister, son or daughter, wouldn't you want the continuity and security for them that caring, long term staff provide???

Yet another concern to me is a decline in qualified applicants. Many applicants aren't even able to fill out the applications properly and we are left to choose from the best of the worst. Supervisors are having to do more and more of the work of the direct staff, in addition to managing their own workload with no extra compensation. Many of us are working horrendous, stress-filled long hours. Yet after years of committed service, all for an annual wage of $20,000. This salary does include the 2% allowed for each year of the biennium, from the last session, which was more than absorbed by the increase in health insurance co-pays.

Low teacher salaries in North Dakota has gotten a lot of attention recently, however, a teacher's starting pay is more than what many of our professional staff receive after many years of service. It's unanimous that people feel that teachers deserve higher pay. When will North Dakota catch on that if it doesn't start paying it's human service field workers a justified wage, the quality of applicants will continue to decline and everyone will lose all around.

One of the reasons some of us do stick around is because we become very attached to the people we work with. They become like family and we often become close to parents and guardians who are counting on us to stay in their lives. Then again some of the people we serve have no family or maybe a limited contact with them. They spend holidays with us and feel a part of our family. Can you imagine being disconnected from your family??? You know what makes it worthwhile to work in this field? It's when I am introduced by Marlin at his annual

team meeting and he says " this is Mrs. Kromarek, she loves me" or when I make my weekly visits and he always asks "do you love me Sharon?" It's when I get a note of appreciation from his mother: READ..... Recently I was in the hospital and staff helped Marlin call me. It warmed my heart to him say "Did it hurt much? Are you okay?, I love you".

I hope that your sons, daughters, and grandchildren are healthy because the future doesn't look bright for those who need extra care. So in conclusion, I urge your Honorable Senators and Chairperson Nething, as people who can make a difference, to consider giving a meaningful raise to the "other teachers". After all, we work 12 months a year, with no recess, and with less pay.

Thank you for your time.

TESTIMONY
HB 1012
SENATE APPROPRIATIONS COMMITTEE
MARCH 1, 2001

Chairman Nething and members of the Senate Appropriations Committee, good morning. For the record, my name is Jeff Pederson and I am the Chief Executive Officer for Friendship, Inc. Friendship, Inc. is one of the largest non-profit providers of services to people with developmental disabilities in the state of North Dakota. Our operations are located in Fargo, Grafton and Park River.

It is as great honor I have today to appear before you representing people with developmental disabilities and the staff who serve and support them. On their behalf let me first say thank you for your compassion in supporting increases in salaries and benefits as well as inflationary increases over the past several bienniums; you have truly shown your commitment to people with developmental disabilities and to the providers of service. Your support is greatly appreciated!

This biennium, again, we come asking and needing your continued support. Over the past 2 bienniums we have requested increases in salaries of $1.25 per hour for all staff. We have graciously received all but 45¢ of this amount. Therefore, I am asking you to support an amendment to House Bill 1012 to allow us to receive a 45¢ per hour increase for all staff. This increase would bring us up to a level comparable to that of a State employee working in similar positions at the Developmental Center or Human Service Center.

My second request is to ask that you support an amendment to increase fringe benefits from 30% of salaries to 36.4%. This increase is necessary to cover all payroll taxes, including FICA, and keep pace with the ever increasing cost of health insurance. Over the past three years our health insurance costs have increased at an average rate of over 15% per year!

Finally, I am asking your support to include an amendment allowing for a 3% inflationary cost per each year of the biennium. Costs for operating continue to rise at a rate greater than 2.2% which is the rate that has been passed by the House of Representatives.

These requests for increases are truly vital to maintaining quality services to people with developmental disabilities. It will allow us to recruit, retain and compete in a very tight labor market. It will allow us to keep pace with increasing health care costs and inflationary costs.

I have been in the field of developmental disabilities for 14 years. I have appeared before this committee eight times; four with the Developmental Center in Grafton and four as a private non-profit provider. In these eight appearances I have produced reams of papers comparing fiscal information, comparable salaries and benefits, etc. What I have failed to do is show you the impact you have in the quality of our services.

Please, in closing, I ask your cooperation to allow me to take you on a little excursion through a typical group home. In order to do so I ask you as well as visitors in the room to please close your eyes for a short period of time and to envision what I am about to describe to you. I know this is dangerous because I may lose some of you to sleep, but I think the experience will help you understand my compassion.

Picture a home. It looks like an ordinary home, set in the middle of a neighborhood in your community. It is surrounded by lush green hedges and there is a flower garden in the front yard. You walk up the sidewalk admiring the landscaping around you. There is a door, it is open and you walk inside. As you look around you see six people who live in this house. They are busy with a variety of activities. Some are watching T.V., others are cooking, one is cleaning and dusting. You spot one person who is in a wheelchair. Their back is towards

you so you can't quite make out their face. You seem to be drawn to that person. As you begin to move closer, you can see that this person's body is severely disabled. This person appears to have little if any motor skills. There are many adaptations on their wheelchair. You greet this person but there is no verbal response, just some grunting sounds. You seem to be able to sense what this person is thinking and feeling yet they remain with their back towards you. You sense this person is loving and kind. You sense a strong spirituality about them. By now you are standing right behind them. You notice their shirt has been soiled with their own drooling. As you take a handkerchief from your pocket and begin to move around the front of the chair you begin to get a glimpse of their face. You are astonished! For the face you see is your face! It is you sitting in this chair.

Imagine being trapped in this body that doesn't function like your current body, you're unable to communicate but realize that your soul, your very soul, is the same.

Please open your eyes. It seems tough to imagine, being a person with a developmental disability. We are literally seconds away from this happening to us each and every day. This is what could happen to any one of us by a head injury, a stroke or other type of diseases.

Let me ask you these questions:

1. If it was you sitting in this wheelchair, how important would it be to have well qualified trained staff? People that know your needs, people who understood your communications?

2. How important would it be to have consistency in staff? Employees who would stay with you more than six months?

3. How important would it be that your staff needed to only work one job to create a living, not two or more? This way when they come to work they would be refreshed, full of energy and ready to be with you and give you the best services possible.

4. How important would it be to you that your staff could wholly focus on your needs and not have to worry about how to pay for medical health benefits for their family?

I hope this has generated some thoughtful consideration for our requests! I do know that you are faced with a gap in revenue. Please know that I do appreciate the tough job each of you has as a member of the legislature. I too have sat in an elected office and I can truly appreciate all you have on your plates.

It has been said that the true measure of a nation's strength can be measured in how they provide for their most vulnerable citizens. So too is it a measure for our great state of North Dakota. Much progress has been made over the last several years in this regard. Please help us continue this great service to people with developmental disabilities by supporting the necessary amendments to House Bill 1012.

Thank you for this opportunity to testify today. I would be happy to try answer any questions you may have of me.

TESTIMONY
HB 1012
SENATE APPROPRIATIONS COMMITTEE
MARCH , 2001

Chairman Nething and members of the Senate Appropriations Committee.

Thank you for this opportunity to testify before you today. My name is Barbara Murry and I am the Chief Operations Officer at Pride, Incorporated, in Bismarck. I come before you today to urge you to:

Approve a 3% overall increase plus $.45 raise for all staff hired by the provider. Competitive wages are a crucial issue for us. The raises granted by the last legislature were greatly appreciated and assisted in slowing staff turnover, for a time. From the time of the last increase until about six to eight months ago, turnover at Pride was approximately 29%. Beginning last summer market conditions began to change and the available labor pool was not large enough to meet the demand. Pride's turnover escalated to 49%. Many of Pride's residential settings operate on a 24 hour basis. We had great difficulty filling shifts. We had to turn away work for the consumers because we were unable to hire staff to lead work crews in early morning or evening settings.

Supervisors at Pride are often hoping to make a career in the disability field. However, wages for supervisors are low, for people with excellent skills who often work 60 hours per week. Failure to allow agencies to give equal increases to supervisors and other professional staff will result in extreme salary compression. If the direct staff can be compared to the life blood of the agency, the mid level supervisors, program

coordinators and other professional staff are the heart of the agency, and the longevity of both is what allows us to provide quality services.

I also urge you to increase the benefits for staff to 36.4%, which would be comparable to state workers with equal positions. Insurance costs have continued to escalate. Pride's increase the last year was approximately 20%. Any increase given over the last year was quickly eaten up by the increased employee participation in the cost of the policy and by the necessary increase in co-pay costs.

Again, I thank you for consideration of our request.

HB 1012

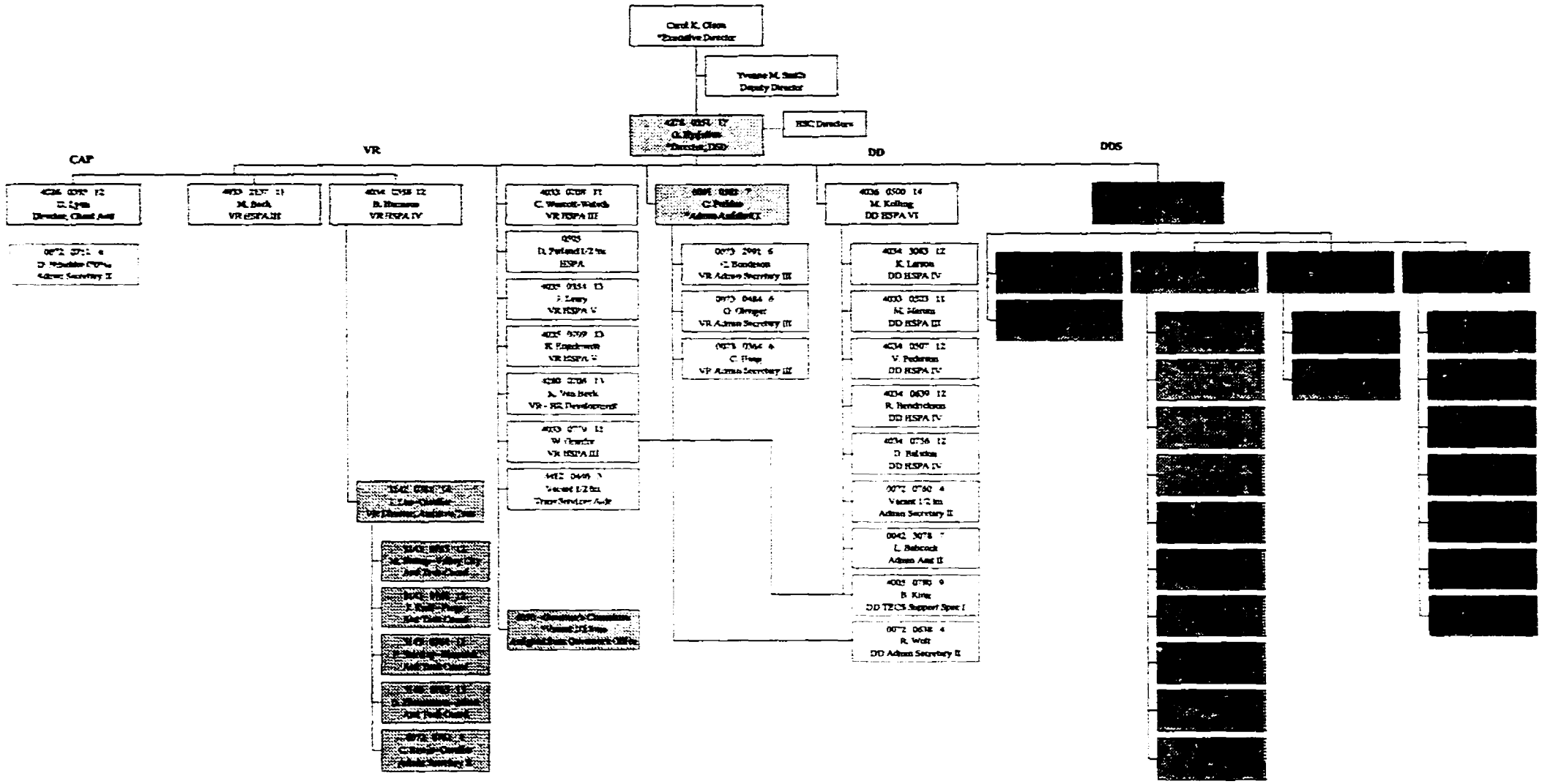
Mr. Chairman and members of the committee for the record my name is Chuck Stebbins. I am employed by the Dakota CIL here in Bismarck.

I would like to make two points relating to IL, VR & DD and people with disabilities.

The first is to bring to your attention and to make you more aware that people with disabilities are the reason for some significant advancements in ~~Ass~~ Technology. Assistive technology in particular.

The second point I'd like to make is: We are a growing community, the disability community nationally numbers approximately at 58 million — ND is at 120,000 plus ~~to include to~~ these are people who have some kind of impairement that affects one or more major life activities (Breathing, seeing, walking etc). In order for people with disabilities to move ~~toward~~ closer toward a point of equality with the rest of society, programs like IL, VR & DD must be funded at a level that will not threaten or reduction in services. It is an investment — we need to work toward getting off the system, not continue to draw from it!

North Dakota Depar[illegible] of Human Services
Disability Services Division



Gene Hysjulien

1-21-01

1-24-01 #14

Gene Hysjulien

North Dakota Department of Human Services
Disability Services Division
Disability Determination Services Employees

Name	Job Title	FTE	Location
Bickel, S	Director	1	Bismarck
Bohne, J	Claims Analyst Trainee	1	Bismarck
Breen K	Claims Assistant	1	Bismarck
Crowe K	Claims Analyst	1	Bismarck
Ell, H	Information Proc. Specialist	1	Bismarck
Enzminger, D	Information Proc. Operator	1	Bismarck
Attl A	Claims Analyst Supervisor	1	Bismarck
Goehring, S	Administrative Assistant	1	Bismarck
Graff, G	Office Assistant	1	Bismarck
Hawley, S	Office Assistant	1	Bismarck
Janko, M	Claims Analyst	1	Bismarck
Keller, S	Claims Analyst Trainee	1	Bismarck
Kessler, D	Senior Claims Analyst	1	Bismarck
Kopp, M	Claims Analyst	1	Bismarck
Lilly, C	Claims Analyst Trainee	1	Bismarck
Lindquist, J	Dis Claims Quality Reviewer	1	Bismarck
Malsom, S	Hearing Officer (1/2 time)	0.5	Bismarck
Vacant		0.5	Bismarck
Martin, J	Office Assistant	1	Bismarck
May, G	Administrative Secretary	1	Bismarck
Meske, D	Claims Analyst	1	Bismarck
Mosbrucker, P	Claims Analyst	1	Bismarck
Riehl, J	Administrative Clerk	1	Bismarck
Schneider, J	Claims Assistant	1	Bismarck
Stephens, B	Claims Analyst	1	Bismarck
Vogel, V	Claims Analyst Trainee	1	Bismarck
Total FTEs		25	

The employees in DDS spend their time determining whether claimants meet the definition of a disability as determined by the Social Security Administration and therefore qualify for Social Security Disability Benefits. The determinations made by the staff of DDS are sent to the Social Security Administration and used to either pay Social Security Benefits or deny Social Security Benefits.

The following is taken from the Code of Federal Regulations that DDS must abide by in making its determinations:

Definition of Disability for Social Security Disability Benefits:

The inability to do any substantial gainful activity because of a physical or mental impairment which can be expected to result in death; or has or will last for not less than 12 months.

The individual must be unable to do previous work or any other substantial gainful activity which exists in the national economy

Determinations of disability or blindness are based only on Social Security Law and decisions on disability or eligibility by other agencies is not binding on Social Security.

#15

SOCIAL SECURITY

Denver Region
Federal Office Building, Suite 325
1961 Stout Street
Denver, CO 80294-3538

DEC 2 1 2000

Sue Bickel, Administrator
Disability Determination Services
600 South Second Street, Suite 4
Bismarck North Dakota 58504

Dear Sue,

" How time flies," this old adage is very true. It's hard to believe that another year has gone by and that again I find myself reviewing regional successes. I was happy to review the many accomplishments of the Disability Determination Services (DDSs) and would like to take a few minutes of your time to thank you and your staff for all your hard work during the last year. Thanks to your dedication and commitment, the disabled population in North Dakota has been well served.

The timeliness of your State's case processing for Social Security was 68 days and for Supplemental Security Income cases was 72 days as compared to the national times of 81 and 84 days respectively. This indicates that decisions were made and payments triggered to those who were allowed benefits almost two weeks sooner in your State than in most of the nation. You can be equally proud that the overall accuracy of your State's decisions exceeded the national accuracy figures for 2000. The DDS had the third lowest consultative examination rate in the nation, and thereby was a leader in managing medical cost.

Again, I want to thank you for all your hard work this past year. I commend your outstanding leadership skills, which are evident in your accomplishments.

I wish you peace and happiness during the holiday season and I look forward to working with you in 2001.

Sincerely,

Richard J. Gonzalez
Regional Commissioner

cc: Gene Hysjulien

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

HB 1012

DAVE NETHING, CHAIRMAN

MARCH 1, 2001

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

DISABILITY SERVICES DIVISION

VOCATIONAL REHABILITATION

Mr. Chairman and members of the committee, for the record, my name is Gene Hysjulien, Director of the Disability Services Division.

INTRODUCTION

According to US Census data, one in every five people living in our state has a disability. That amounts to over 120,000 individuals of all ages. Of that number, about 68,000 are of working age.

For many of these individuals, their disability is recent, while others have had a long-standing severe disability. Often times this prevents them from being employed and living independently.

Vocational Rehabilitation (VR) administers several different programs that provide services to people with disabilities to enable them to become employed or live independently.

Ultimately, VR is an economic development program that invests in people with disabilities through job training and placement and invests in businesses by providing them with disability-related training, supports, and resources.

Vocational rehab

PROGRAM PURPOSE STATEMENTS:

The purpose of Employment Services is to provide training and other services to individuals with disabilities so they can become and remain employed.

Services included in this area of the budget:

- Vocational Assessments and Evaluation
- Career and Disability Counseling
- Job Development and Job Placement
- Funding to businesses for on the job training
- Purchasing training, adaptive devices and equipment, physical and mental restoration services, maintenance, transportation

The purpose of Business Services is to provide consultation, technical assistance, and information to the business community so they can employ individuals with disabilities and expand their customer base.

Services included in this area of the budget:

- Consultation and technical assistance on disability related issues
- Training and technical assistance on accessibility, accommodations, and the Americans With Disabilities Act (ADA).

VR also administers several other programs that promote independence for people of all ages and with all types of disabilities.

The purpose of Independent Living Services is to eliminate barriers and provide assistance to individuals with disabilities so they can live more independently in their homes and communities. VR contracts with four (4) Centers for Independent Living to provide these services throughout the state.

Services included in this area of the budget:

- Independent living skills training
- Self and systems advocacy
- Peer counseling
- Information and referral to other community resources
- Community education

The purpose of Older Blind Services is to provide training, accommodation, and support in daily living activities to individuals with visual impairments so they can maintain independence in their home environment.

Services included in this area of the budget:

- Orientation and mobility training
- Magnifiers, illuminators, and other aides and devices
- Activities of daily living training
- Low vision screening/services
- Counseling

The purpose of the Assistive Technology Program is to provide education and consultation to people with disabilities so they can access assistive technology (AT) devices and services.

Services included in this area of the budget:

- Assistive Technology Loan Library
- Technical assistance in the following areas: funding, adaptive equipment, services and referral, AT assessment and implementation, AT policies and regulations and building local AT capacity

The purpose of Disability Determination Services is to determine eligibility of applicants for Social Security Disability benefits.

Services included in this area of the budget:

- Eligibility determinations for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI)

MAJOR ACCOMPLISHMENTS:

- Close to 1900 people with all types of disabilities became employed through VR services during the past two years. (Chart 1)
- Total client earnings rose from $63,000 per week to $294,000 per week for those who became employed during this last year. (Chart 2)
- For every $1.00 spent on VR services last year, clients who became employed will pay back $2.76 in taxes. (Chart 2)
- Client satisfaction with services was at 95%.
- Over 7000 individuals received services last year with an average of 4900 receiving VR employment training services on any given day. (Chart 3)
- Eight out of ten people receiving services have a severe disability.
- Close to 3000 individuals and businesses received training on the Americans With Disabilities Act and other disability-related issues.
- Over 5600 SSI and SSDI eligibility determinations were made.
- Over 6000 people with disabilities received services through the Independent Living Centers.
- Over 4700 people received assistive technology services.
- Over 6500 people received training on assistive technology.

MAJOR BUDGET CHANGES: (Chart 4)

- VR grants to purchase client services increased by $259,774 in general funds and $691,982 in federal funds over the current biennium's budget. The increase shown on your SIBR reports is more than what I just stated. The reason is that after the budget was submitted to OMB an Emergency Commission action increased our grant authority by $1.3

million. This increase is not reflected on your SIBR reports for the current biennium budget.

- VR moved about $51,000 from their operating and equipment budgets to grants for Client Services.
- Disability Determination Services increased by $252,764 in federal funds. SSA is requiring more continuing disability reviews, which increases the medical costs.
- There was a reduction of $60,791 in general funds for Older Blind grants to individuals.
- There was a reduction of $823,000 in federal funds for Assistive Technology due to a federal grant reduction.
- House action resulted in VR Operating Budget being reduced by $5,000 in general funds.
- House action resulted in Extended Services grants being reduced by $25,000 in general funds.
- House action resulted in the Governor's budget for Independent Living Services being reduced by $300,000 in general funds, with $100,000 of IGT funds included in HB 1196 to replace a portion of those general funds.

CHALLENGES:

- With 120,000 people with disabilities in North Dakota, it is expected that there will be continued demand for employment and independent living services.
- VR is the primary employment service for people with disabilities and has expertise for the business community through our business services initiative. This expertise must be utilized to its fullest extent
- VR needs to remain an active participant in the Workforce Development Council and maintain our connections with all Workforce programs to provide the disability expertise and services for those in the labor pool who have a disability.

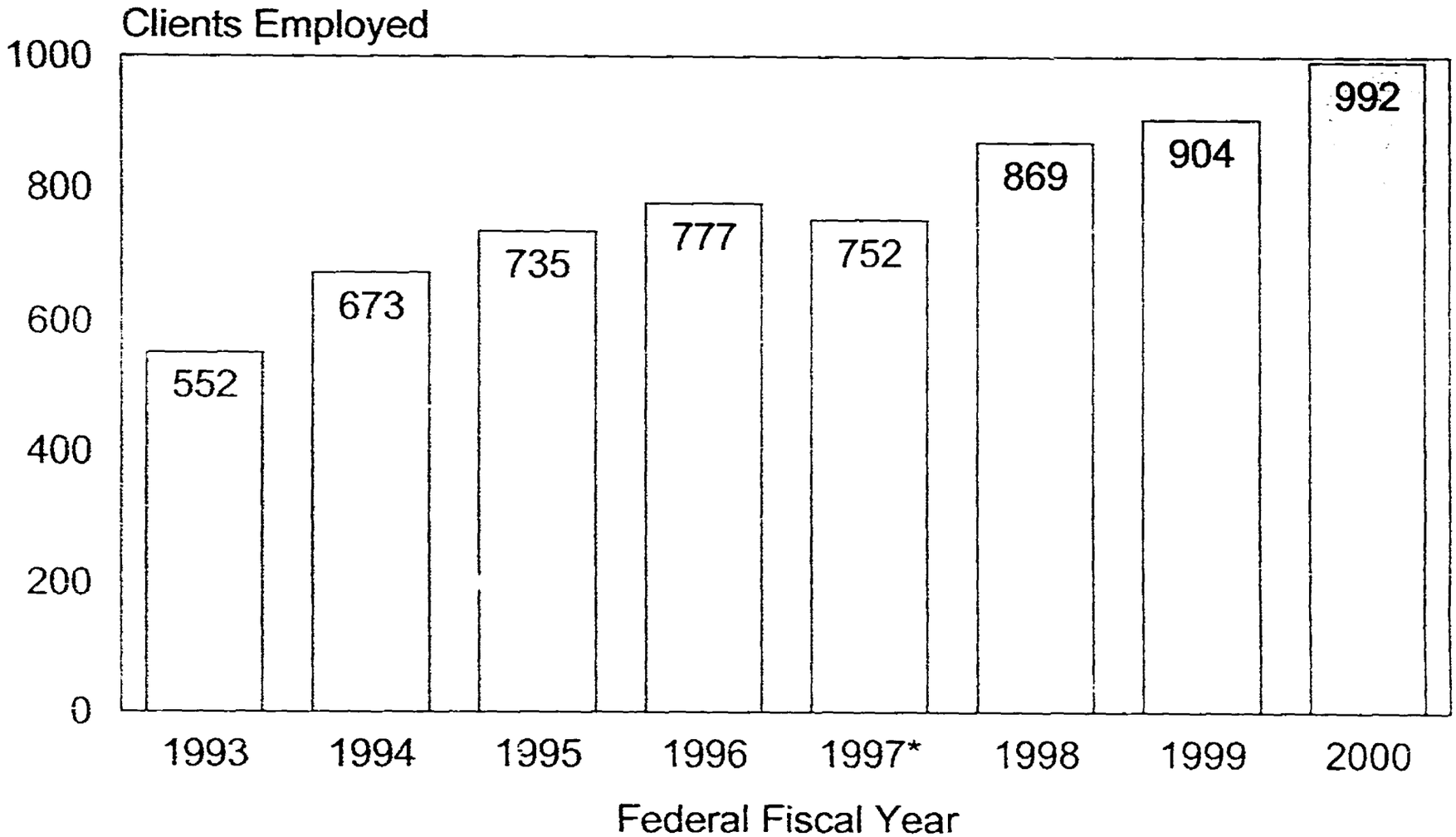
- VR can assist persons with disabilities who have exceeded the time limits for training in the TANF program; but, who with some additional training, can move into competitive employment.
- Independent Living services are essential for providing support services to people so they can live independently and be successful in their employment.
- Technology is the wave of the future for all people, but it is especially critical for people with disabilities because it levels the playing field for them to be successful in employment and independent living.

CONCLUSION:

Vocational Rehabilitation is the primary entity in North Dakota that serves people of all ages and with all types of disabilities. We provide employment and training services, daily living supports and assistance to businesses to ensure that all individuals in our state who have a disability have the opportunity to achieve or maintain their independence.

Chart 1

North Dakota Department of Human Services
Vocational Rehabilitation
Individuals Employed
HB 1012 to Senate



*The decrease in 1997 is due to the flood of April 1997.

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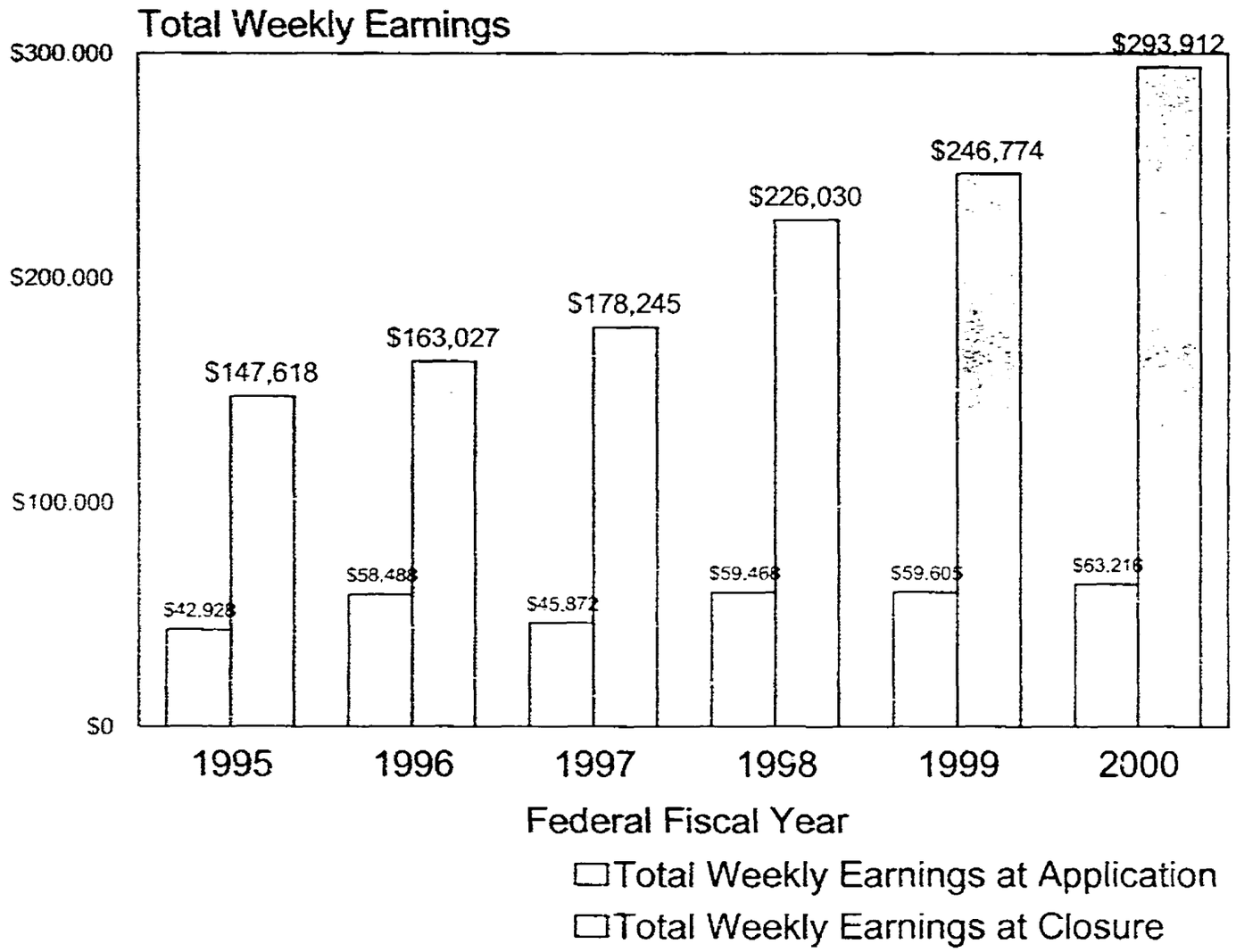
Chart 2

North Dakota Department of Human Services
Vocational Rehabilitation
Client Weekly Earnings/Cost Benefit Based on Client Pay Back
HB 1012 to Senate



Clients pay back **$2.76** in taxes for every $1.00 spent for Vocational Rehabilitation services.

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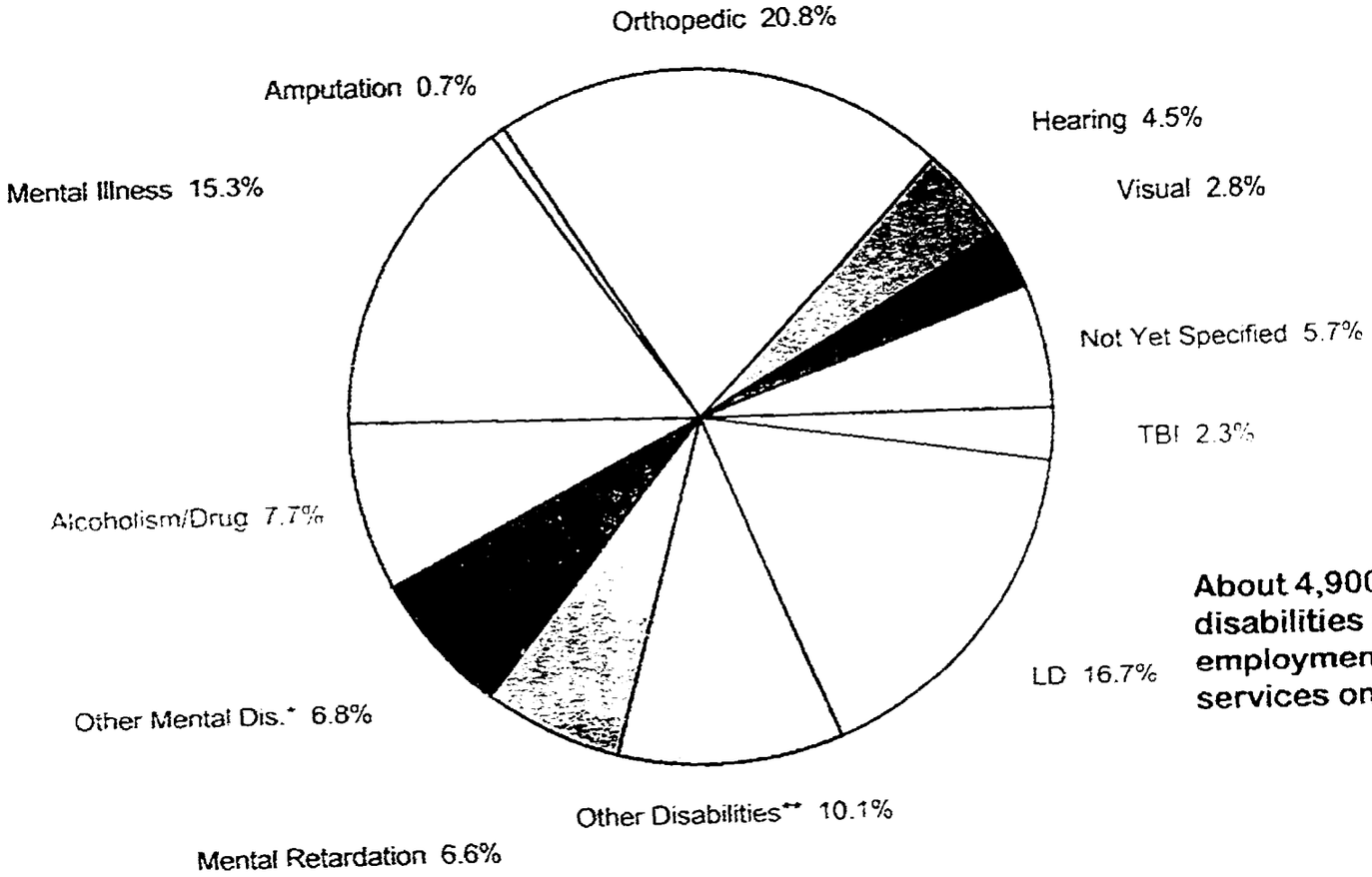
Chart 3

North Dakota Department of Human Services
Vocational Rehabilitation
Clients Served by Disability
HB 1012 to Senate



About 4,900 individuals with disabilities are receiving VR employment and training services on any given day.

*Other Mental Disorders include: Personality disorders, ADD and disruptive behavior disorders, Impulse control disorders, not elsewhere classified

**Other Disabilities include: Other conditions resulting from Neoplasms, Allergies, Diseases of the Blood, Epilepsy, Other disorders of the nervous system, cardiac, circulatory, respiratory, digestive, genitourinary, not elsewhere classified

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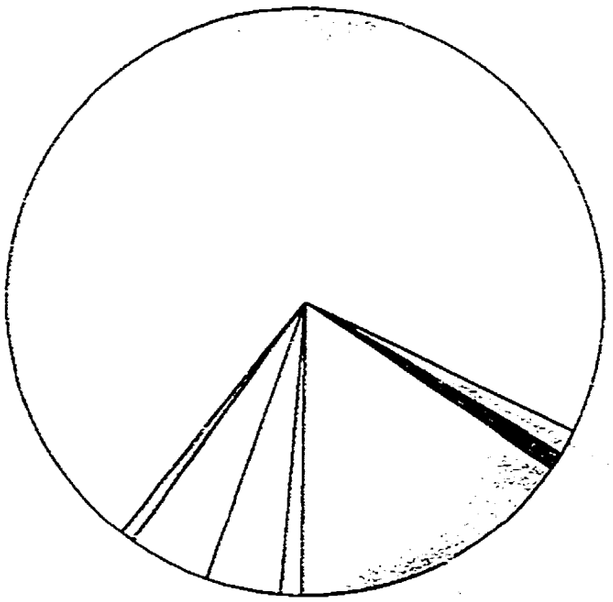
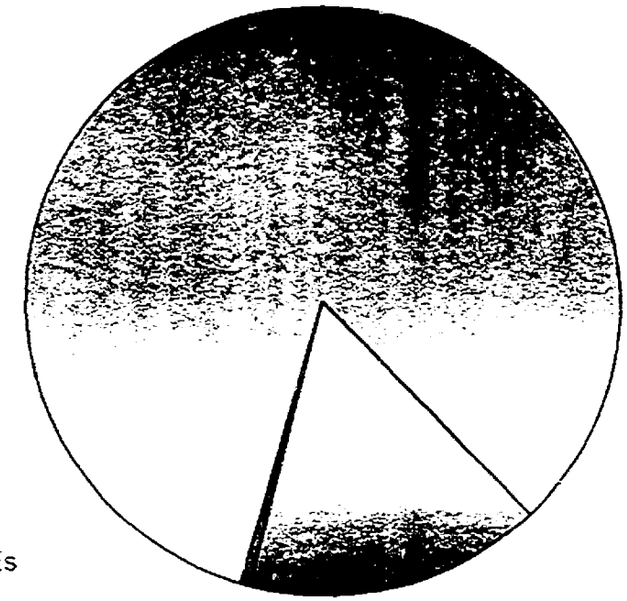
Chart 4

North Dakota Department of Human Services
Vocational Rehabilitation
HB 1012 to Senate
2001 - 2003 Biennium
Total Request: $21,050,961

By Program



By Funding



Vocational Rehabilitation Services at the Human Service Center level total $7,267,500 ($1,685,845 General and $5,581,655 Federal)

House Amendment to HB 1012 reduced general funds by $300,000 for Independent Living. However, HB 1196 includes $100,000 of IGT funds for Independent Living.

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level		LINE	Budget Object Code		Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
300-51	VOCATIONAL REHABILITATION	10	1001	SALARIES	2,079,180	17	2,935,312	2,962,241	2,997,518
300-51	VOCATIONAL REHABILITATION	10	1002	TEMP, OT & SHIFT DIFF	16,351	17	23,083	33,300	33,336
300-51	VOCATIONAL REHABILITATION	10	1008	BENEFITS	644,422	17	909,773	935,342	980,177
		10 Total			2,739,953		3,868,168	3,930,883	4,011,031
300-51	VOCATIONAL REHABILITATION	30	3002	IT-DATA PROCESSING	294	16	442	440	440
300-51	VOCATIONAL REHABILITATION	30	3003	IT-TELEPHONE	7,812	16	11,718	5,172	4,925
300-51	VOCATIONAL REHABILITATION	30	3004	TRAVEL	156,501	16	234,752	347,109	259,350
300-51	VOCATIONAL REHABILITATION	30	3005	IT - SOFTWARE - SUPPLIES	25,389	16	38,083	18 000	21,155
300-51	VOCATIONAL REHABILITATION	30	3006	UTILITIES	329	16	494	2	-
300-51	VOCATIONAL REHABILITATION	30	3007	POSTAGE	33,393	16	50,089	62,965	62,700
300-51	VOCATIONAL REHABILITATION	30	3008	IT - CONTRACTUAL SERVICES	1,614	16	2,421	-	-
300-51	VOCATIONAL REHABILITATION	30	3011	LEASE - RENT EQUIP MENT	4,465	16	6,697	6,590	-
300-51	VOCATIONAL REHABILITATION	30	3012	LEASE - RENT BLDG - LAND	269,155	16	403,733	321,622	321,483
300-51	VOCATIONAL REHABILITATION	30	3013	DUES & PROFESSIONAL DEV	61,005	16	91,508	101,837	90,300
300-51	VOCATIONAL REHABILITATION	30	3014	OPERATING FEES & SRVC	271,559	16	407,339	440,929	154,706
300-51	VOCATIONAL REHABILITATION	30	3016	REPAIRS	32,288	16	48,432	31,112	29,850
300-51	VOCATIONAL REHABILITATION	30	3018	PROFESSIONAL SERVICES	163,275	16	244,913	217,654	253,300
300-51	VOCATIONAL REHABILITATION	30	3021	OFFICE SUPPLIES	17,202	16	25,803	26,048	26,048
300-51	VOCATIONAL REHABILITATION	30	3024	PRINTING	51,779	16	77,668	109,612	94,598
300-51	VOCATIONAL REHABILITATION	30	3025	PROF. SUPPLIES & MATERIALS	14,309	16	21,464	23,214	27,080
300-51	VOCATIONAL REHABILITATION	30	3029	MEDICAL, DENTAL & OPTICAL	18,507	16	27,761	38,591	26,000
300-51	VOCATIONAL REHABILITATION	30	3030	BLDG GRNDS & VEH MTCE SUPP	1,371	16	2,057	4,848	1,344
300-51	VOCATIONAL REHABILITATION	30	3033	MISC SUPPLIES	111,052	16	166,578	152,602	37,765
		30 Total			1,241,302		1,861,952	1,908,347	1,411,044
300-51	VOCATIONAL REHABILITATION	40	4002	OFFICE EQUIP & FURN	5,825	16	8,738	32,550	13,300
300-51	VOCATIONAL REHABILITATION	40	4003	IT - EQUIPMENT	22,937	16	34,406	-	-
300-51	VOCATIONAL REHABILITATION	40	4020	OTHER EQUIP	59,554	16	89,330	120,375	39,428
		40 Total			88,316		132,474	150,925	52,728
300-51	VOCATIONAL REHABILITATION	50	5020	OTHER CAPITAL PYMNTS	312	16	468	-	-
		50 Total			312		468	-	-
	VOCATIONAL REHABILITATION Total				4,069,882		5,863,062	5,990,155	5,474,803

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North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	Grant Type	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Budget	2001 - 2003 Executive Budget Recommendation
300-51 VOCATIONAL REHABILITATION	5001 Director and Staff	160	16	240	0	0
300-51 VOCATIONAL REHABILITATION	5008 Older Blind / Vision Rehab Specialists	185,085	16	277,627	146,250	189,299
300-51 VOCATIONAL REHABILITATION	5009 Client Assistance Programs	0	16	0	0	18,000
300-51 VOCATIONAL REHABILITATION	5012 Randolph Sheppard - Coca Cola	15,021	16	22,532	38,754	45,000
300-51 VOCATIONAL REHABILITATION	5013 Tech Asst for Indivduals w/ Disabilities	71,091	16	106,536	419,413	0
300-51 VOCATIONAL REHABILITATION	5102 Telecommunications - Equipment Dist.	165,444	16	248,167	321,127	0
300-51 VOCATIONAL REHABILITATION	5111 Contracts for Rehab Services	161,274	16	241,911	253,830	320,000
300-51 VOCATIONAL REHABILITATION	5112 Basic Support - Case Services	7,208,819	16	10,813,229	9,806,944	12,058,700
300-51 VOCATIONAL REHABILITATION	5113 SSA Reimbursement	0	16	0	200,000	400,000
300-51 VOCATIONAL REHABILITATION	5121 Independent Living Services	594,045	16	891,067	921,699	1,221,699
300-51 VOCATIONAL REHABILITATION	5138 Disability Determination Services	619,731	16	929,597	630,549	950,000
300-51 VOCATIONAL REHABILITATION	5203 Extended Services	63,523	16	95,284	170,000	170,000
300-51 VOCATIONAL REHABILITATION	5206 Supported Employment TITLE VI-C	363,852	16	545,778	523,000	533,460
300-51 Total		**9,448,045**		**14,172,068**	**13,431,566**	**15,306,158**
Grand Total		**10,073,801**		**15,110,702**	**15,102,721**	**17,412,022**

Cost Center 4172 - One contract does quarterly billings so the projection is understated.should be around $246,000.
Cost Center 4178 - Expended plus obligated in contracts equals $1.3 million. Expect expenditures to be around 1 million
Cost Center 5111 - Expended plus obligated in contracts equals $261,418. Some providers are behind on billings
Cost Center 5113 - Actual expenditures are $97,000 (in December). Will use up to 200,000 to help fund Case Services once funds are received from feds.

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TESTIMONY BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
CONCERNING HOUSE BILL 1012
JANUARY 4, 2001

Chairman Timm, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear before you today to provide you background information regarding the budget request for the Medicaid and Healthy Steps Programs.

MEDICAID

- Enables many low-income individuals and families to access health care through a comprehensive network of providers
- Program purpose is to ensure the delivery of medical services in the most efficient and economical manner so that recipients can improve or maintain their health
- Authorized by Title XIX of the Social Security Act and has shared funding between federal and state governments
- Minimum federal match 50% - ND match 69.99% through 9-30-01; 69.87% from 10-1-01 to 9-30-02
- Last 9 months unknown – Estimate 69.87%
- Federal government requires certain individuals must be covered (Example, SSI recipients; poverty level children & pregnant women)
- Allows flexibility for other groups (Example, Medically Needy)
- Federal government requires all recipients receive basic services (Example nursing facility; hospital, physician services)
- States may also provide an array of additional optional services (drugs, dental, vision, case management etc.)
- For many, Medicaid is the only health care coverage available

- In other cases Medicaid is secondary (For example, Medicare & private insurance)

Recipients

- Number of recipients has remained relatively stable since 1997
- Number Eligible August 97 = 42,951; Number eligible November 00 = 42,450
- Number receiving services monthly has not changed significantly. Averaged 33,025 August – October 97 compared to 33,296 September – November 00. Budget based on number of individuals who use each service trended forward. (See Chart A)
- Prior to 1997 the number of children and adult caretakers had declined dramatically. Since 1997, the numbers have remained fairly constant. The number of children has declined by about 600 since August 1997. Adults have remained virtually unchanged. (See Chart B-1)
- Aged and disabled continue to utilize services at a greater rate than children do and the number of individuals eligible for the program has also increased in the last six months (See Charts B-2 & Chart C)

Strategic Planning

- Medicaid instituted strategic planning to assist us in improving the delivery of services and measure outcomes.
- Goals: 75% of providers satisfied with customer service; 50% satisfied with payment structure. Also interested in how satisfied providers are with current amount of payment
- Chart D contains preliminary provider survey information. Detailed information available later in January
- Recipient goal: 80% satisfied with services they receive. Preliminary data indicates that 82.2% of recipients rated their satisfaction 6 or better on a

scale of 1 to 10. A total of 43.4% rated their satisfaction a 10. (Chart E provides additional preliminary information about the survey)

Intergovernmental Transfer

- Federal regulations a) permit states to pay government owned nursing facilities different than other facilities; b) provide that total payments for nursing facilities cannot exceed Medicare rates; and c) allows government entities to transfer funds to another entity
- Enabling legislation passed in 1999 that will sunset establishing program in North Dakota
- Medicare rates compared to Medicaid rates yearly for nursing facilities; differences create a pool amount that is paid to the two government owned facilities in ND. Currently, they retain $10,000 and return remainder
- Federal portion of payment is deposited in trust fund. This biennium a total of $43.2 million of which $6.5 million is approved for loan and grants to create alternatives to nursing facility care and $4.2 million for SPED
- Anticipate additional $18.5 million in next biennium
- New federal regulations will phase out program by 2005. Current federal fiscal year 100%, then 75%, 50% & 25% for the remaining three years
- Budget proposal transfers $25 million for state match for nursing facilities; $3.8 million for HIPPA; $.4 million for landfill at State Hospital .2 million for statewide study of need for long term care services; $13 million for federal contingency and $9 million that could be used for other purposes
- Separate bill would allocate funds differently

Overall Medicaid Appropriation

- Medicaid continues to increase primarily due to increase in drug costs; general inflation & some increases in utilization

- In total requesting $597.7 million; $131.7 million general funds; $25 million from intergovernmental (IGT) transfer trust fund; & .7 million from other sources (See Chart F for details by service)
- Current total biennium budget, including Emergency Commission approval, $579.6 million of which $157.2 are general funds
- IGT funds of $26.4 million in next biennium budget, compared to $61.5 million in the current budget
- Excluding IGT and Healthy Steps, actual increase $48.1 million of which about $15 million are non-federal funds
- Excluding IGT and Healthy Steps, overall increase of 9.3% and a 10% increase in non-federal funds. Blue Cross/ Blue Shield request is 16.4% for Healthy Steps
- Healthy Steps request is $8.9 million; $1.9 million in general funds compared to $3.9 million of which $.8 million are general funds this biennium
- Inflation for most services at 2.2% per year. Exceptions include Medicare Part B premiums. The Department is required to pay premiums for certain recipients. Premiums are set by federal government and are estimated at 6% per year based on past trends. Other exceptions: nursing facilities; drugs; Indian Health Service; and HMO are discussed later

Nursing Facilities

- Payments made based on Minimum Data Set Process. Each facility has 34 rates. Payment based on the intensity of care each resident requires
- Request at $264.6 million of which $79.7 million are non-federal funds. Current budget $252.4 million of which $75.1 are general funds (Chart G illustrates the increase in nursing facility payments since 1990)
- Includes inflation of 3.78% for 2001; 2.8% for 2002, 2.75% for 2003 based on use of 50% of CPI and 50% of Data Resources Inc. (DRI); 3% operating margin & indirect care incentive payment

- Reduces the number of Medicaid recipients occupying nursing facility beds by 35 per year based on trends early in current biennium
- Latest information over past 3 months indicates that the number of Medicaid residents is on the increase rather than decreasing. Last 3 months averaged 3,717; budgeted to start at 3,656 and decrease to 3,586 per month
- Budget includes moving $700,000 in general funds to other funds
- House Bill 1117 establishes Targeted Case Management for individuals at risk of requiring or needing long term care services. Savings will occur because Medicaid eligible SPED and Expanded SPED clients currently receiving case management at 100% general funds will be eligible for Medicaid Targeted Case Management Services. Cost is about $1.1 million of which $338,000 are general funds. Overall savings totals $445,000 in general funds

Drugs

- Payments based on the ingredient cost calculated at Average Wholesale Price less 10% plus dispensing fee of $4.60
- States are required to cover approved drugs in exchange for a rebate from drug manufacturers based on a best price formula. Currently budgeted at about 16.4% of the amount of the payment to pharmacies
- Continue to experience tremendous growth in this category. The request, net after rebates totals $79.1 million of which $23.8 million are non-federal funds. Current biennium budget totals $50.4 million of which $15 million are general funds
- Projecting to expend $63.5 million this biennium of which $18.9 million is general funds. Current expenditure reprojection will likely show a need for additional funds in this category
- Provides for inflation factor of 7% per year

- Excludes $.6 million that will be saved if prior authorization is permitted by HB1116. If rejected, this amount would need to be added to the drug appropriation

Hospital Services

- Use of hospital services by Medicaid recipients continues to decline. Inpatient request is $59.3 million of which $17.8 million are general funds. Current biennium budget $61.6 million of which $18.3 million is general funds
- Continue to predict fewer inpatient stays of about 4% per year. Also utilization review process eliminates unnecessary stays
- Although not budgeted, intend to provide additional payments to Disproportionate Share Hospitals who serve a large number of Medicaid recipients
- Would like to consider different payment process for small rural hospitals. Currently these hospitals paid on Diagnosis Related Groups. Payment based on a cost to charge ratio would simplify payment and would increase payments. Currently not included in the budget
- Outpatient request is $30.8 million of which $9.3 million are general funds. Current appropriation is $33.7 million of which $10 million are general funds. Trends indicate the number of services will continue to decline.
- Will be adopting the Ambulatory Payment Classification Groups (APCs) for payment of outpatient services. Currently pay based on a retrospective payment process that creates budget problems. Payments will be made on a prospective basis and will be budget neutral

Managed Care

- Our Health Maintenance contract with Altru Health Care will end June 30, 2001. At that time Blue Cross/Blue Shield will take over operations

- Anticipate that we will continue the "capitated" process; but it is unknown at this time what the future will be
- Number of individuals enrolled in Grand Forks County has declined due in part to very little marketing activity because of the anticipated change in operations
- Budget request is $2.2 million of which $.7 is general funds; current budget is $3.0 million of which $.9 is general funds. It is anticipated that rates will increase 3% per year.

Indian Health Services

- Services provided by the Indian Health Service or contracted directly to Tribes can be claimed at 100% federal match
- Payment is based on an encounter rate established by the federal government for an outpatient and inpatient service, currently $172 for an outpatient service and $1157 for an inpatient day of service
- Past trends indicate that the encounter rates will increase by 10.6% per year
- HCFA considering to allow states to claim 100% federal dollars in those instances where the Indian Health Service or Tribes make a referral to a private contract provider

Healthy Steps

- Authorized by Congress in 1997. Provides federal matching funds of about $5 million per year beginning in federal fiscal year 1998 to provide health care coverage to children under 19 years of age. State match of about 21% for North Dakota. States have flexibility within federal guidelines to develop the program

- 1999 Legislative Assembly authorized the Department to develop a separate insurance program for children. Program was implemented on October 1, 1999, with no additional administrative staff
- Coverage limit at 140% of the poverty level ($23,880 for family of four) (Chart H shows current income levels by family size) Deductions allowed for payroll taxes, child care and child support expenses
- Referral to Medicaid required if family appears eligible
- No asset test for Healthy Steps. Asset test applied for Medicaid
- Children eligible for 12 months. Families on Medicaid subject to monthly review of income
- Healthy Steps application is 2 pages. Medicaid/Food Stamp application 16 pages long
- Insurance coverage through contract with Noridian Health Insurance Co.
- Package of services similar to PERS plan except for cost of newborn delivery. Also includes preventive dental and vision coverage
- Current law requires the Department to pay for hospital & physician services. Department understood it was legislative intent not to cover the cost of deliveries. Would appreciate clarification since law and legislative intent appear to differ on this issue
- Co-payments of $2 per prescription; $5 per hospital emergency room visit; $50 per inpatient hospital stay. No cost sharing permitted for American Indian children, no cost sharing permitted for children on Medicaid
- Administrative costs limited to 10% of amount spent for premiums
- Current monthly premiums $108.60 for children with cost sharing; $109.56 for those without cost sharing
- As of November 30, 2000, a total of $2.2 million in premiums had been paid of which about $454,000 is general funds. Administrative expenses have totaled $107,487.
- As of December 1, 2000, a total of 2,130 children were enrolled in Healthy Steps. (Chart I shows monthly number of children eligible since its inception & Chart J shows the eligible children by county)

- Outreach efforts have been extensive, but have not included massive ad campaigns because of budget considerations
- Examples: Distributed 40,000 applications & thousands of brochures, maintain a toll free telephone line to assist families, maintain a website; attended various meetings to explain program such as teachers convention, trained advocates, providers and others; Public Service Announcement, Milk Cartons, Robert Wood Johnson Grant, TANF funds for outreach on reservations, car license renewals, distribution of information through schools & maintain ongoing contacts with community based programs
- In cooperation with other interested parties, plan to purchase advertising for the first time in major media markets in the state
- Estimate that about 3,900 children eligible for Healthy Steps. Goal was to cover 2,000 by the end of 2000. As of December 1, 2000, the goal was exceeded by 130 children or 3.4%
- Department requesting $8.9 million of which about $1.9 million is general funds. Permit the coverage of 2,937 children per month. Also includes funds for a 16.4% increase in premiums as requested by Noridian Health Insurance Company.

Basic Care

- Pays for 24 hour care for Medicaid eligible aged, blind and disabled individuals who need assistance with incidental activities of daily living and activities of daily living but are not serious enough to require nursing facility care
- Budget totals $8 million. Current appropriation is $7.7 million that includes an inflation increase of 2.6% in 2001 & 2.5% in 2002
- No growth in number of eligible residents anticipated even though moratorium on basic care expansion anticipated to be eliminated

- Implementation of personal care option for Medicaid in Basic Care Facilities will result in a shift of $5.6 million from state to federal funds

Administrative Costs

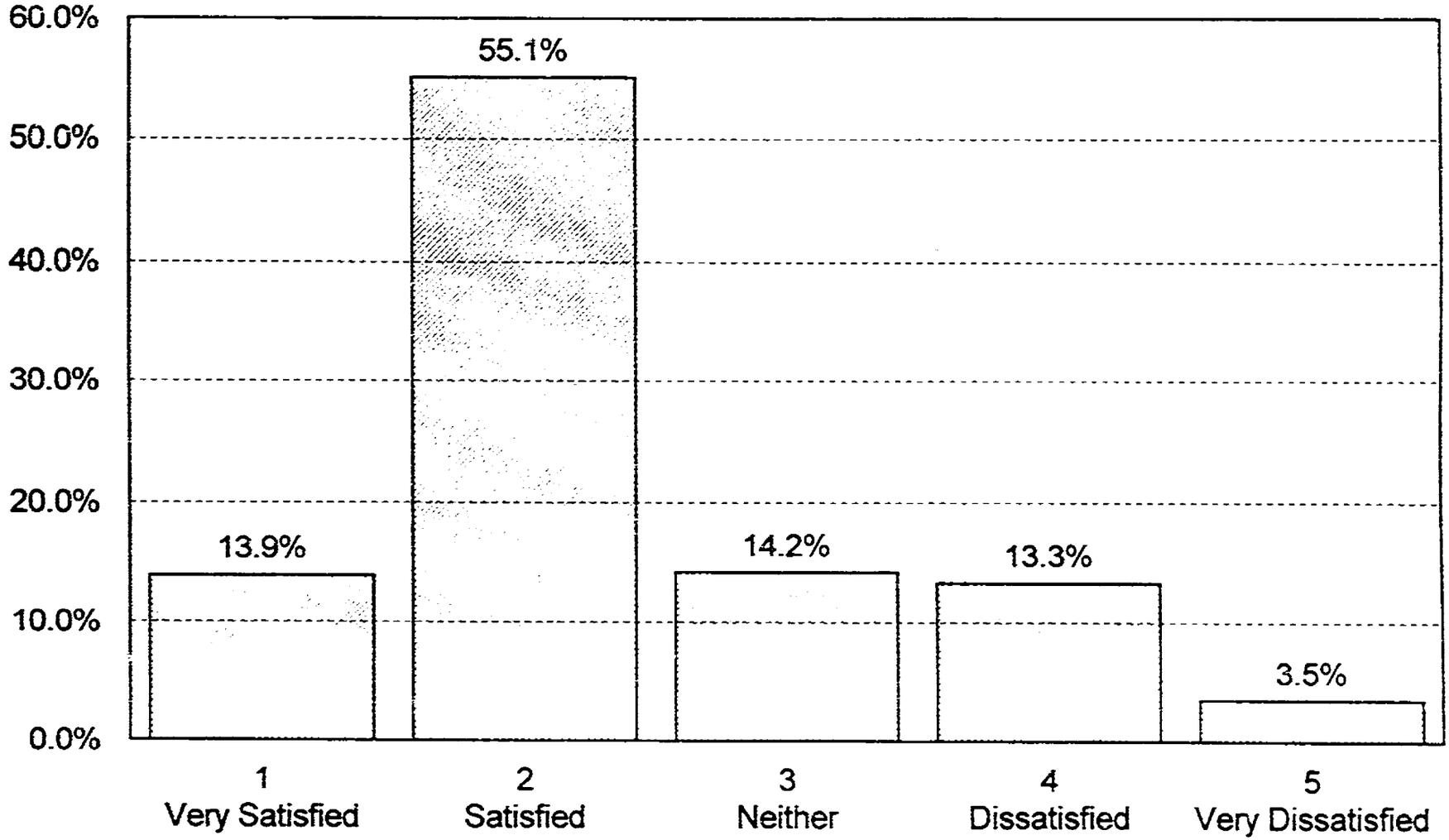
- Proposed budget $6.9 million of which $2.7 million is non-federal funds. Current appropriation $6.1 million of which $1.9 million is non-federal funds
- Salary increase of $463,000 includes increase in staff for Healthy Steps & general salary increases
- Operating expenses increase of $683,000. Increase primarily result of $400,000 for Dunsieth/McVille nursing facilities for IGT annual payments & $241,000 for statewide survey of long term care needs in North Dakota
- Of the remaining $2.5 million in operating funds, $2 million are for contracts with private companies or individuals who provide necessary pricing or utilization review activities
- Continue to explore the merits of contracting out administrative payment activities. Wyoming contracts with a private company to process claims at a cost of about $5 million per year. Current expenditures for operation of the payment process is about $2.5 million per year. The federal government must certify the computer system used by the Medicaid Program. Discussions with BC/BS underway to determine if an arrangement would be fiscally and administratively feasible.

I would be happy to answer any questions you may have at this time.

North Dakota Department of Human Services

Chart D-1

Medicaid Provider Survey 2000
Q32. How satisfied are you being a Medicaid provider?
HB 1012 to House
2001 - 2003 Biennium



Average response = 2.4

% responding Satisfied or Very Satisfied = 69.0%

Responses = 345

No responses = 46

Total = 391

T:\R&S-GB\Charts\MA Provider Survey 2000.pr4

North Dakota Department of Human Services

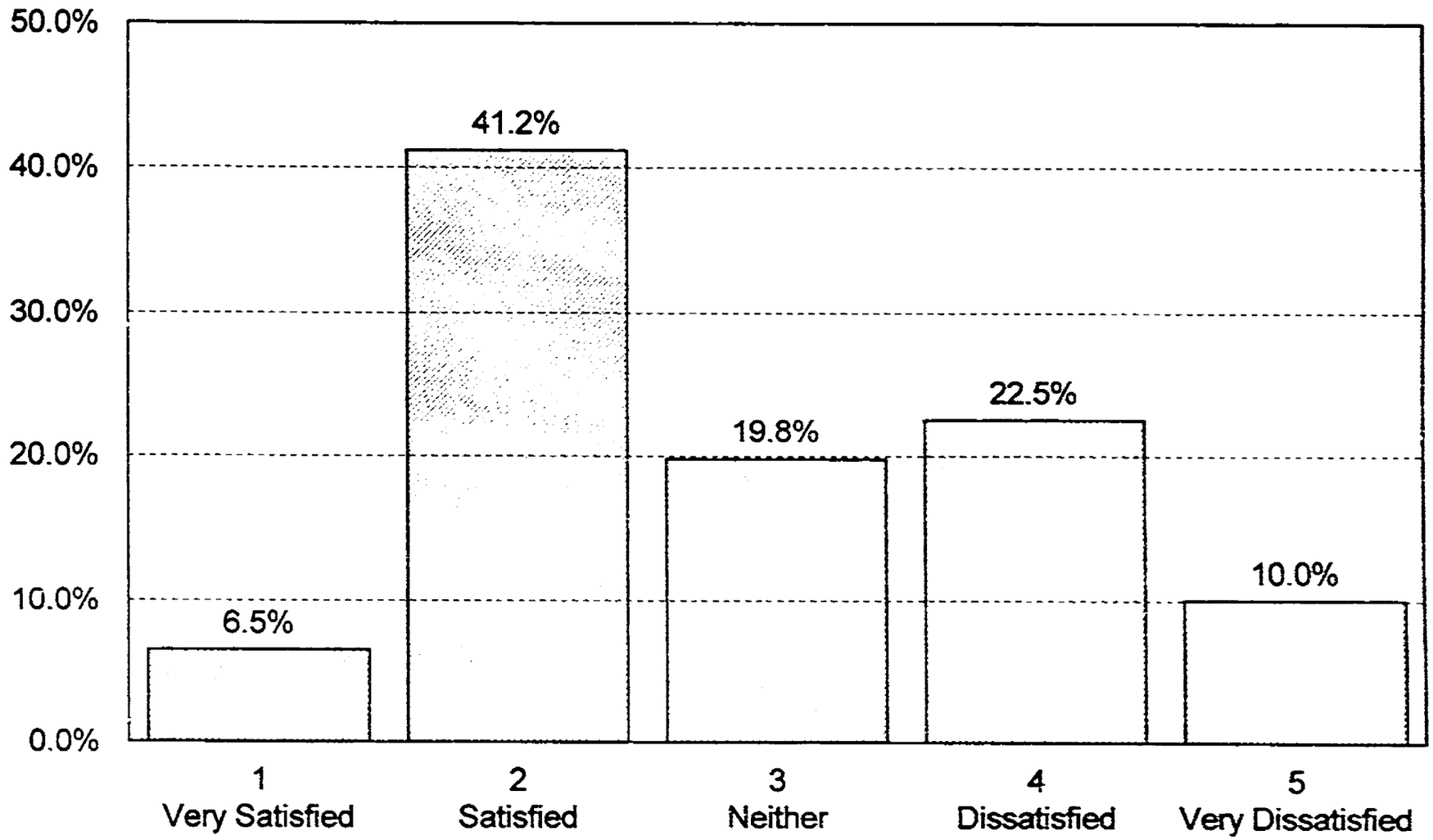
Chart D-2

Medicaid Provider Survey 2000

Q10. How satisfied are you with the current payment structure used for payment of services?

HB 1012 to House

2001 - 2003 Biennium



Average response = 2.9

% responding Satisfied or Very Satisfied = 47.7%

Responses = 369

No responses = 22

Total = 391

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North Dakota Department of Human Services

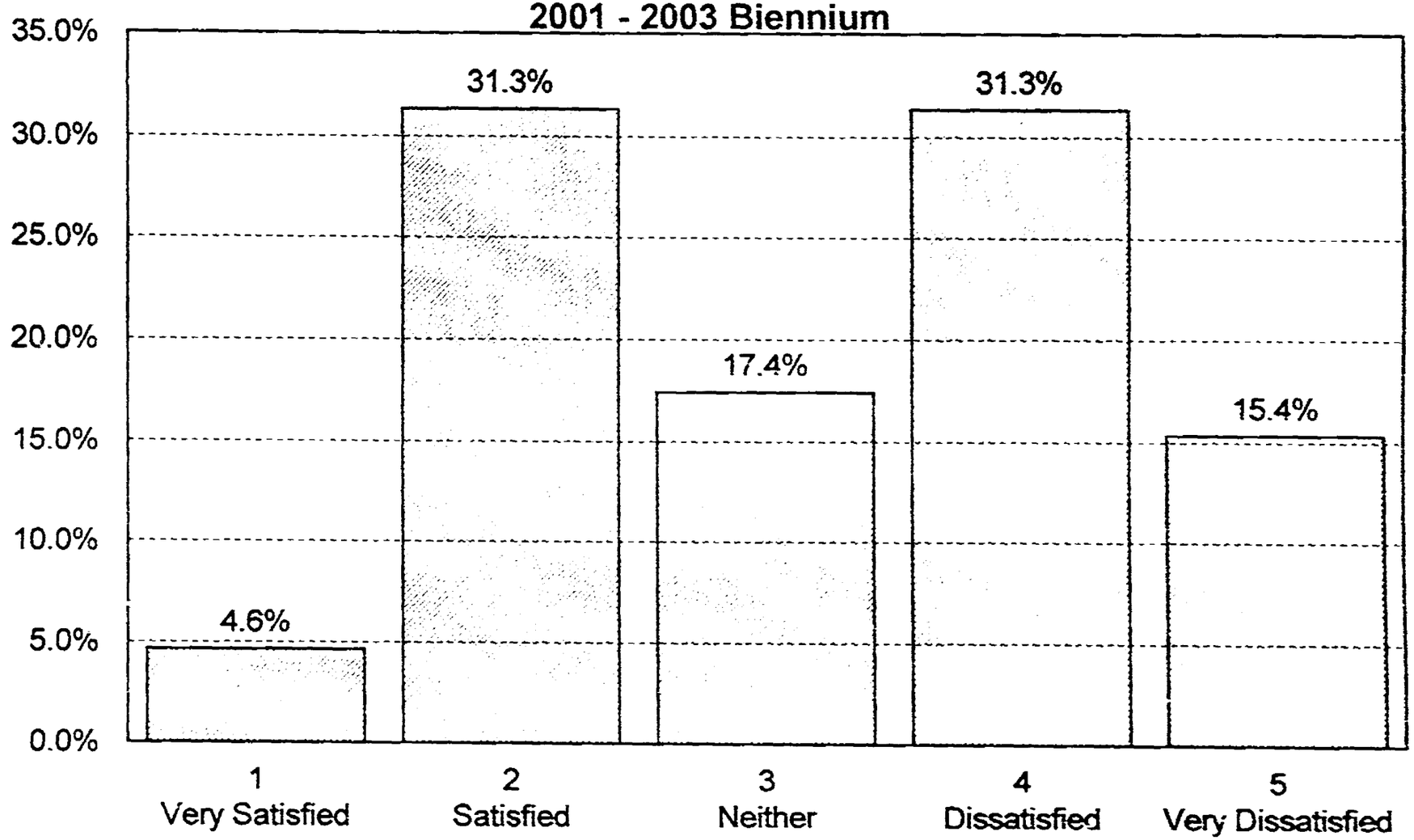
Medicaid Provider Survey 2000

Chart D-3

Q11. How satisfied are you with the current amount of payment received for services performed for Medicaid Recipients?

HB 1012 to House

2001 - 2003 Biennium



Average response = 3.2

% responding Satisfied or Very Satisfied = 35.9%

Responses = 367

No responses = 24

Total = 391

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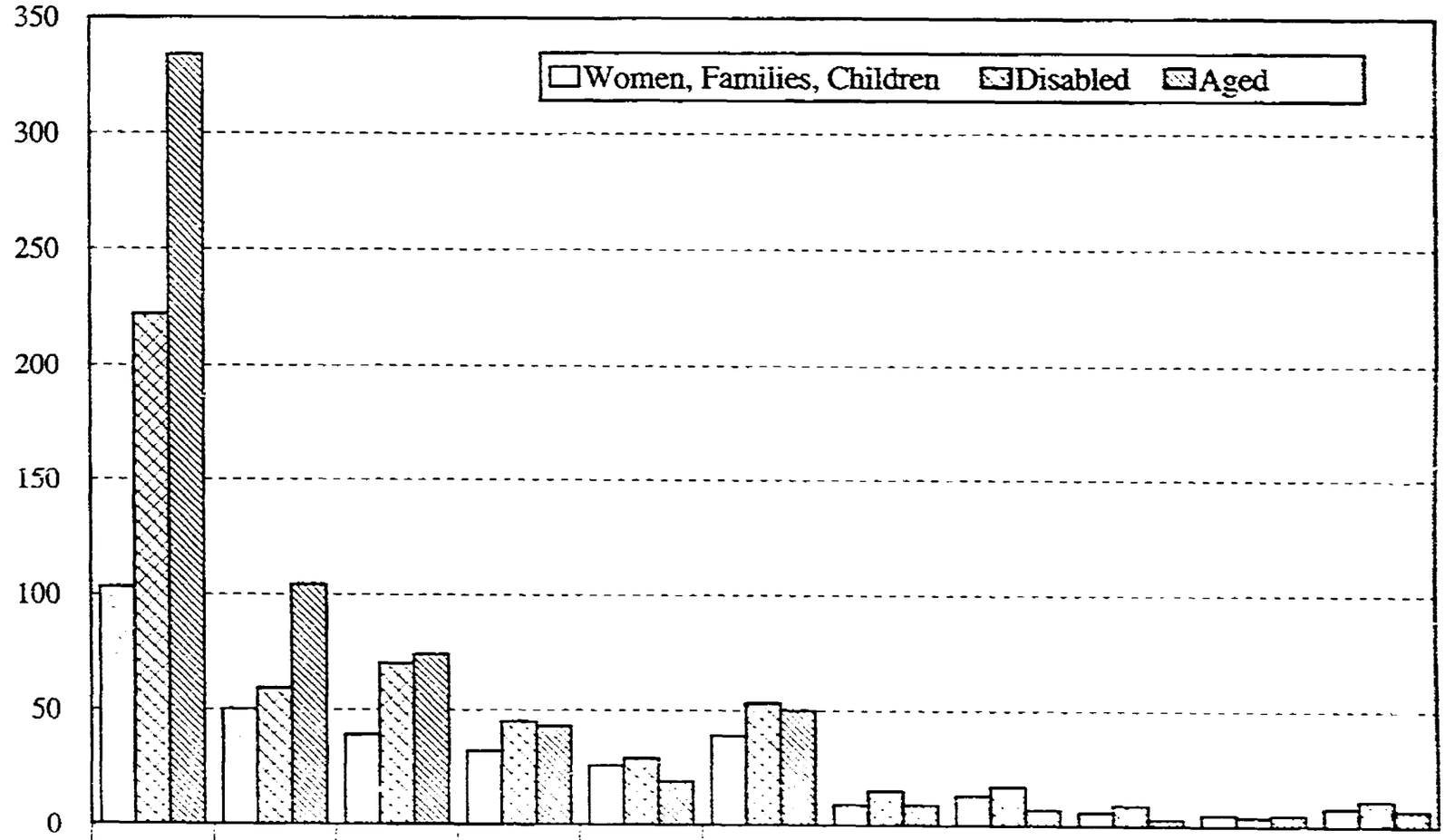
North Dakota Department of Human Services
Recipients Satisfaction With The Medicaid Program
HB 1012 to House
2001 - 2003 Biennium

Chart E



Level of Satisfaction *	10	9	8	7	6	5	4	3	2	1	0
Women, Families, Children	103	50	39	32	26	39	9	13	6	5	8
Disabled	222	59	70	45	29	53	15	17	9	4	11
Aged	334	104	74	43	19	50	9	7	3	5	7

* 0 = Least Satisfied; 10 = Very Satisfied

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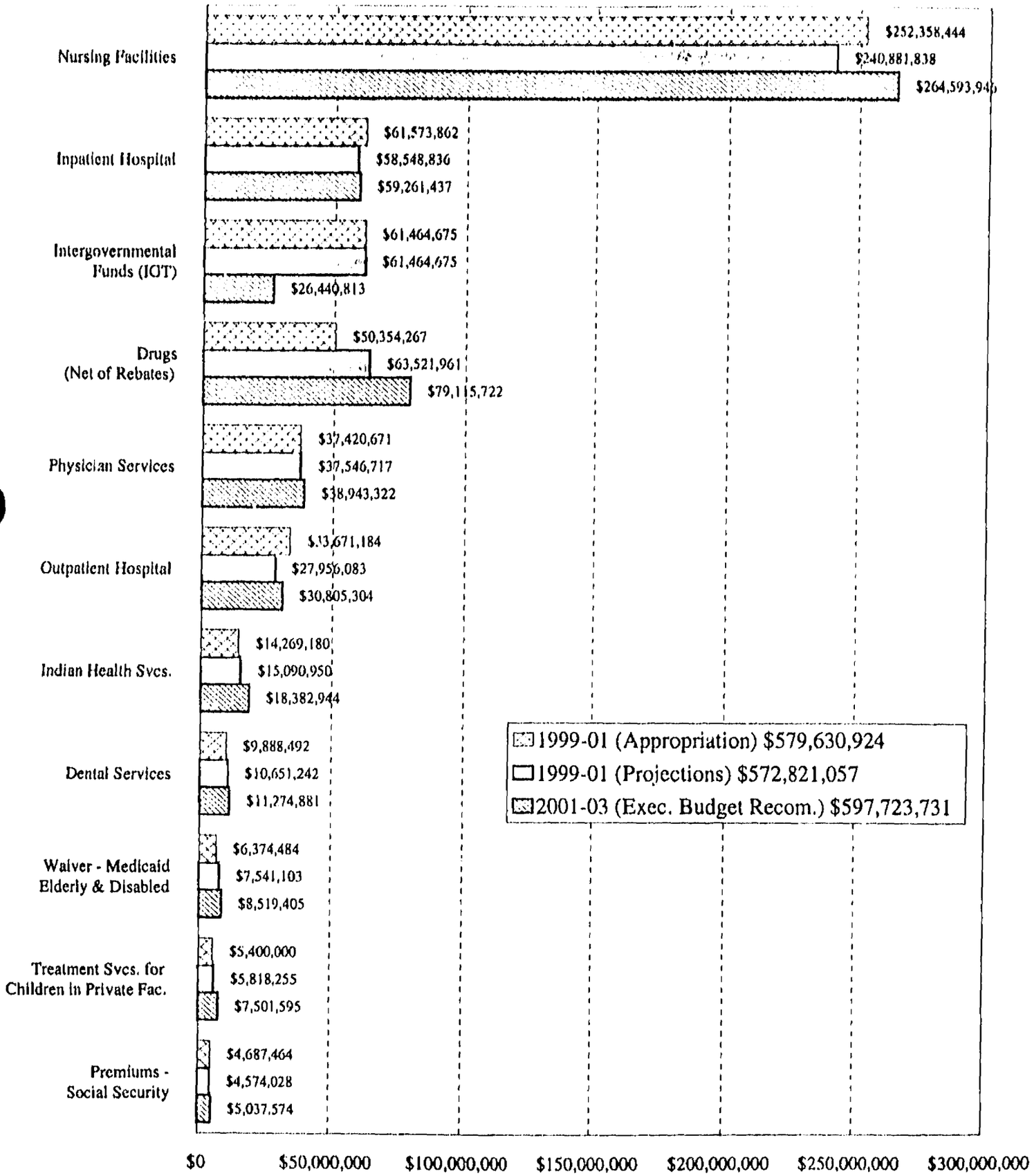
North Dakota Department of Human Services

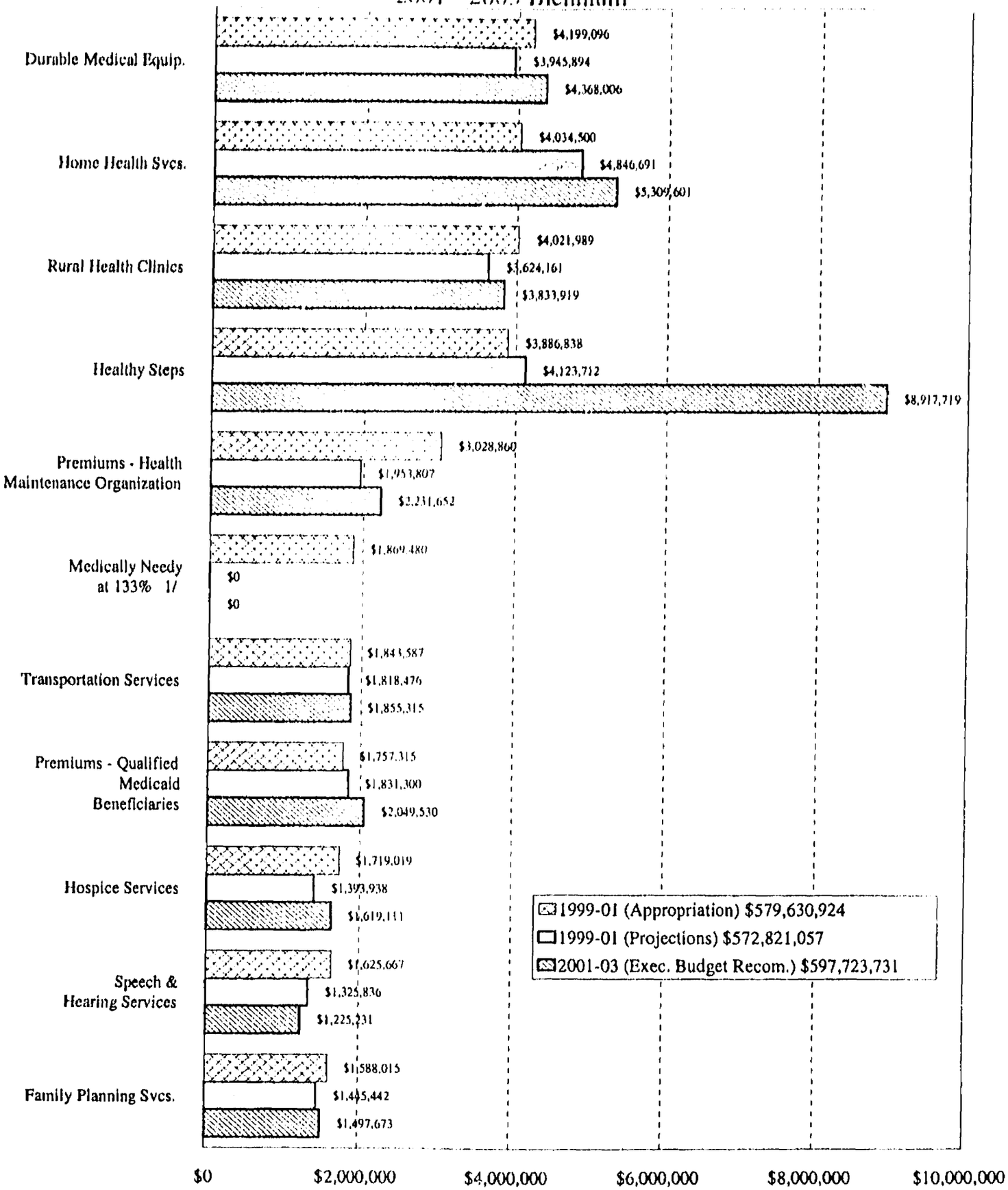
Chart F-1

Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to House
2001 - 2003 Biennium



North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to House
2001 - 2003 Biennium

Chart F-2



1/ Medically Needy Income Levels Increased to 133% of the 7/98 AFDC Standard

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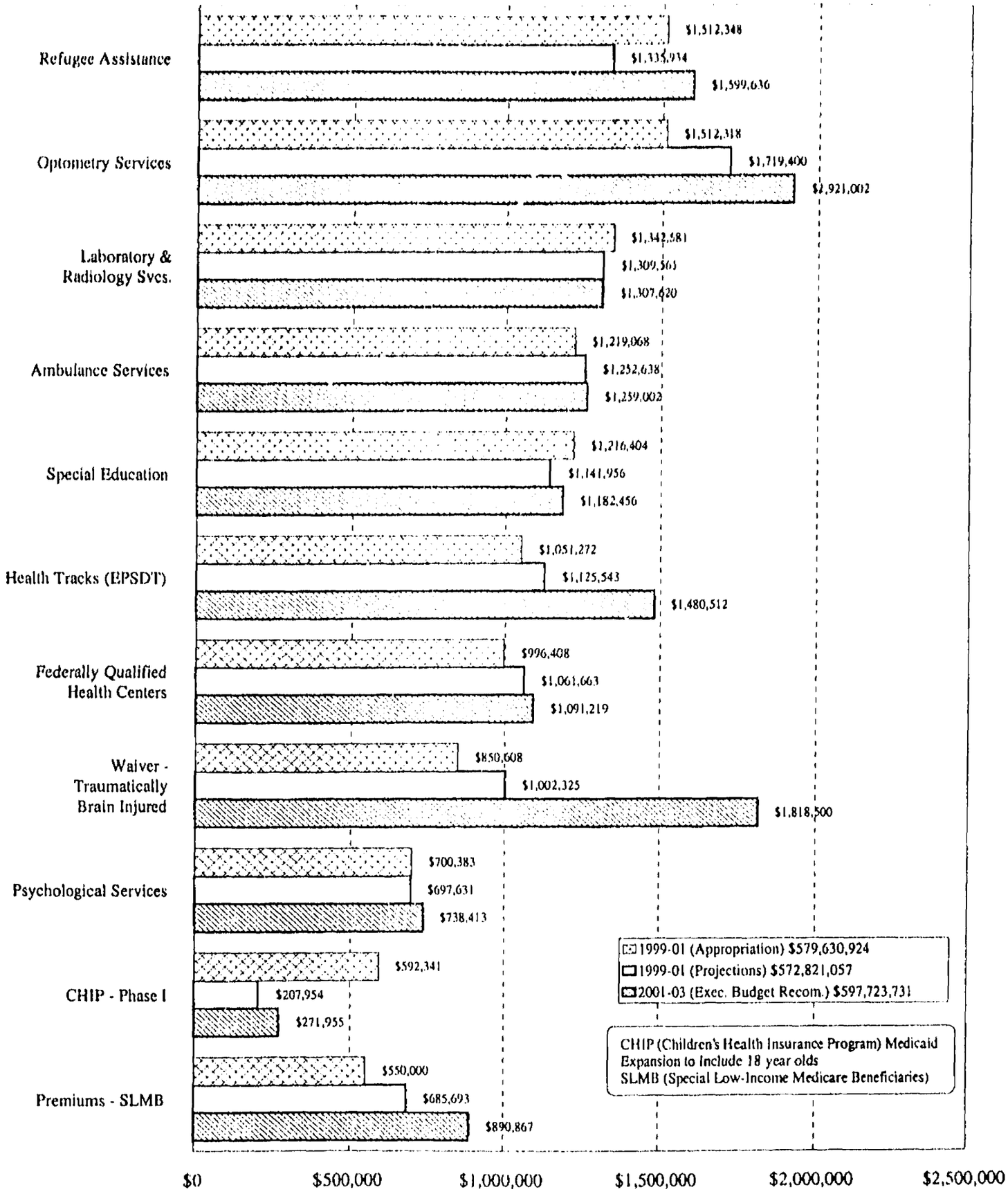
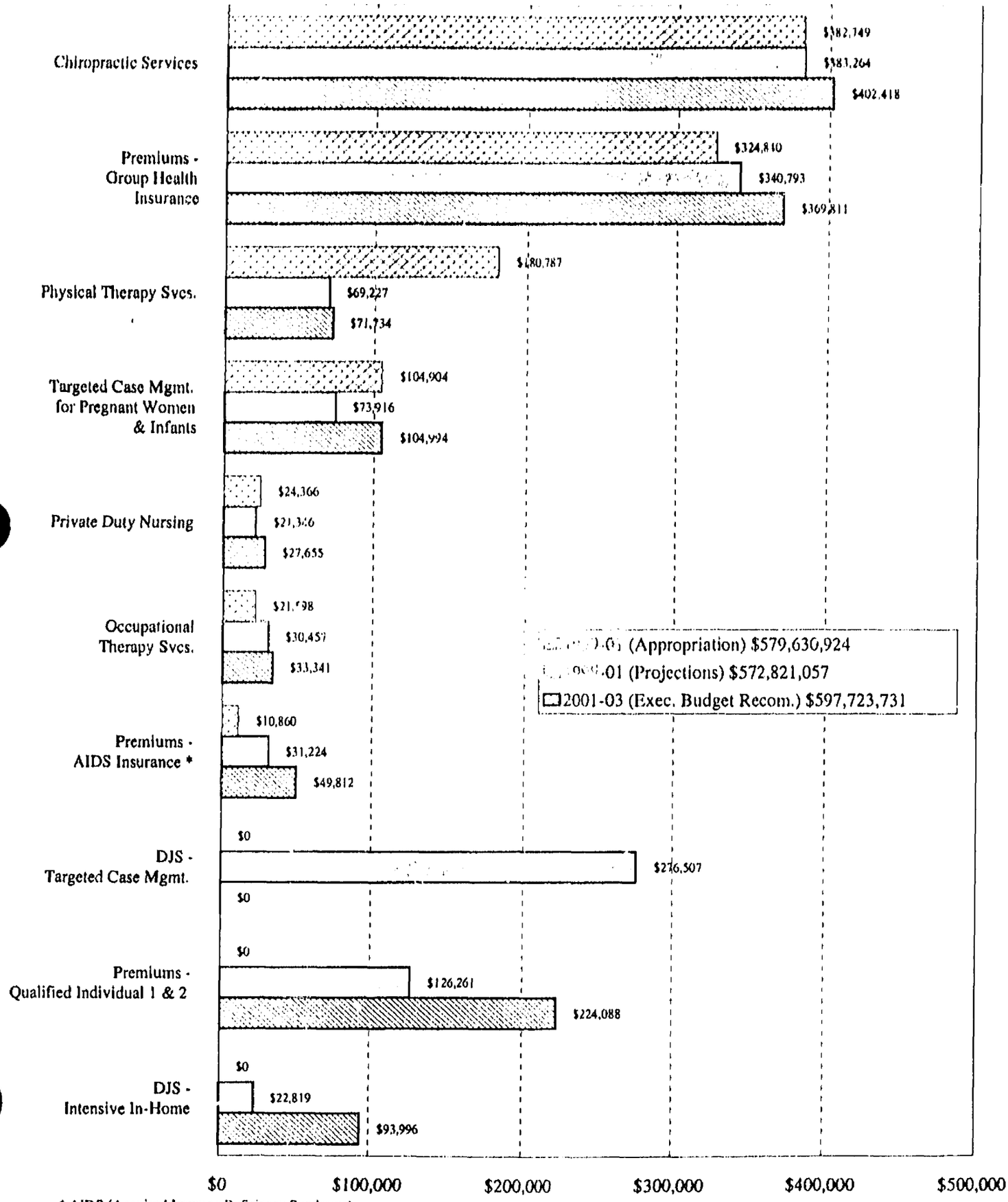
North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to House
2001 - 2003 Biennium

Chart F-3



North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to House
2001 - 2003 Biennium

Chart F-4



* AIDS (Acquired Immune Deficiency Syndrome)

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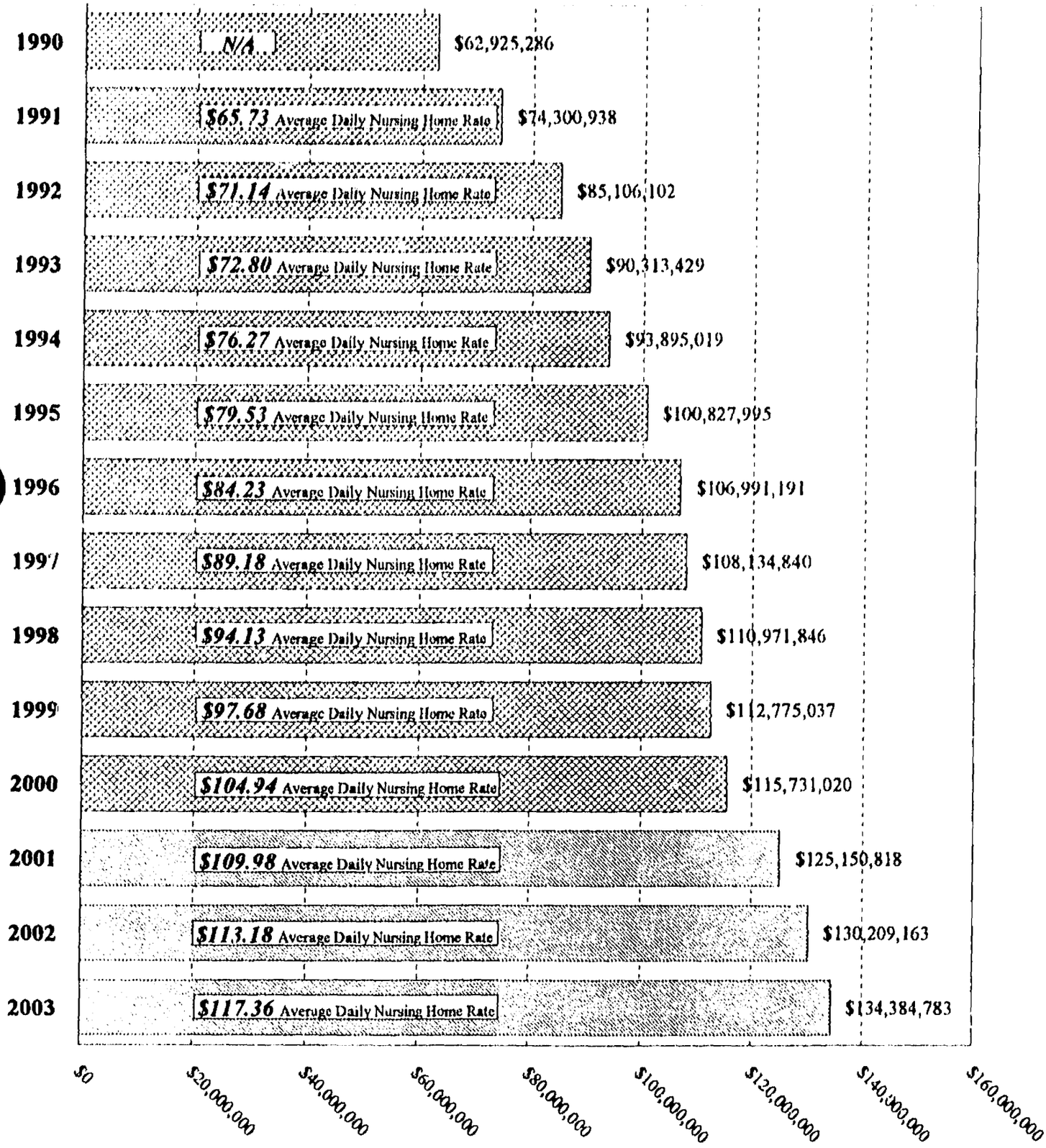
North Dakota Department of Human Services

Chart G

Nursing Home Facilities
Fiscal Years 1990 - 2003 *
HB 1012 to House
2001 - 2003 Biennium



* 1990 through 2000 represents actual expenditures. 2001 represents four months actual and eight months estimated expenditures. 2002 and 2003 represent estimated expenditures

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Chart H

North Dakota Department of Human Services

Income Levels as of April 1, 2000

HB 1012 to Senate

2001 - 2003 Biennium

Family Size	1931	Medically Needy	SSI	Children Age 6 to 19 and QMB 100% of Poverty	SLMB 120% of Poverty	Pregnant Women; and Children to Age 6 133% of Poverty	Healthy Steps 140% of Poverty	Extended Medicaid 185% of Poverty
1	$238	$455	$512	$696	$836	$926	$975	$1,288
2	$356	$475	$769	$938	$1,126	$1,247	$1,313	$1,735
3	$461	$616		$1,180	$1,416	$1,569	$1,651	$2,182
4	$553	$741		$1,421	$1,706	$1,890	$1,990	$2,629
5	$632	$850		$1,663	$1,996	$2,212	$2,328	$3,076
6	$698	$933		$1,905	$2,286	$2,533	$2,666	$3,523
7	$751	$1,008		$2,146	$2,576	$2,854	$3,005	$3,970
8	$790	$1,058		$2,388	$2,866	$3,176	$3,343	$4,417
9	$830	$1,108		$2,630	$3,156	$3,497	$3,681	$4,864
10	+ $40	$1,166		$2,871	$3,446	$3,819	$4,020	$5,312

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Chart I

North Dakota Department of Human Services

Healthy Steps

Number of Premiums Paid and Change in Enrollment by Month

HB 1012 to House

2001 - 2003 Biennium

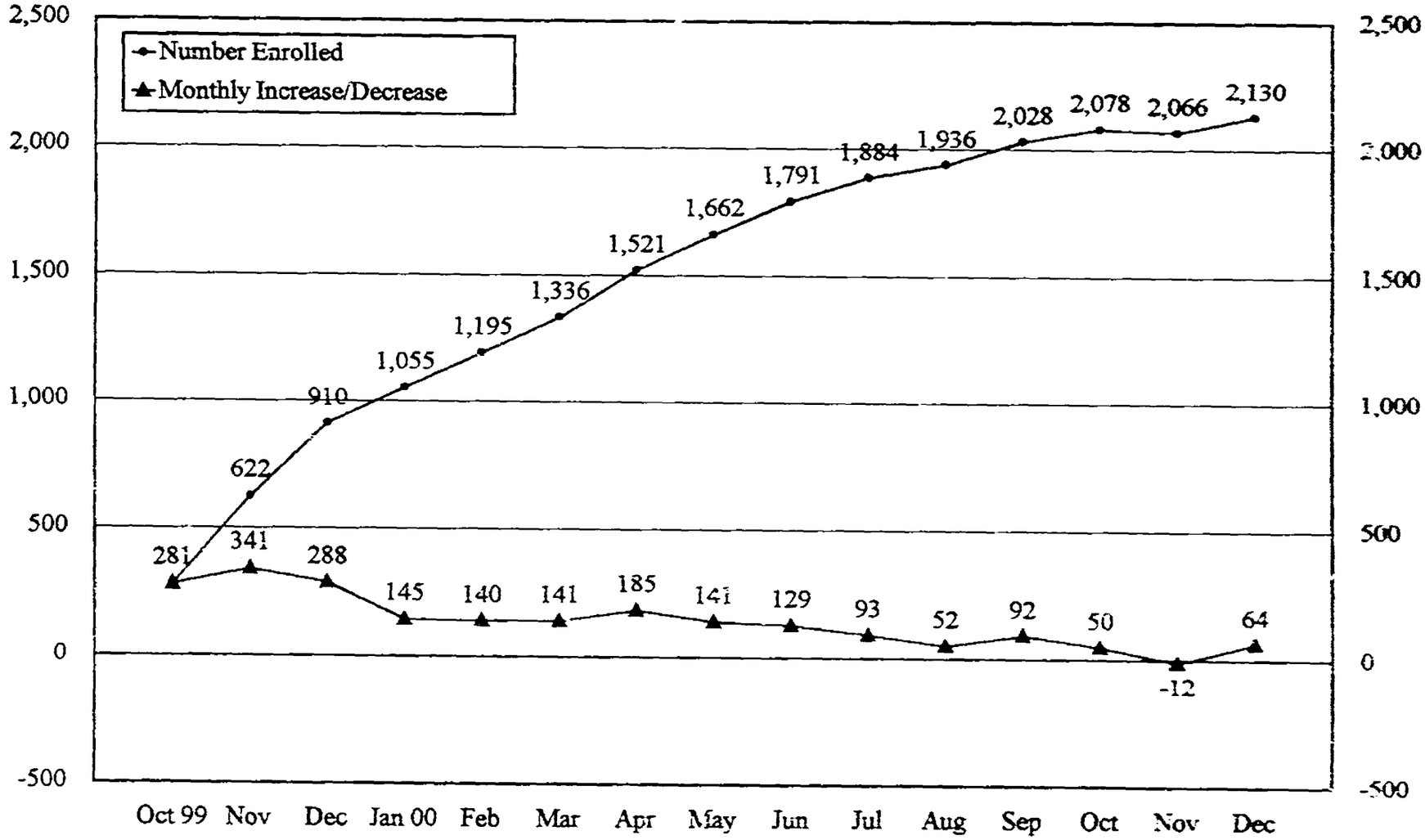

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Chart J

North Dakota Department of Human Services
Healthy Steps
Enrollment by County - December 2000
HB 1012 to House
2001 - 2003 Biennium

County	Number of Children
Adams	19
Barnes	39
Benson	63
Billings	13
Bottineau	23
Bowman	26
Burke	7
Burleigh	196
Cass	182
Cavalier	20
Dickey	12
Divide	6
Dunn	39
Eddy	17
Emmons	48
Foster	17
G. Valley	27
G. Forks	80
Grant	37
Griggs	17
Hettinger	13
Kidder	19
LaMoure	18
Logan	23
McHenry	23
McIntosh	14
McKenzie	56
McLean	51
Mercer	9
Morton	131
Mountrail	42
Nelson	31
Oliver	18
Pembina	46
Pierce	40
Ramsey	42
Ransom	6
Renville	15
Richland	33
Rolette	38
Sargent	14
Sheridan	3
Sioux	36
Slope	4
Stark	133
Steele	17
Stutsman	82
Towner	14
Traill	6
Walsh	50
Ward	104
Wells	18
Williams	93
TOTAL	**2,130**

FA-12/18/00-cj-misc\hschild

CHIP Scenarios at 140%, 150% and 200% of Poverty
Family of four with two children under five in daycare:

	Poverty Level/month	Poverty Level/year
140%	$1990	$23,880
Day care	$ 300	$ 3,600
Taxes (18.4%)	$ 449	$ 5,388
Total	$2739	$32,868 (193% of poverty)

****

	Poverty Level/month	Poverty Level/year
150%	$2132	$25,584
Day care	$ 300	$ 3,600
Taxes (18.4%)	$ 481	$ 5,772
Total	$2913	$34,956 (205% of poverty)

****

	Poverty Level/month	Poverty Level/year
200%	$2842	$34,104
Day care	$ 300	$ 3,600
Taxes (18.4%)	$ 641	$ 7,692
Total	$3783	$45,396 (266% of poverty)

HB 1012

TESTIMONY BEFORE THE SENATE APPROPRIATIONS COMMITTEE
CONCERNING HOUSE BILL 1012
MARCH 2, 2001

Chairman Nething, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear before you today to provide you background information regarding the budget request for the Medicaid and Healthy Steps Programs.

MEDICAID

- Enables many low-income individuals and families to access health care through a comprehensive network of providers
- Program purpose is to ensure the delivery of medical services in the most efficient and economical manner so that recipients can improve or maintain their health
- Authorized by Title XIX of the Social Security Act and has shared funding between federal and state governments
- Minimum federal participation 50% - ND federal participation 69.99% through 9-30-01; 69.87% from 10-1-01 to 9-30-02
- Last 9 months unknown – Estimate 69.87%
- Federal government requires certain individuals must be covered (Example, SSI recipients; poverty level children & pregnant women)
- Allows flexibility for other groups (Example, Medically Needy)
- Federal government requires all recipients receive basic services (Example nursing facility; hospital, physician services)
- States may also provide an array of additional optional services (drugs, dental, vision, case management etc.)
- For many, Medicaid is the only health care coverage available

- In other cases Medicaid is secondary (For example, Medicare & private insurance)

Recipients

- Number of recipients has remained relatively stable since 1997
- Number Eligible August 97 = 42,951; Number eligible November 00 = 42,450
- Number receiving services monthly has not changed significantly. Averaged 33,025 August – October 97 compared to 33,296 September -- November 00. Budget based on number of individuals who use each service trended forward. (See Chart A)
- Prior to 1997 the number of children and adult caretakers had declined dramatically. Since 1997, the numbers have remained fairly constant. The number of children has declined by about 600 since August 1997. Adults have remained virtually unchanged. (See Chart B-1)
- Aged and disabled continue to utilize services at a greater rate than children do and the number of individuals eligible for the program has also increased in the last six months (See Charts B-2 and Chart C)

Intergovernmental Transfer – HB1196

- Federal regulations a) permit states to pay government owned nursing facilities different than other facilities; b) provide that total payments for nursing facilities cannot exceed Medicare rates; and c) allows government entities to transfer funds to another entity
- Enabling legislation, Senate Bill 2168, passed in 1999 establishing program in North Dakota. It will sunset end of this biennium
- Medicare rates compared to Medicaid rates yearly for nursing facilities; differences create a pool amount that is paid to the two government owned facilities in ND. Currently, they retain $10,000 and return remainder

- Federal portion of payment is deposited in trust fund. This biennium a total of $43.2 million of which $6.5 million is approved for loan and grants to create alternatives to nursing facility care and $4.2 million for SPED
- Anticipate additional $26.9 million in next biennium
- New federal regulations will phase out program by 2005. The next payment to be made on or about July 1, 2001 for the 2002 state fiscal year will be 100% of the calculated pool payment. The remaining three years are phased out at 75%, 50%, 25% for next three years; but allowed pool payment based on the lower of the actual calculated pool payment or the above percentages based on the 2000 state fiscal year payment
- Governor Hoeven's Budget proposed transferring $25 million for state match for nursing facilities; $3.8 million for HIPPA; $.4 million for landfill at State Hospital $.2 million for statewide study of need for long term care services and $13 million for the federal contingency issue
- The House removed the $25 million from HB1012 and replaced it with $21 million in general funds
- The House also provided $3 million for HIPAA; $.2 million for the long term care study and $13 million for the federal contingency in HB1196

Overall Medicaid Appropriation

- Medicaid costs continue to escalate primarily due to increase in drug costs; general inflation & some increases in utilization
- In total Governor Hoeven's budget requested $597.7 million; $131.7 million general funds; $25 million from intergovernmental (IGT) transfer trust fund; & .7 million from other sources (See Chart D for details by service)
- Current total biennium budget, including Emergency Commission approval, $579.6 million of which $157.2 are general funds
- IGT funds of $26.4 million in next biennium budget, compared to $61.5 million in the current budget. Based on reprojections total IGT funds will be $38.7 million in the next biennium.

- Excluding IGT and Healthy Steps, actual increase $48.1 million of which about $15 million are non-federal funds
- Excluding IGT and Healthy Steps, overall increase of 9.3% and a 10% increase in non-federal funds. Blue Cross/ Blue Shield request is 16.4% for Healthy Steps
- Healthy Steps request is $8.9 million; $1.9 million in general funds compared to $3.9 million of which $.8 million are general funds this biennium
- Inflation for most services at 2.2% per year. Exceptions include Medicare Part B premiums. The Department is required to pay premiums for certain recipients. Premiums are set by federal government and are estimated at 6% per year based on past trends. Other exceptions: nursing facilities; drugs; Indian Health Service; and HMO are discussed later
- The $4 million reduction in state funds totals $13.3 million when federal funds are included.
- The Department requests restoration of these funds in order to avoid reductions in payments to providers and/or reduction in services to Medicaid enrollees

Nursing Facilities

- Payments made based on Minimum Data Set Process. Each facility has 34 rates. Payment based on the intensity of care each resident requires
- Request at $264.6 million of which $79.7 million are non-federal funds. Current budget $252.4 million of which $75.1 are general funds (Chart E illustrates the increase in nursing facility payments since 1990)
- Includes inflation of 3.78% for 2001; 2.8% for 2002, 2.75% for 2003 based on use of 50% of CPI and 50% of Data Resources Inc. (DRI); 3% operating margin & indirect care incentive payment

- Reduces the number of Medicaid recipients occupying nursing facility beds by 35 per year based on trends early in current biennium. This trend has reversed itself based on most recent trend information
- Budget proposed moving $700,000 in general funds to other funds. Including the federal match this will reduce available funds to nursing facilities by $2.3 million
- The Department requests restoration of these general funds in order to pay for services for Medicaid enrollees residing in nursing facilities

Drugs

- Payments based on the ingredient cost calculated at Average Wholesale Price less 10% plus dispensing fee of $4.60
- States are required to cover approved drugs in exchange for a rebate from drug manufacturers based on a best price formula. Currently budgeted at about 16.4% of the amount of the payment to pharmacies
- Continue to experience tremendous growth in this category. The request, net after rebates, totals $79.1 million of which $23.8 million are non-federal funds. Current biennium budget totals $50.4 million of which $15 million are general funds
- Projecting to expend $63.5 million this biennium of which $18.9 million are general funds. Current expenditure reprojection indicates a need for additional funds in this category
- Provides for inflation factor of 7% per year
- Excludes $.6 million that will be saved if prior authorization is permitted by HB1116. This bill was defeated unanimously in the House.
- The Department requests restoration of these funds including $180,000 in general funds in order to pay for these services.

Hospital Services

- Use of hospital services by Medicaid recipients continues to decline. Inpatient request is $59.3 million of which $17.8 million are general funds. Current biennium budget $61.6 million of which $18.3 million are general funds. Recent reprojections show this trend has reversed itself
- Continue to predict fewer inpatient stays of about 4% per year. Also utilization review process eliminates unnecessary stays
- Would like to consider different payment process for small rural hospitals. Currently these hospitals paid on Diagnosis Related Groups. Payment based on a cost to charge ratio would simplify payment and would increase payments. Currently not included in the budget. Cost would be about $150,000 for the next biennium
- Outpatient request is $30.8 million of which $9.3 million are general funds. Current appropriation is $33.7 million of which $10 million are general funds. Trends indicate the number of services will continue to decline.
- Will be adopting the Ambulatory Payment Classification Groups (APCs) for payment of outpatient services. Currently pay based on a retrospective payment process that creates budget problems. Payments will be made on a prospective basis and will be budget neutral

Reprojections

- Original budget was based on expenditure trends during the first eight months of the biennium
- Department reprojected estimated needs for the next biennium based on the most recent available trend information through November 2000
- Reprojections show that Medicaid expenditures for the next biennium will increase by about $8.3 in the next biennium of which about $2.9 will be non-federal funds

- Most of the increases concentrated in three services: Nursing facilities, Drugs and Inpatient Hospital
- Nursing Facility originally indicated a declining number of Medicaid residents. This trend has dramatically reversed. (See Chart F) Additional estimated costs $4.2 million of which about $1.3 million are non-federal funds. HB1196 provides funds for nursing facilities to enhance salaries for staff. Testimony from Long Term Care Association noted that 40% of nursing facilities limited the number of admissions because of staffing limits. Increased salaries will likely allow some facilities to admit additional residents of which about 55% will be Medicaid eligible
- Recent drug cost trends indicates that cost per recipient is about 4.7% higher than earlier trends. Additional estimated cost increase of $2.4 million of which $.7 million are non-federal funds. Includes funds needed as a result of the defeat of the prior authorization drug legislation
- Recent trends for inpatient hospital services indicate that the intensity of the services provided to Medicaid enrollees has increased by about 8.3% from trends during the beginning of the current biennium. Additional estimated costs of $3.0 of which $.9 are non-federal funds
- Department requests consideration of providing additional funding based on projected needs to maintain the Medicaid program as currently operated.
- If funding is not provided, the Department would propose to first freeze discretionary inflationary increases for providers and monitor expenditures closely
- If funding shortfall further materializes, the Department would begin reducing reimbursement and services based on the priorities shown on Chart G

Managed Care

- Our Health Maintenance contract with Altru Health Care will end June 30, 2001. At that time Blue Cross/Blue Shield will take over operations

- Anticipate that we will continue the "capitated" process, but it is unknown at this time what the future will be
- Number of individuals enrolled in Grand Forks County has declined due in part to very little marketing activity because of the anticipated change in operations
- Budget request is $2.2 million of which $.7 is general funds; current budget is $3.0 million of which $.9 are general funds. It is anticipated that rates will increase 3% per year.

Indian Health Services

- Services provided by the Indian Health Service or contracted directly to Tribes can be claimed at 100% federal match
- Payment is based on an encounter rate established by the federal government for an outpatient and inpatient service, currently $172 for an outpatient service and $1157 for an inpatient day of service
- Past trends indicate that the encounter rates will increase by 10.6% per year

Healthy Steps

- Authorized by Congress in 1997. Provides federal matching funds of about $5 million per year beginning in federal fiscal year 1998 to provide health care coverage to children under 19 years of age. State match of about 21% for North Dakota. States have flexibility within federal guidelines to develop the program
- 1999 Legislative Assembly authorized the Department to develop a separate insurance program for children. Program was implemented on October 1, 1999, with no additional administrative staff
- Coverage limit at 140% of the poverty level ($23,880 for family of four, will increase to $24,720 effective April 1) (Chart H shows current income levels

by family size). Deductions allowed for payroll taxes, child care and child support expenses

- Referral to Medicaid required if family appears eligible
- No asset test for Healthy Steps. Asset test applied for Medicaid. HB1441 would eliminate asset test in Medicaid for children and families and pregnant women eligibility categories
- Children eligible for 12 months. Families on Medicaid subject to monthly review of income
- Healthy Steps application is 2 pages. Medicaid/Food Stamp application 16 pages long
- Insurance coverage through contract with Noridian Health Insurance Co.
- Package of services similar to PERS plan except for cost of newborn delivery. Also includes preventive dental and vision coverage
- Current law requires the Department to pay for hospital & physician services. Department understood it was legislative intent not to cover the cost of deliveries. Would appreciate clarification since law and legislative intent appear to differ on this issue. SB2414 does address this issue
- Co-payments of $2 per prescription; $5 per hospital emergency room visit; $50 per inpatient hospital stay. No cost sharing permitted for American Indian children, no cost sharing permitted for children on Medicaid
- Administrative costs limited to 10% of amount spent for premiums
- Current monthly premiums $108.60 for children with cost sharing; $109.56 for those without cost sharing
- As of November 30, 2000, a total of $2.2 million in premiums had been paid of which about $454,000 are general funds. Administrative expenses have totaled $107,487.
- As of March 1, 2001, a total of 2,323 children were enrolled in Healthy Steps. (Chart I shows monthly number of children eligible through December 2000 and Chart J shows the eligible children by county)
- Outreach efforts have been extensive, but have not included massive ad campaigns because of budget considerations

- Examples: Distributed 40,000 applications & thousands of brochures, maintain a toll free telephone line to assist families, maintain a website; attended various meetings to explain program such as teachers convention, trained advocates, providers and others; Public Service Announcement, Milk Cartons, Robert Wood Johnson Grant, TANF funds for outreach on reservations, car license renewals, distribution of information through schools & maintain ongoing contacts with community based programs
- In cooperation with other interested parties purchased advertising for the first time in major media markets in the state
- Estimate that about 3,900 children eligible for Healthy Steps. Goal was to cover 2,000 by the end of 2000. As of December 1, 2000, the goal was exceeded by 130 children or 3.4%
- Department originally requested $8.9 million of which about $1.9 million are general funds. Permit the coverage of 2,937 children per month. Reprojection estimates coverage of 2,885 children per month at a cost of $8.8 million of which $1.8 million are general funds. Also includes funds for a 16.4% increase in premiums as requested by Noridian Health Insurance Company.

Basic Care

- Pays for 24 hour care for Medicaid eligible aged, blind and disabled individuals who need assistance with incidental activities of daily living and activities of daily living but are not serious enough to require nursing facility care
- Budget totals $8 million. Current appropriation is $7.7 million that includes an inflation increase of 2.6% in 2001 & 2.5% in 2002
- No growth in number of eligible residents anticipated
- Implementation of personal care option for Medicaid in Basic Care Facilities will result in a shift of $5.6 million from state to federal funds

- Department recommends moving Basic Care expenditures into the Medicaid budget line item because the majority of expenditures will now be made using Medicaid funds

Administrative Costs

- Proposed budget $6.9 million of which $2.7 million are non-federal funds. Current appropriation $6.1 million of which $1.9 million are non-federal funds
- Salary increase of $463,000 included increase in staff for Healthy Steps and general salary increases
- Operating expenses increase of $683,000. Increase primarily result of $400,000 for Dunsieth/McVille nursing facilities for IGT annual payments and $241,000 for statewide survey of long term care needs in North Dakota
- Of the remaining $2.5 million in operating funds, $2 million are for contracts with private companies or individuals who provide necessary pricing or utilization review activities
- House eliminated $641,000 in operating because the payments to the government nursing facilities and the survey were moved to HB1196. House also eliminated two requested positions for the Healthy Steps Program of $172,966 of which $36,997 are general funds in anticipation that HB1441 will become law and eligibility for Healthy Steps will be determined by the counties

I would be happy to answer any questions you may have at this time.

North Dakota Department of Human Services

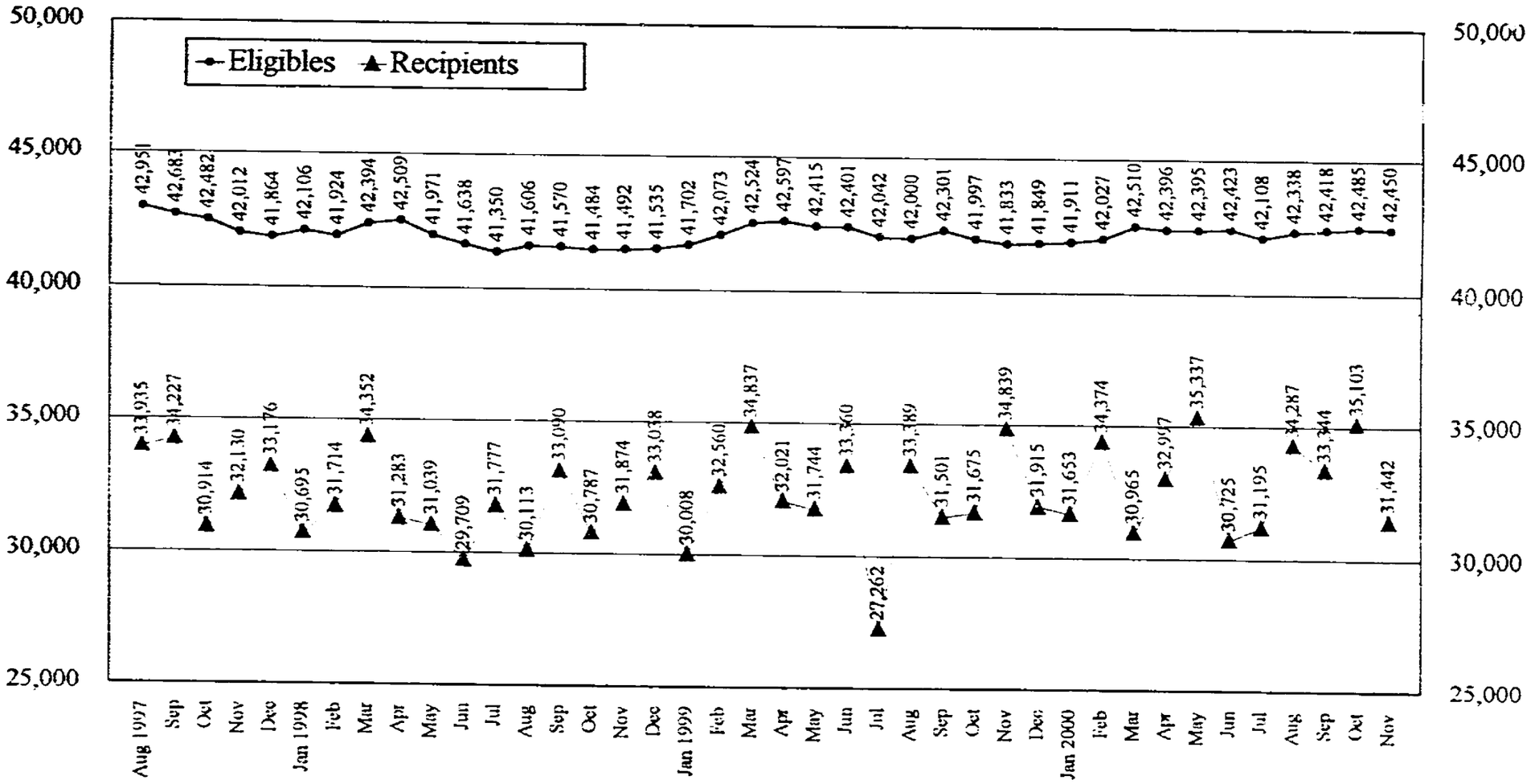
Unduplicated Number of Monthly Eligibles* and Recipients Receiving Services

August 1997 - November 2000

HB 1012 to Senate

2001 - 2003 Biennium

Chart A



* Eligibles refers to a person who has been approved for Medicaid services but not necessarily has received a service.

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North Dakota Department of Human Services

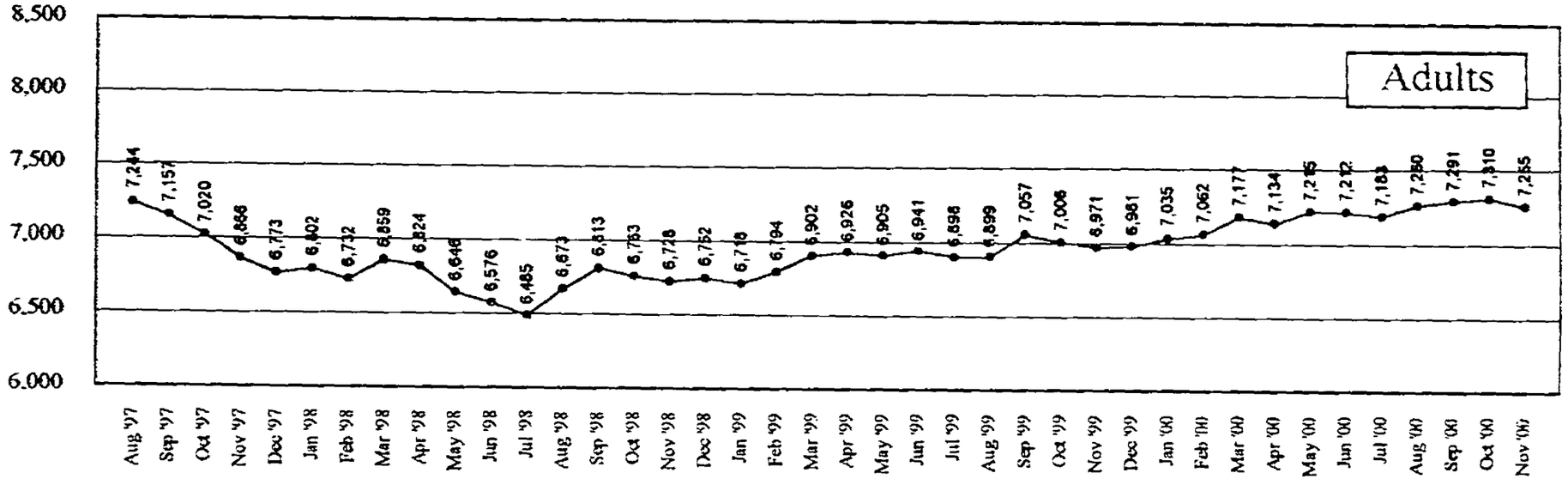
Medicaid Eligibles

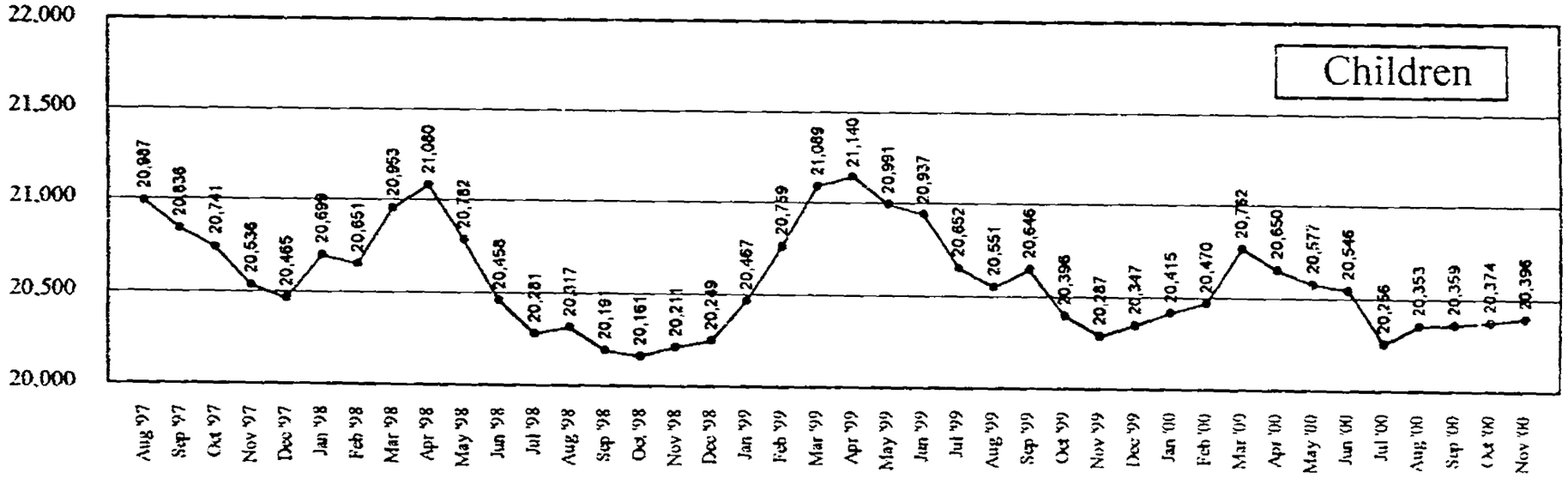
August 1997 - November 2000

HB 1012 to Senate

2001 - 2003 Biennium

Chart B-1





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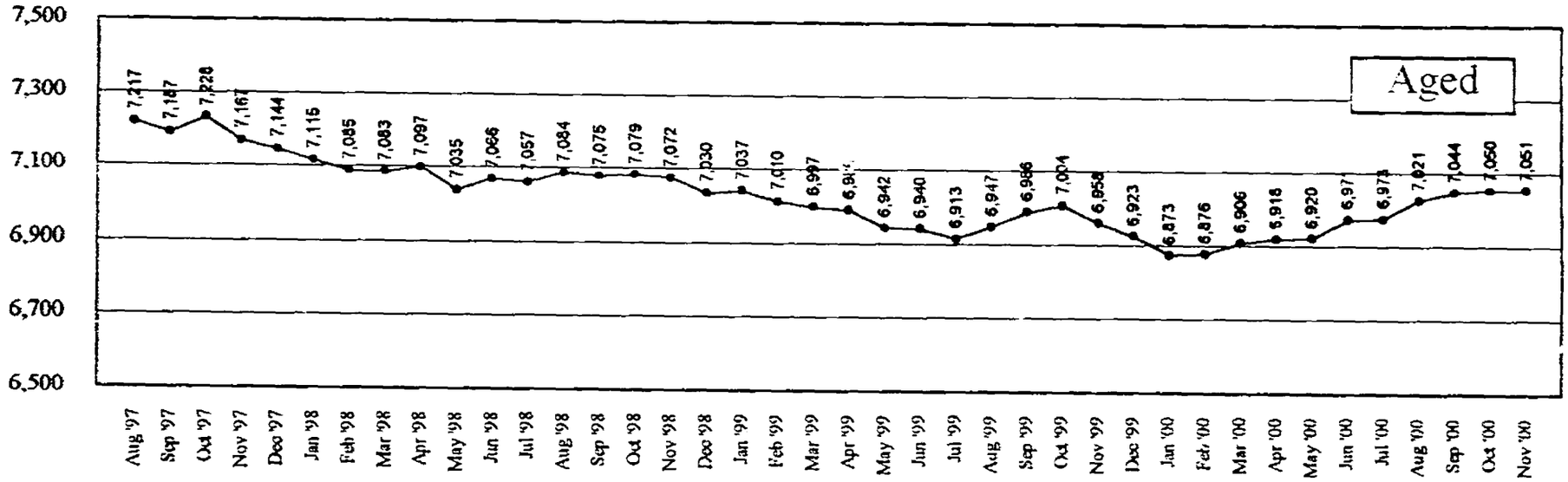
North Dakota Department of Human Services

Chart B-2

Medicaid Eligibles
August 1997 - November 2000
HB 1012 to Senate
2001 - 2003 Biennium



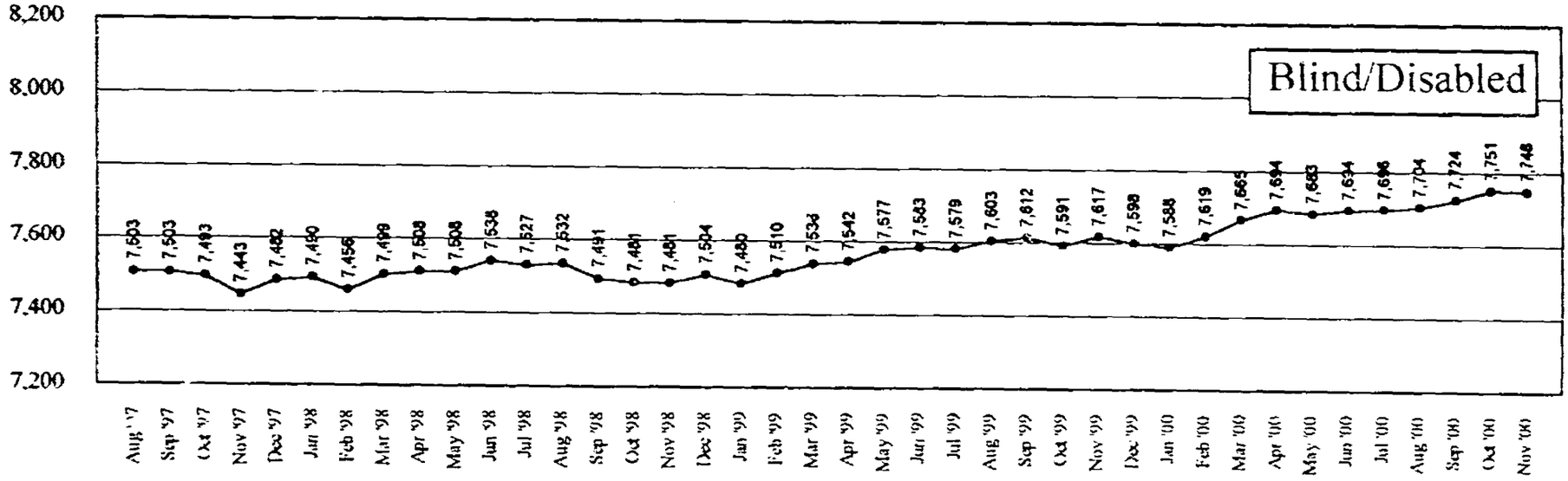


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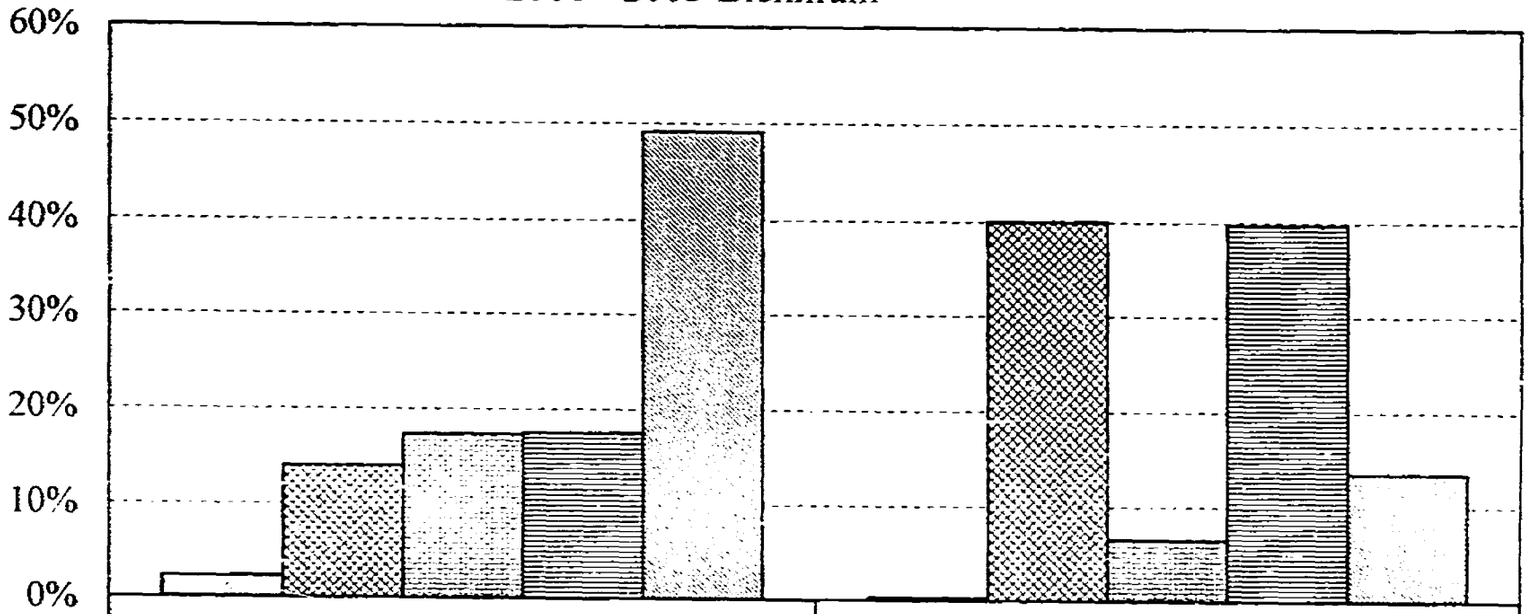
Chart C

North Dakota Department of Human Services

Recipients of Medical Care and Amounts of Medicaid Payments
Federal Fiscal Year 1998
HB 1012 to Senate
2001 - 2003 Biennium



	Recipients Receiving		Cost	
TOTAL	100%	62,214	100%	$340,919,982
Unknown	2.3%	1,486	0.3%	$1,172,534
Blind & Disabled	13.9%	8,621	40.0%	$136,488,085
Adults	17.3%	10,780	6.5%	$22,032,817
Aged	17.4%	10,801	39.7%	$135,209,230
Children	49.1%	30,526	13.5%	$46,017,316

Definitions: Aged: Persons aged 65 and over.
Blind & Disabled: Persons aged 0 to 64 and either blind or disabled.
Adults: Non-blind and non-disabled persons aged 21 to 64.
Children: Non-blind and non-disabled persons aged 0 to 20.
Unknown: Persons for whom the age was not defined.

Source: HCFA 2082 - FFY 1998, 1997, 1996, & 1995 - Qtr 4 Section D.5/D.6.

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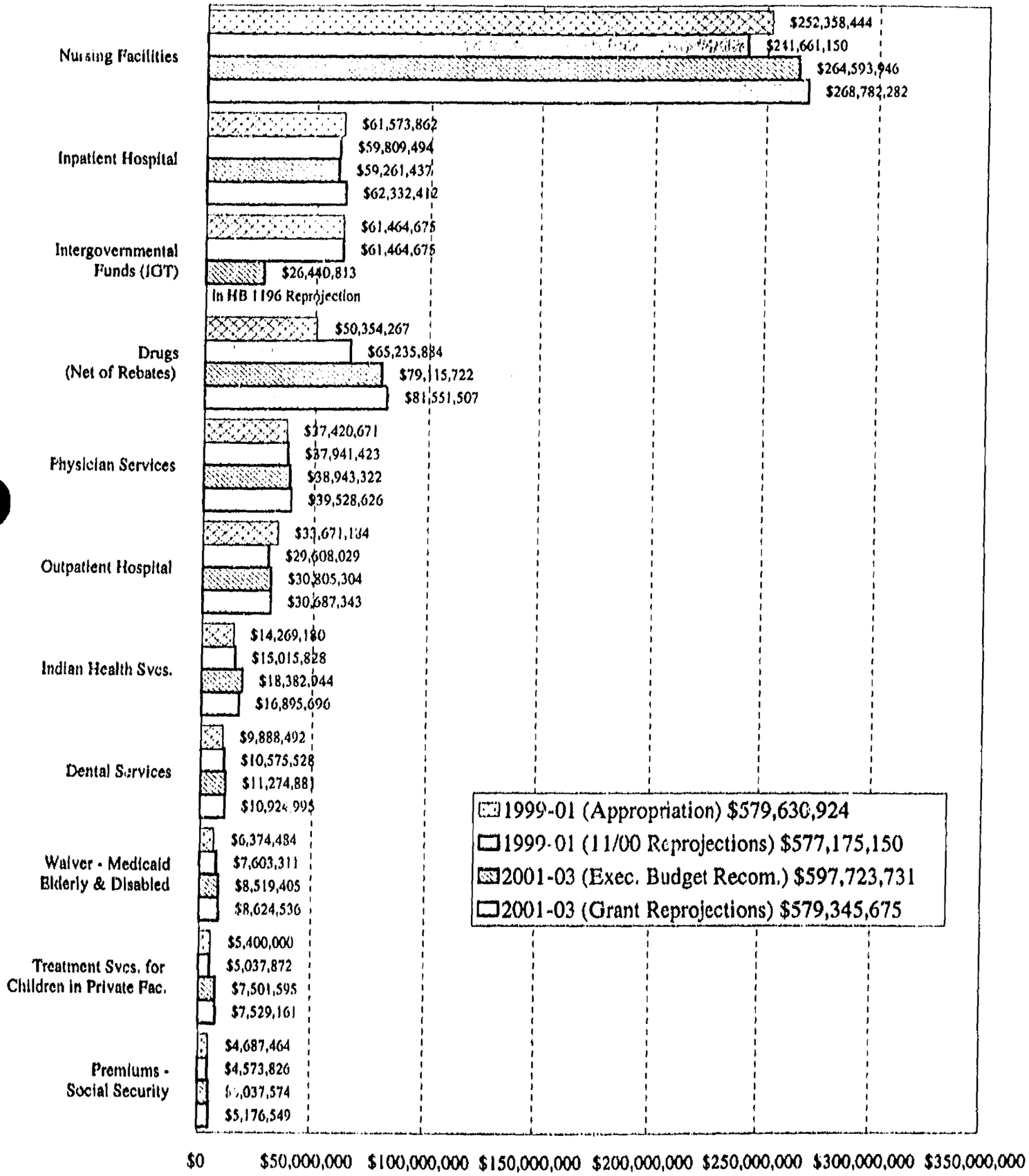
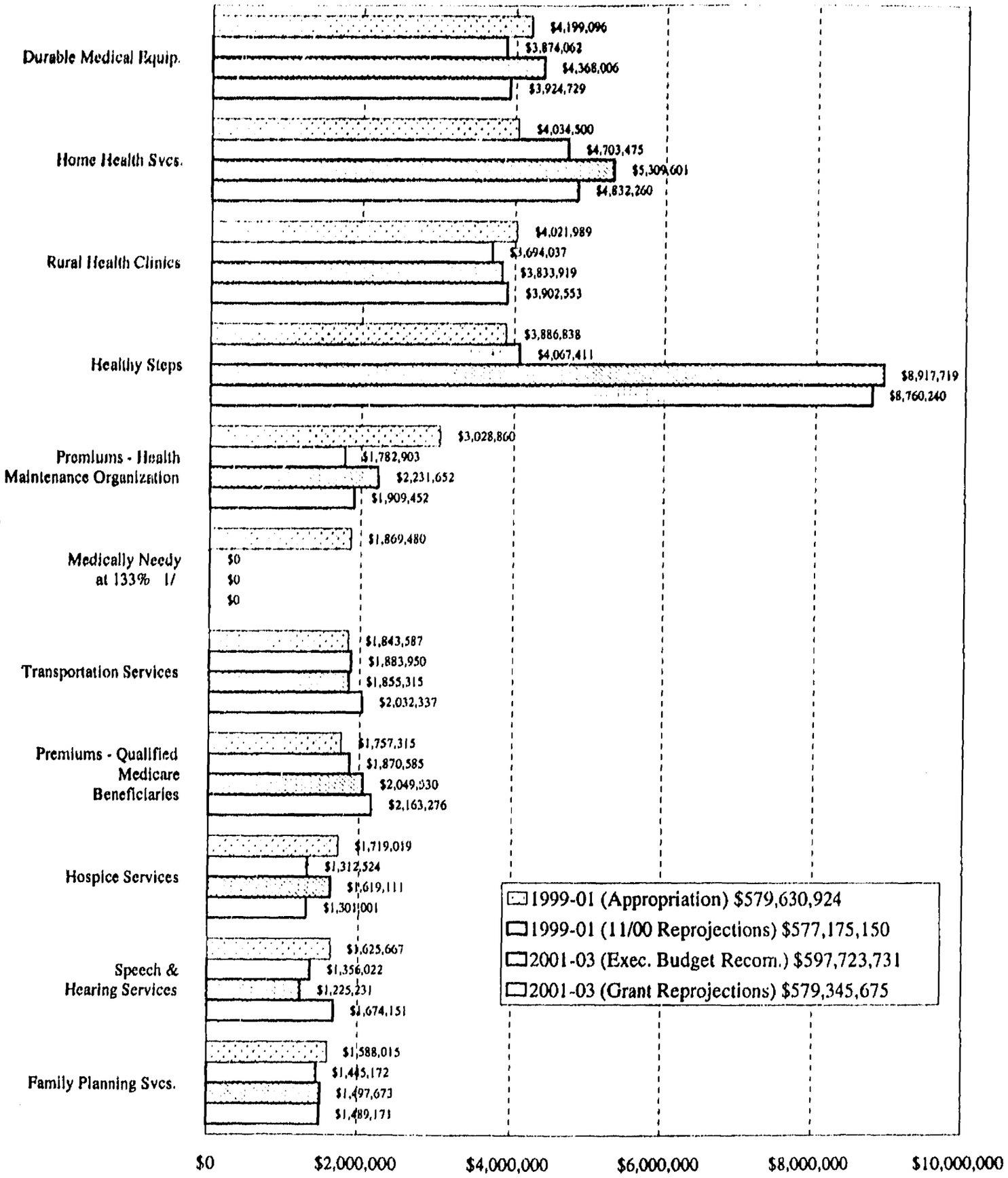
Chart D-1

North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to Senate
2001 - 2003 Biennium



North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to Senate
2001 - 2003 Biennium

Chart D-2



1/ Medically Needy Income Levels Increased to 133% of the 7/98 AFDC Standard

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North Dakota Department of Human Services

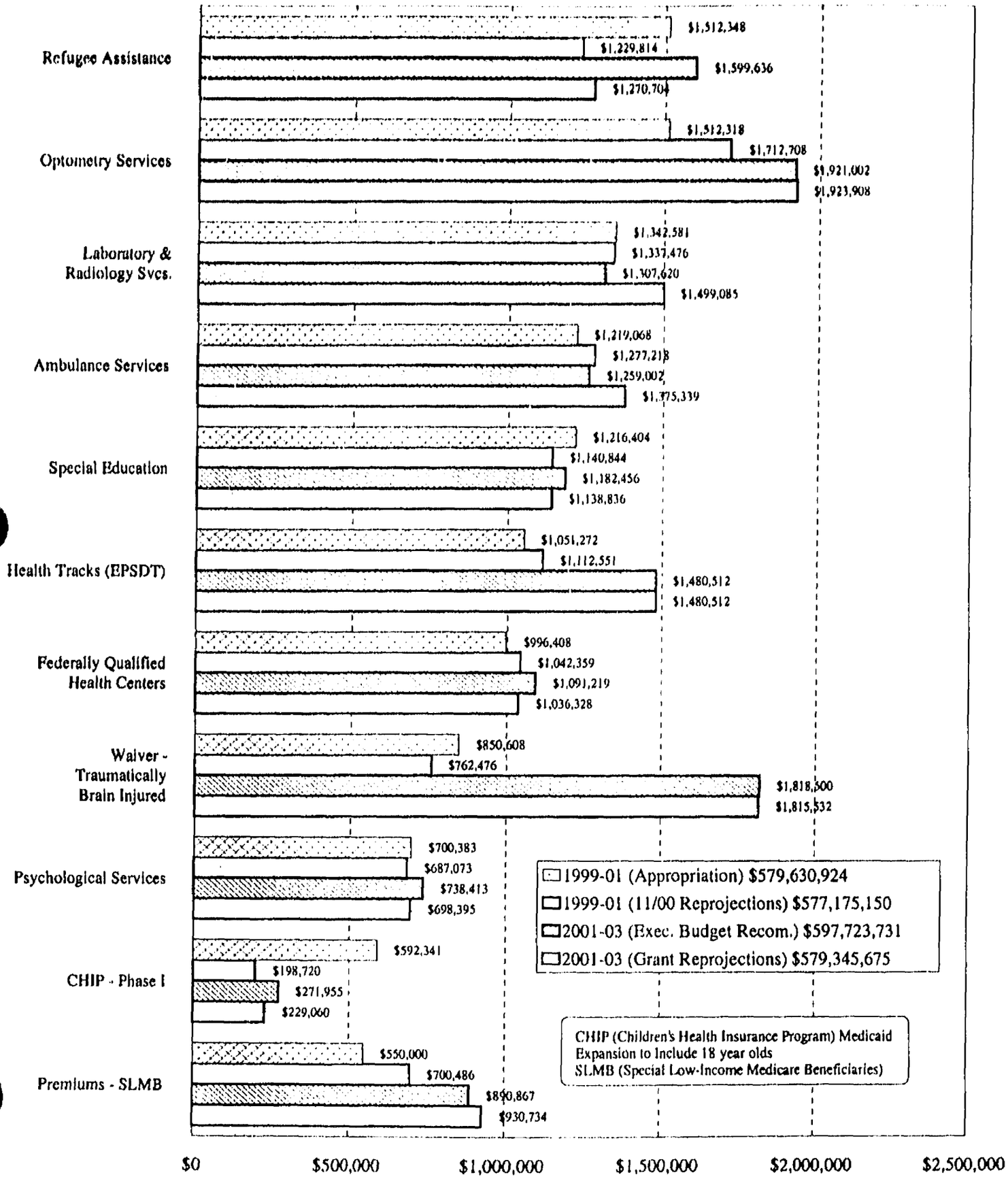
Chart D-3

Medical Services

1999-01 and 2001-03 Biennium Comparisons

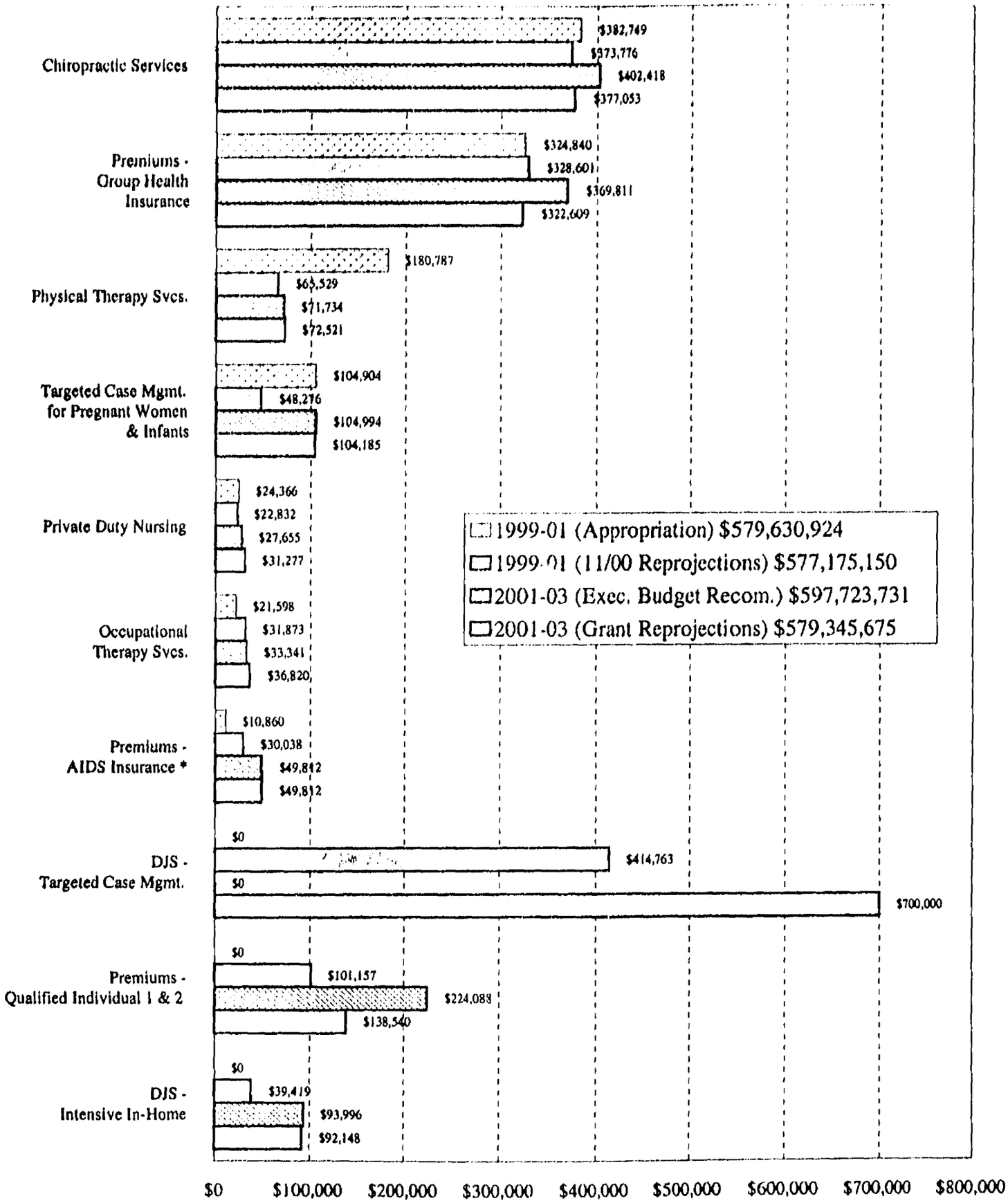
HB 1012 to Senate

2001 - 2003 Biennium



North Dakota Department of Human Services
Medical Services
1999-01 and 2001-03 Biennium Comparisons
HB 1012 to Senate
2001 - 2003 Biennium

Chart D-4



* AIDS (Acquired Immune Deficiency Syndrome)

North Dakota Department of Human Services

Chart F

Comparison of Actual Home Beds Paid Per Month to Average
HB 1012 to Senate
2001 - 2003 Biennium

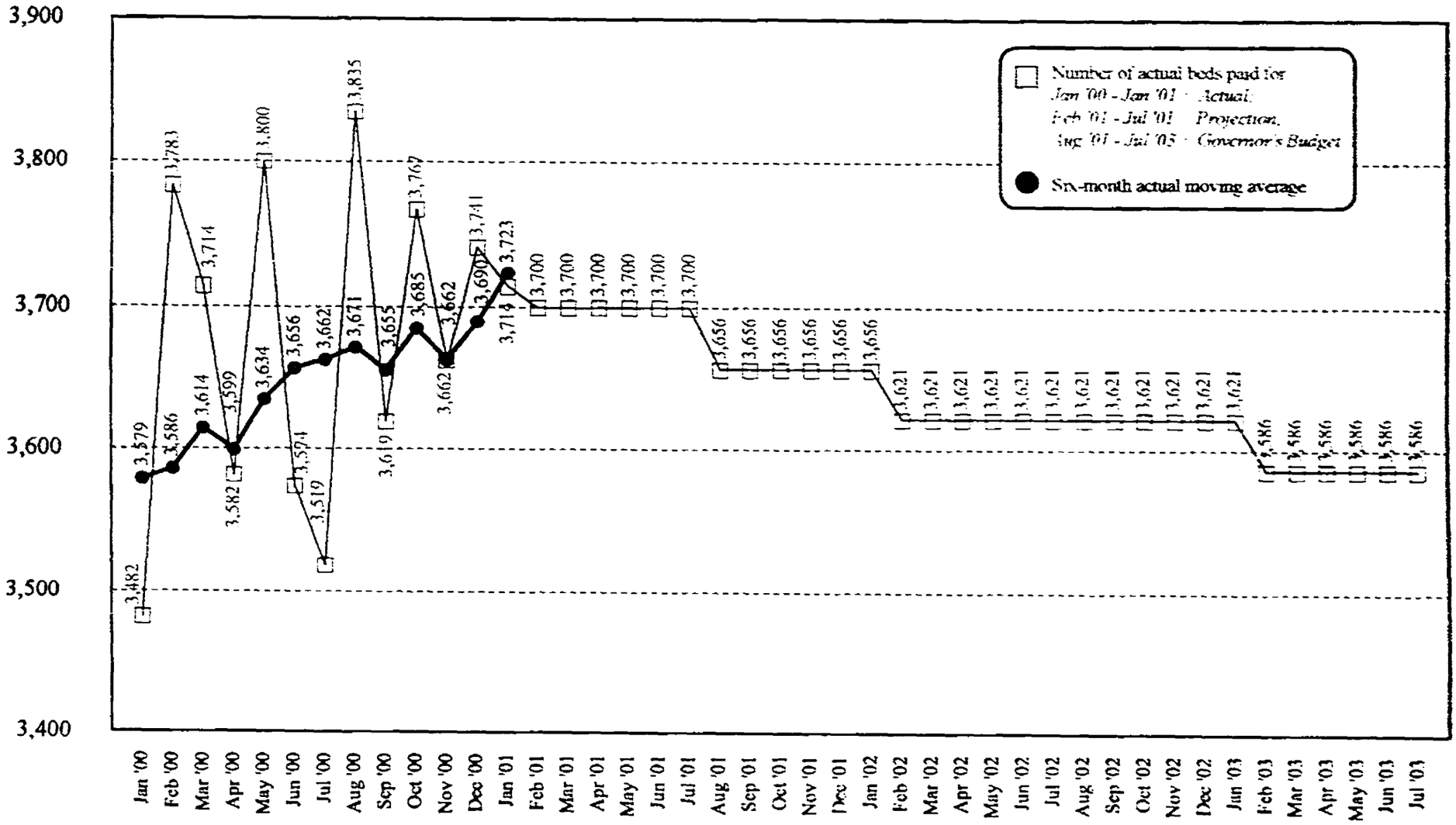


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Chart G

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
Medical Services
Adjustment Options
HB 1012 to Senate
2001-2003 Biennium

Option	Total	General	Federal	Other
Inflation	6,040,850	1,811,035	4,229,815	-
Drug Co-pay $2	849,422	255,803	593,619	-
Pharmacy @ AWP - 12%	1,474,441	444,028	1,030,413	-
IN-Patient Hospital (5.6%)	3,379,021	1,017,592	2,361,429	-
Out-Patient Hospital (5.6%)	1,663,364	500,922	1,162,442	-
Physician (5.6%)	2,142,376	645,177	1,497,199	-
TBI to 25 Slots	294,968	88,844	206,124	-
Chiropractic	365,040	109,954	255,086	-
Private Duty Nursing	30,288	9,125	21,163	-
Adult Dental (53%)	5,605,644	1,688,400	3,917,244	-
Adult Optometric (47%)	875,117	263,579	611,538	-
Psychological Services	676,064	203,620	472,438	-
Speech & Hearing	1,620,344	488,040	1,132,304	-
Occupational Therapy	35,648	10,732	24,916	-
Physical Therapy	70,200	21,137	49,063	-
	-	-	-	-
	-	-	-	-
Total	26,122,787	7,557,994	17,564,793	-

Adjustment Needed to meet reprojections	(7,551,222)
Difference	6,772

Dave Zentner

Blue Cross Blue Shield of North Dakota
Fargo, ND 58121-0001

ACTUARIAL MEMORANDUM
In Support of Gross Premiums for Healthy Steps Program
Form # 29303913

1. Scope and Purpose of Filing

This memorandum represents a rate adjustment effective July 1, 2001 for the Healthy Steps Program. The new premium rates will remain in effect for a 2-year period ending June 30, 2003.

The anticipated loss ratio for the period is 88.6%. However, a loss ratio of 101.12% is projected for this rating period without a rate increase. An overall rate increase of 14.13% is necessary to achieve the anticipated loss ratio.

2. Description of Benefits

The Healthy Steps Program consists of coverage similar to the current PERS plan with the exception of maternity delivery services and the addition of some wellness services. Cost sharing is limited to $2 per prescription, $5 for emergency room visit, and $50 for inpatient admissions.

3. Renewability Clause

Healthy Steps is guaranteed renewable or continuable according to the provisions of Chapter 26.1 of North Dakota Century Code.

4. Applicability

Children who have been determined eligible for the Healthy Steps Program.

5. Morbidity

The source of claim costs is actual experience for the period October 1, 1999 through July 31, 2000.

These are illustrated as Exhibit I.

6. Mortality

The mortality of policyholders (members) is not material to this filing.

7. Persistency

Lapse rates are not material to this filing.

8. Retention Charge

Retention is 11.4% of income, which equals $11.63 per Non-Native American member per month and $11.76 per Native American member per month.

9. Marketing Method

Not applicable to this filing.

10. Underwriting

Not applicable to this filing.

11. Premium Classes

Single only.

12. Issue Age Range

This product is available to qualifying children under age 19.

13. Area Factors

Premium rates do not vary by area.

14. Average Annual Premiums

The current average annual premium is $1,073.87. The estimated average annual premium after the rate increase is $1,225.47.

15. Premium Modalization Rules

Not applicable to this filing.

16. Claim Liability and Reserves

Claim liabilities and reserves will be determined by standard lag procedures.

17. Active Life Reserve

Active life reserves are not material to this filing.

18. Trend Assumptions

8% annual trend.

19. Minimum Loss Ratio

The 65% minimum loss ratio for individual business is exceeded in this filing.

20. Anticipated Loss Ratio

The anticipated loss ratio of 88.6% exceeds the minimum loss ratio of 65%.

21. Distribution of Business

The distribution of business is shown in Exhibit II.

22. Contingency and Profit Margins

All contingency and profit margins are included in the retention charge.

23. Experience on the Form

Refer to Exhibit I.

24. Lifetime Loss Ratio

Lifetime loss ratios are not material to this filing.

25. History of Rate Adjustments

Not applicable to this filing.

26. Number of Contracts (Policyholders)

As of July 31, 2000 there were 1,879 contracts.

27. Proposed Effective Date

The proposed effective date for these rates is July 1, 2001 through June 30, 2003.

28. Certification by Actuary

By signing below, I hereby certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of North Dakota and regulations of the Insurance Department, and the benefits are reasonable in relation to the premiums.

Janine Weideman, MAAA

10-10-00
Date

EXHIBIT 1
Blue Cross Blue Shield of North Dakota
Healthy Steps
Rate Increase Calculation
Effective July 1, 2001/June 30, 2003

1.	Earned Premium: (10-1-99/7-31-00)	$1,066,953
2.	Income at Current Rates: (10-1-99/7-31-00)	$1,066,953
3.	Claims incurred 10-1-99/7-31-00, paid thru 7-31-00:	$683,991
4.	Adjust Health claims to 2000 Reimbursement Level: [(3) * .34%]	$681,666
5.	Estimated completion factor:	72.2%
6.	Estimated total incurred claims in period: [(4)/(5)]	$944,135
7.	Adjust Health claims to 2001 Reimbursement Level: [(6) * 1.9%]	$926,196
8.	Adjusted Loss Ratio: [(7)/(2)*100]	85.21%
9.	Annual Trend Factor:	8.00%
10.	Trend Factor for 26 Months:	18.67%
11.	Projected Loss Ratio: [(8) * (1+(10))]	101.12%
12.	Retention (as a percentage of income):	11.4%
13.	Anticipated Loss Ratio: [100%-(12)]	88.6%
14.	Rate Increase Required 7-1-01: [(11)/(13)-100]	14.13%

The Dental Service Corporation
Fargo, ND 58121-0001

ACTUARIAL MEMORANDUM
In Support of Gross Premiums for
Healthy Steps Program
Form # 29303914

1. Scope and Purpose of Filing

This memorandum represents a rate adjustment effective July 1, 2001 for the Healthy Steps Dental Plan 269. The new premium rates will remain in effect for a 2-year period ending June 30, 2003.

The anticipated loss ratio for the period is 92.7%. However, a loss ratio of 147.07% is projected for this rating period without a rate increase. An overall rate increase of 58.65% is calculated to achieve the anticipated loss ratio. Due to high utilization in the first year of dental plans, we anticipate more moderate utilization in the renewal period and are requesting an overall rate increase of 29.4%.

2. Description of Benefits

Benefits include the following:

- 2 oral exams per year
- 4 cleanings per year
- Bitewing x-rays once per year
- Full mouth and panoramic x-rays once every three years
- Restorative services

3. Renewability Clause

The Healthy Steps Dental Plan 269 is guaranteed renewable or continuable according to the provisions of Chapter 26.1 of North Dakota Century Code.

4. Applicability

This Dental Plan is available to all children who have been determined eligible for the Healthy Steps Program.

5. Morbidity

The source of claim costs is actual experience for the period October 1, 1999 through July 31, 2000.

These are illustrated as Exhibit I.

6. Mortality

The mortality of policyholders (members) is not material to this filing.

7. Persistency

Lapse rates are not material to this filing.

8. Retention Charge

Retention is 7.3% of income, which equals $1.36 per member per month.

9. Marketing Method

Not applicable to this filing.

10. Underwriting

Not applicable to this filing.

11. Premium Classes

Single only.

12. Issue Age Range

This product is available to qualifying children under age 19.

13. Area Factors

Premium rates do not vary by area.

14. Average Annual Premiums

The current average annual premium is $173.28. The estimated average annual premium after the rate increase is $224.16.

15. Premium Modalization Rules

Not applicable to this filing.

16. Claim Liability and Reserves

Due to the rapid submission and payment of dental claims, studies indicate that there is no material difference between paid and incurred claims.

17. Active Life Reserve

Active life reserves are not material to this filing.

18. Trend Assumptions

5% annual trend.

19. Minimum Loss Ratio

Minimum loss ratio does not apply to Dental Plans.

20. Anticipated Loss Ratio

The anticipated loss ratio is 92.7%.

21. Distribution of Business

The distribution of business is shown in Exhibit II.

22. Contingency and Profit Margins

All contingency and profit margins are included in the retention charge.

23. Experience on the Form

Refer to Exhibit I.

24. Lifetime Loss Ratio

Lifetime loss ratios are not material to this filing.

25. History of Rate Adjustments

Not applicable to this filing.

26. Number of Contracts (Policyholders)

As of July 31, 2000 there were 1,879 contracts.

27. Proposed Effective Date

The proposed effective date for these rates is July 1, 2001 through June 30, 2003.

28. Certification by Actuary

By signing below, I hereby certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of North Dakota and regulations of the Insurance Department, and the benefits are reasonable in relation to the premiums.

Janine Weideman, MAAA

10-10-00
Date

EXHIBIT 1
The Dental Service Corporation
Healthy Steps
Rate Increase Calculation
Effective July 1, 2001/June 30, 2003

1.	Earned Premium: (10-1-99/7-31-00)	$175,469
2.	Income at Current Rates: (10-1-99/7-31-00)	$175,469
3.	Claims incurred 10-1-99/7-31-00, paid thru 7-31-00:	$189,989
4.	Estimated completion factor:	82.2%
5.	Estimated total incurred claims in period: [(3)/(4)]	$231,130
6.	Adjusted Loss Ratio: [(5)/(2)*100]	131.71%
7.	Annual Trend Factor:	6.00%
8.	Trend Factor for 28 Months:	11.67%
9.	Projected Loss Ratio: [(6) * (1+(8))]	147.07%
10.	Retention (as a percentage of income):	7.3%
11.	Anticipated Loss Ratio: [100%-(10)]	92.7%
12.	Rate Increase Required 7-1-01: [(9)/(11)-100]	58.65%

Vision Services, Inc.
Fargo, ND 58121-0001

ACTUARIAL MEMORANDUM
In Support of Gross Premiums for Healthy Steps Program
Form # 29303915

1. Scope and Purpose of Filing

This memorandum represents a rate adjustment effective July 1, 2001 for the Healthy Steps Vision Plan 50. The new premium rates will remain in effect for a 2-year period ending June 30, 2003.

The anticipated loss ratio for the period is 88.9%. However, a loss ratio of 123.96% is projected for this rating period without a rate increase. An overall rate increase of 39.43% is calculated to achieve the anticipated loss ratio. Due to high utilization in the first year of vision plans, we anticipate more moderate utilization in the renewal period and are requesting an overall rate increase of 19.7%.

2. Description of Benefits

Benefits include the following:

- Vision exam and lenses every 12 months
- $60 frame allowance every 24 months

3. Renewability Clause

The Healthy Steps Vision Plan 50 is guaranteed renewable or continuable according to the provisions of Chapter 20.1 of North Dakota Century Code.

4. Applicability

This Vision Plan is available to all children who have been determined eligible for the Healthy Steps Program.

5. Morbidity

The source of claim costs is actual experience for the period October 1, 1999 through July 31, 2000.

These are illustrated as Exhibit I.

6. Mortality

The mortality of policyholders (members) is not material to this filing.

7. Persistency

Lapse rates are not material to this filing.

8. Retention Charge

Retention is 11.1% of income, which equals $0.63 per member per month.

9. Marketing Method

Not applicable to this filing.

10. Underwriting

Not applicable to this filing.

11. Premium Classes

Single only.

12. Issue Age Range

This product is available to qualifying children under age 19.

13. Area Factors

Premium rates do not vary by area.

14. Average Annual Premiums

The current average annual premium is $57.12. The estimated average annual premium after the rate increase is $68.40.

15. Premium Modalization Rules

Not applicable to this filing.

16. Claim Liability and Reserves

Due to the rapid submission and payment of vision claims, studies indicate that there is no material difference between paid and incurred claims.

17. Active Life Reserve

Active life reserves are not material to this filing.

18. Trend Assumptions

0% annual trend.

19. Minimum Loss Ratio

Minimum loss ratio does not apply to Vision Plans.

20. Anticipated Loss Ratio

The anticipated loss ratio is 88.9%.

21. Distribution of Business

The distribution of business is shown in Exhibit II.

22. Contingency and Profit Margins

All contingency and profit margins are included in the retention charge.

23. Experience on the Form

Refer to Exhibit I.

24. Lifetime Loss Ratio

Lifetime loss ratios are not material to this filing.

25. History of Rate Adjustments

Not applicable to this filing.

26. Number of Contracts (Policyholders)

As of July 31, 2000 there were 1,879 contracts.

27. Proposed Effective Date

The proposed effective date for these rates is July 1, 2001 through June 30, 2003.

28. Certification by Actuary

By signing below, I hereby certify that to the best of my knowledge and judgment, the entire rate filing is in compliance with the applicable laws of the State of North Dakota and regulations of the Insurance Department, and the benefits are reasonable in relation to the premiums.

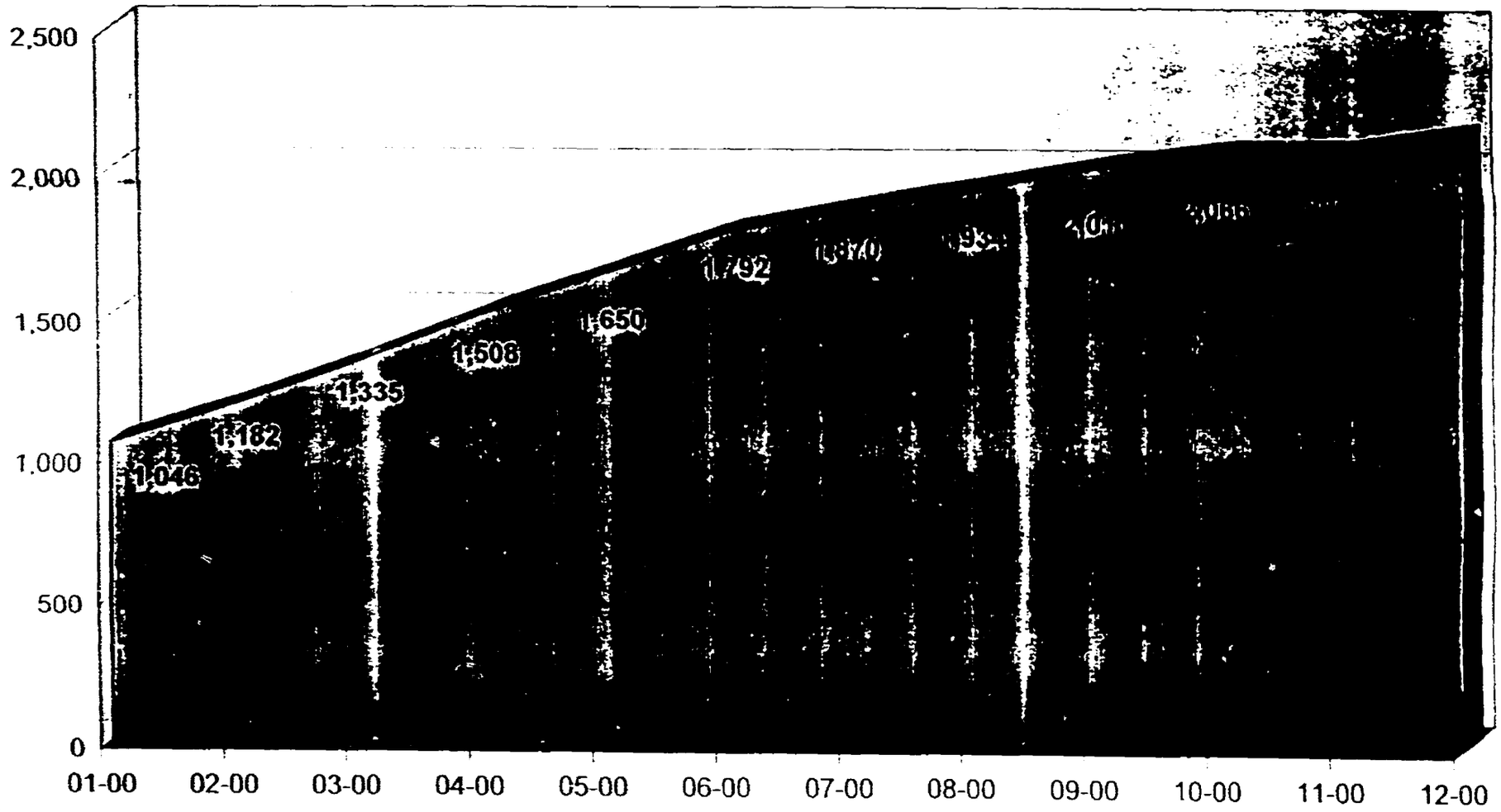
Janine Weideman, MAAA

10-10-00
Date

EXHIBIT 1
Vision Services, Inc.
Healthy Steps
Rate Increase Calculation
Effective July 1, 2001/June 30, 2003

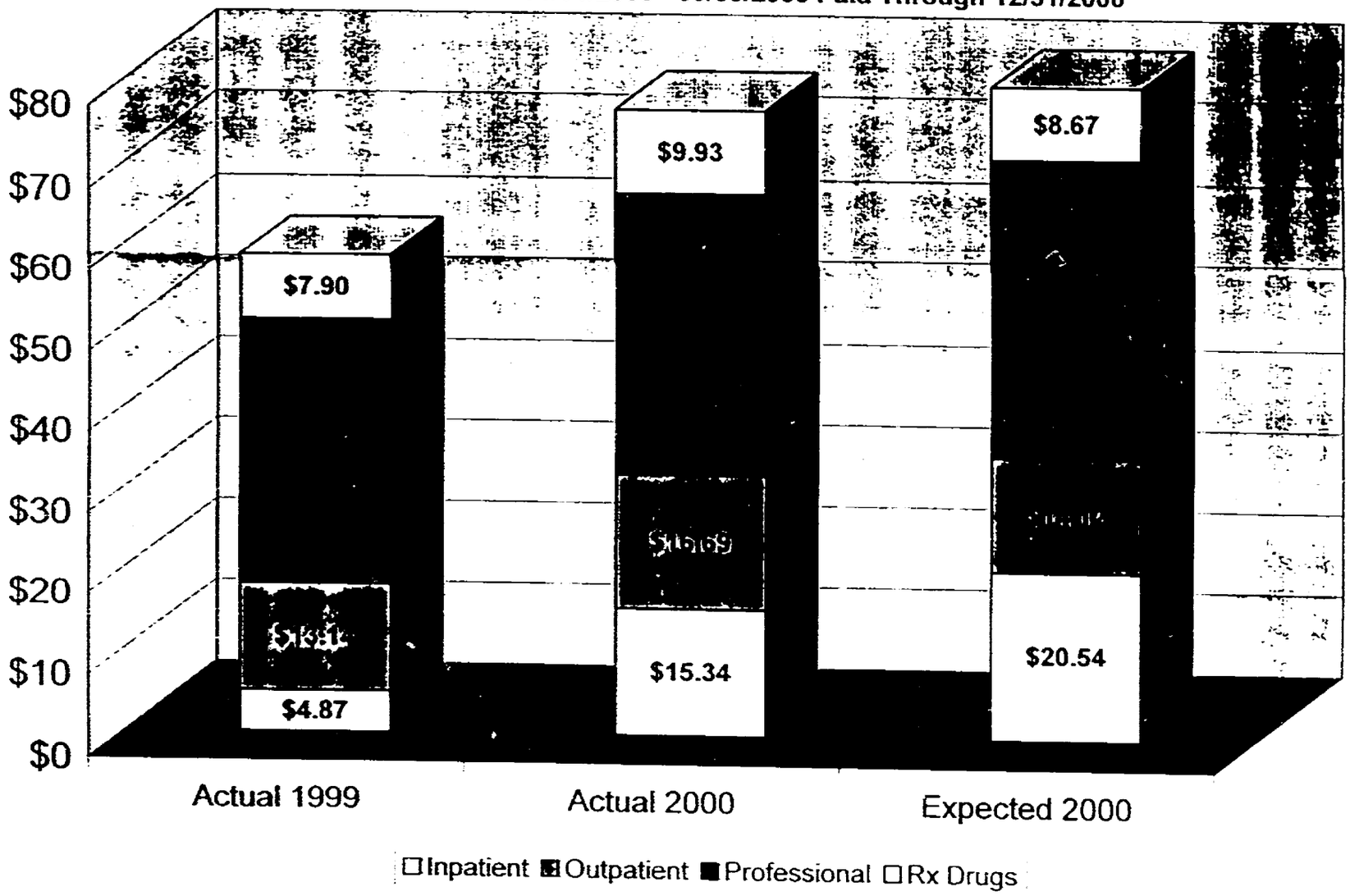
1.	Earned Premium: (10-1-99/7-31-00)	$57,848
2.	Income at Current Rates: (10-1-99/7-31-00)	$57,848
3.	Claims incurred 10-1-99/7-31-00, paid thru 7-31-00:	$55,071
4.	Estimated completion factor:	76.8%
5.	Estimated total incurred claims in period: [(3)/(4)]	$71,707
6.	Adjusted Loss Ratio: [(5)/(2)*100]	123.96%
7.	Annual Trend Factor:	0.00%
8.	Trend Factor for 28 Months:	0.00%
9.	Projected Loss Ratio: [(6) * (1+(8))]	123.96%
10.	Retention (as a percentage of income):	11.1%
11.	Anticipated Loss Ratio: [100%-(10)]	88.9%
12.	Rate Increase Required 7-1-01: [(9)/(11)-100]	39.43%

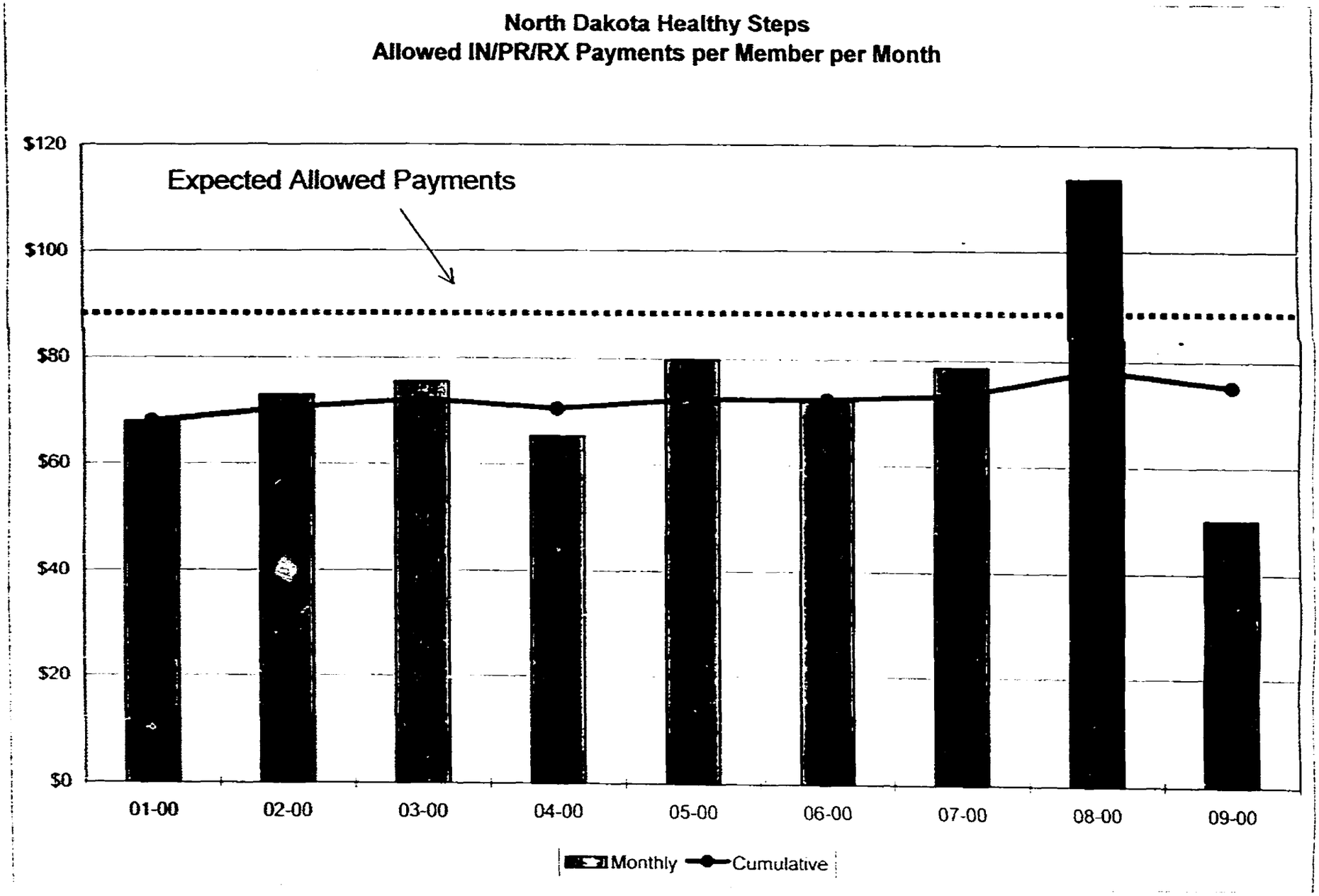
North Dakota Healthy Steps
Member Enrollment by Month



North Dakota Healthy Steps

Claims Incurred 10/01/1999 - 12/31/1999 Paid Through 03/31/2000
Claims Incurred 01/01/2000 - 09/30/2000 Paid Through 12/31/2000




North Dakota Healthy Steps
Allowed IN/PR/RX Payments per Member per Month
Expected Allowed Payments
$120
$100
$80
$60
$40
$20
$0
01-00
02-00
03-00
04-00
05-00
06-00
07-00
08-00
09-00
Monthly
Cumulative

North Da a Healthy Steps
Performance Report

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

Key Information		Actual Payments	Expected Payments	Variance	Allowed Charges **	Expected Allowed Charges **	Variance
Membership Information							
Average Membership	1591.7						
Per Member Per Month Cost Information							
Institutional Inpatient		$15.20	$20.26	(5.06)	$15.34	$20.54	(5.20)
Institutional Outpatient		16.59	14.06	2.53	16.69	14.12	2.57
Other Institutional		0.00	0.33	(0.33)	0.00	0.33	(0.33)
Professional		34.58	36.42	(1.84)	34.58	36.42	(1.84)
Prescription Drug *		9.43	8.17	1.26	9.93	8.67	1.26
Total		$75.80	$79.24	(3.44)	$76.54	$80.08	(3.54)

* Includes Professional Major Medical RX
** Allowed Charges = BCBSND Check Amount + Subscriber Liability

North Da Healthy Steps
Health Utilization By Month

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

Incurred Month	Member Months	Payment Activity to Date *					Cost Share ** Payments	IN/PR/RX Payment PMPM *	Cost Share ** Payment PMPM
		Institutional Inpatient	Institutional Outpatient	Professional	Total RX ***	Total Payments			
JAN 2000	1046.0	$15,113.48	$8,012.74	$40,137.39	$7,866.82	$71,130.43	$967.00	$68.00	$0.92
FEB 2000	1182.0	14,277.44	18,126.99	44,901.40	9,037.47	86,343.30	976.00	73.05	0.83
MAR 2000	1334.5	24,607.51	15,416.10	49,192.20	11,761.72	100,977.53	1,205.00	75.67	0.90
APR 2000	1507.5	10,932.00	18,467.06	57,268.55	11,955.01	98,622.62	1,158.66	65.42	0.77
MAY 2000	1650.0	32,497.89	21,694.93	59,342.44	18,376.71	131,911.97	1,349.00	79.95	0.82
JUN 2000	1792.0	35,871.78	24,803.53	55,798.65	13,239.53	129,713.49	1,148.00	72.38	0.64
JUL 2000	1869.5	17,758.17	48,806.59	63,331.34	17,196.70	147,092.80	1,184.00	78.68	0.63
AUG 2000	1933.0	63,825.64	59,339.30	72,967.08	23,362.75	219,494.77	1,481.00	113.55	0.77
SEP 2000	2011.0	2,831.00	22,995.69	52,485.08	22,233.60	100,545.37	1,195.00	50.00	0.59
Total	14325.5	$217,714.91	$237,662.93	$495,424.13	$135,030.31	$1,085,832.28	$10,663.66		
Total PMPM		$15.20	$16.59	$34.58	$9.43	$75.80	$0.74		
Incurred to Date:									
OCT 2000	2066.0	$35,143.86	$22,162.25	$74,623.33	$19,569.95	$151,499.39	$1,501.34	$73.33	$0.73
NOV 2000	2069.0	11,360.60	18,440.73	46,114.07	20,346.63	96,262.03	1,377.00	46.53	0.67
DEC 2000	2134.0	5,540.00	1,394.53	15,351.77	27,637.59	49,923.89	1,083.00	23.39	0.51

* Excludes Cost Share
** Cost Share = Subscriber Liability
*** Includes Professional Major Medical RX

North [illegible] Healthy Steps

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

Average Membership: 1591.7

Type of Service	Utilization Variance				Payment per Unit Variance			Paid PMPM Dollar Variance			Allowed PMPM Dollar Variance **		
	Actual Claims	Actual Annual Units/ 1000	Expected Annual Units/ 1000	Percent of Expected	Actual Payment/ Unit	Expected Payment/ Unit	Percent of Expected	Actual Average Paid PMPM	Expected Average Paid PMPM	Percent of Expected	Actual Average Allowed PMPM	Expected Average Allowed PMPM	Percent of Expected
Institutional (units = claims)													
Inpatient													
Normal Newborn	10	8.4	34.3	24.4%	$772.00	$582.40	132.6%	$0.54	$1.67	32.3%	$0.57	$1.81	31.7%
Critical Newborn	1	0.8	5.0	16.8%	3,814.00	7,454.07	51.2%	0.27	3.10	8.6%	0.27	3.12	8.6%
Medical	17	14.2	18.1	78.7%	2,534.31	3,977.14	63.7%	3.01	6.00	50.1%	3.06	6.07	50.4%
Maternity	0	0.0	0.0	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
Surgical	13	10.9	6.3	172.9%	8,678.11	1,108.25	783.0%	7.88	5.80	135.8%	7.91	5.82	135.9%
Psychiatric	5	4.2	4.9	85.5%	7,598.31	7,710.68	98.5%	2.65	3.16	83.9%	2.6[illegible]	3.18	83.9%
Chemical Dependancy	0	0.0	1.0	0.0%	0.00	6,735.44	0.0%	0.86	0.53	1[illegible]9.5%	0.86	0.54	159.5%
Total Inpatient	**46**	**38.5**	**69.6**	**55.4%**				**15.20**	**20.26**	**75.0%**	**15.34**	**20.54**	**74.7%**
Outpatient													
Maternity	1	0.8	3.1	27.0%	54.13	285.05	19.0%	0.00	0.07	5.4%	0.00	0.07	5.9%
Surgical	74	62.0	64.6	96.0%	710.93	1,069.21	66.5%	3.67	5.75	63.9%	3.68	5.75	64.0%
Psychiatric	20	16.8	15.4	108.8%	2,415.39	1,024.31	235.8%	3.37	1.32	255.5%	3.37	1.32	255.6%
Chemical Dependancy	7	5.9	7.6	77.2%	3,538.12	880.24	401.9%	1.73	0.56	308.7%	1.73	0.56	308.8%
Medical	550	460.7	389.5	118.3%	203.50	195.85	103.9%	7.81	6.36	122.8%	7.90	6.42	123.0%
Total Outpatient	**652**	**546.2**	**480.2**	**113.7%**				**16.59**	**14.06**	**118.0%**	**16.69**	**14.12**	**118.2%**
"Other" Claims													
SNF & Swing Bed	0	0.0	0.1	0.0%	0.00	621.54	0.0%	0.00	0.01	0.0%	0.00	0.01	0.0%
Home Health Agency	0	0.0	2.6	0.0%	0.00	1,403.30	0.0%	0.00	0.30	0.0%	0.00	0.30	0.0%
Other	0	0.0	0.5	0.0%	0.00	451.74	0.0%	0.00	0.02	0.0%	0.00	0.02	0.0%
Total "Other"	**0**	**0.0**	**3.2**	**0.0%**				**0.00**	**0.33**	**0.0%**	**0.00**	**0.33**	**0.0%**
Professional (units = services)													
Surgery - Inpatient	42	35.2	42.7	82.4%	552.04	446.73	123.6%	1.62	1.59	101.8%	1.62	1.59	101.8%
Surgery - Outpatient	109	91.3	89.0	102.6%	235.64	277.68	84.9%	1.79	2.06	87.0%	1.79	2.06	87.0%
Surgery - Office	215	180.1	197.8	91.1%	118.20	96.07	123.0%	1.77	1.58	112.3%	1.77	1.58	112.3%
Anesthesia	140	117.3	101.4	115.7%	209.99	215.67	97.4%	2.05	1.82	112.8%	2.05	1.82	112.8%
Assistant Fees	4	3.4	3.1	108.1%	245.95	251.05	98.0%	0.07	0.07	98.1%	0.07	0.07	98.1%
Ancillary Rooms	20	16.8	11.7	143.2%	273.92	346.96	78.9%	0.38	0.34	112.5%	0.38	0.34	112.5%
Inpatient Physician Visits	117	98.0	225.7	43.4%	87.49	126.33	69.3%	0.71	2.38	30.0%	0.71	2.38	30.0%
Hospital Outpatient/ER Visits	318	266.4	288.7	92.3%	53.87	60.64	88.8%	1.20	1.46	81.9%	1.20	1.46	81.9%
Office Calls	3382	2833.0	2964.8	95.6%	50.53	47.22	107.0%	11.93	11.67	102.2%	11.93	11.67	102.2%
Maternity Care	13	10.9	15.5	70.3%	5.35	178.04	3.0%	0.00	0.23	2.1%	0.00	0.23	2.1%
Optical Exams/Supplies	39	32.7	102.6	31.8%	37.72	16.91	223.0%	0.10	0.14	73.3%	0.10	0.14	73.3%
Chem/Psych - Inpatient	69	57.8	54.2	106.6%	88.61	92.79	95.5%	0.43	0.42	101.6%	0.43	0.42	101.6%
Chem/Psych - Outpatient	109	91.3	24.8	368.2%	75.46	81.16	93.0%	0.57	0.17	337.7%	0.57	0.17	337.7%
Chem/Psych - Office	694	581.3	403.6	144.0%	97.99	89.08	110.0%	4.75	3.00	158.2%	4.75	3.00	158.2%
Therapies	547	458.2	518.3	88.4%	27.39	26.83	102.1%	1.05	1.16	90.1%	1.05	1.16	90.1%
EKG/EEG	262	219.5	184.2	119.1%	52.82	57.64	91.6%	0.97	0.88	109.8%	0.97	0.88	109.8%
Diagnostic Lab	1402	1174.4	1225.3	95.8%	18.53	21.91	84.6%	1.81	2.24	81.0%	1.81	2.24	81.0%
Diagnostic X-Ray	735	615.7	528.9	116.4%	37.23	46.05	80.8%	1.91	2.03	94.1%	1.91	2.03	94.1%
Therapeutic Radiology	0	0.0	3.2	0.0%	0.00	315.97	0.0%	0.00	0.08	0.0%	0.00	0.08	0.0%
Chemotherapy	0	0.0	9.5	0.0%	0.00	144.09	0.0%	0.00	0.11	0.0%	0.00	0.11	0.0%
Injectables	541	453.2	667.1	67.9%	13.17	13.19	99.9%	0.50	0.73	68.1%	0.50	0.73	68.1%
Home Infusion	0	0.0	8.8	0.0%	0.00	366.07	0.0%	0.00	0.27	0.0%	0.00	0.27	0.0%
Supplies	141	118.1	146.9	80.4%	13.90	25.65	54.2%	0.14	0.31	44.1%	0.14	0.31	44.1%
H&E	91	76.2	108.5	70.3%	55.82	95.56	58.4%	0.35	0.86	41.2%	0.35	0.86	41.2%
Special Services/Tests	343	287.3	326.7	87.9%	19.88	30.13	66.0%	0.48	0.82	58.0%	0.48	0.82	58.0%
Total Professional	**9333**	**7817.9**	**8253.0**	**94.7%**				**34.58**	**36.42**	**95.0%**	**34.58**	**36.42**	**95.0%**
Prescription Drug * (units = services)	4237	3549.2	2995.9	118.5%	31.67	32.71	97.4%	9.43	8.17	115.4%	9.83	8.67	114.5%
								$75.80	$79.24	95.7%	$78.54	$80.08	95.8%

* Includes Professional Major Medical RX

** BCBSAL Check Amount + Subscriber Liability

North Da a Healthy Steps
Institutional Statistics by Type of Service

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

Average Membership: 1591.7

Type of Service	Claims		Days		Payments	
	Actual	Per 1000	Actual	Per 1000	Actual	PMPM
Inpatient						
Normal Newborn	10	8.4	16	13.4	$7,720.00	$0.54
Critical Newborn	1	0.8	3	2.5	3,814.00	0.27
Medical	17	14.2	37	31.0	43,083.27	3.01
Maternity	0	0.0	0	0.0	0.00	0.00
Surgical	13	10.9	58	48.6	112,815.43	7.88
Psychiatric	5	4.2	45	37.7	37,991.57	2.65
Chemical Dependency	0	0.0	26	21.8	12,290.64	0.86
Total Inpatient	46	38.5	185	155.0	217,714.91	15.20
Outpatient						
Maternity	1	0.8			54.13	0.00
Surgical	74	62.0			52,608.59	3.67
Psychiatric	20	16.8			48,307.73	3.37
Chemical Dependency	7	5.9			24,766.84	1.73
Medical	550	460.7			111,925.64	7.81
Total Outpatient	652	546.2			237,662.93	16.59
"Other" Claims						
SNF and Swing Bed	0	0.0	0	0.0	0.00	0.00
Home Health Agency	0	0.0	0	0.0	0.00	0.00
Other	0	0.0	0	0.0	0.00	0.00
Total "Other"	0	0.0	0	0.0	0.00	0.00
Grand Total	698	584.7	185	155.0	$455,377.84	$31.79

North Da Healthy Steps
Professional Statistics by Type of Service

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

Average Membership: 1591.7

Type of Service	Services		Payments	
	Actual	Per 1000	Actual	PMPM
Surgery - Inpatient	42	35.2	$23,185.64	$1.62
Surgery - Outpatient	109	91.3	25,684.74	1.79
Surgery - Office	215	180.1	25,413.48	1.77
Anesthesia	140	117.3	29,398.75	2.05
Assistant Fees	4	3.4	983.80	0.07
Ancillary Rooms	20	16.8	5,478.33	0.38
Inpatient Physician Visits	117	98.0	10,236.76	0.71
Hospital Outpatient/ER Visits	318	266.4	17,131.03	1.20
Office Calls	3382	2833.0	170,882.52	11.93
Maternity Care	13	10.9	69.52	0.00
Optical Exams/Supplies	39	32.7	1,470.89	0.10
Chem/Psych - Inpatient	69	57.8	6,114.41	0.43
Chem/Psych - Outpatient	109	91.3	8,224.96	0.57
Chem/Psych - Office	694	581.3	68,005.92	4.75
Therapies	547	458.2	14,979.74	1.05
EKG/EEG	262	219.5	13,838.41	0.97
Diagnostic Lab	1402	1174.4	25,979.65	1.81
Diagnostic X-Ray	735	615.7	27,360.95	1.91
Therapeutic Radiology	0	0.0	0.00	0.00
Chemotherapy	0	0.0	0.00	0.00
Injectables	541	453.2	7,126.61	0.50
Home Infusion	0	0.0	0.00	0.00
Supplies	141	118.1	1,960.34	0.14
HME	91	76.2	5,079.61	0.35
Special Services/Tests *	343	287.3	6,818.08	0.48
Grand Total	9333	7817.9	$495,424.14	$34.58

* Includes drawing of blood, allergy testing, etc.
Major Medical RX is excluded.

North Da Healthy Steps
Dental and Vision Statistics by Type of Service

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

DENTAL

Average Membership: 1591.7

Type of Service	Services		Payments	
	Actual	Per 1000	Actual	PMPM
Preventive Services	4569	3827.3	$104,016.64	$7.26
Restorative Services	1110	929.8	90,264.34	6.30
Periodontics/Surgery	338	283.1	26,751.60	1.87
Dentures/Orthodontics	15	12.6	2,593.00	0.18
Other	522	437.3	8,602.00	0.60
Total Dental	6554	5490.1	$232,227.58	$16.21
Expected Dental Payments PMPM				$13.39
Payment Variance				2.82

VISION

Average Membership: 1591.7

Type of Service	Services		Payments	
	Actual	Per 1000	Actual	PMPM
Vision Exam	573	480.0	$25,265.80	$1.76
Frame	300	251.3	20,784.06	1.45
Single Vision Lens	296	247.9	14,462.65	1.01
Bifocal Lens	15	12.6	1,022.00	0.07
Trifocal Lens	1	0.8	95.00	0.01
Contact Lenses	83	69.5	7,917.28	0.55
Other/Not Covered	141	118.1	0.00	0.00
Total Vision	1,409	1,180.3	$69,546.79	$4.85
Expected Vision Payments PMPM				$4.23
Payment Variance				0.62

North Da[illegible] Healthy Steps
Dental and Vision Utilization By Month

Claims Incurred 01/01/2000 - 09/30/2000, Paid Through 12/31/2000

DENTAL

Incurred Month	Member Months	Payments	Payment PMPM
JAN 2000	1046.0	$15,822.50	$15.13
FEB 2000	1182.0	21,090.50	17.84
MAR 2000	1334.5	21,992.00	16.48
APR 2000	1507.5	23,067.20	15.30
MAY 2000	1650.0	22,888.16	13.87
JUN 2000	1792.0	34,020.70	18.98
JUL 2000	1869.5	29,233.80	15.64
AUG 2000	1933.0	40,457.72	20.93
SEP 2000	2011.0	23,655.00	11.76
Total	14325.5	$232,227.58	
Total PMPM		$16.21	
Incurred to Date:			
OCT 2000	2066.0	$31,905.50	$15.44
NOV 2000	2069.0	$27,638.40	$13.36
DEC 2000	2134.0	$13,939.50	$6.53

VISION

Incurred Month	Member Months	Payments	Payment PMPM
JAN 2000	1046.0	$7,333.71	$7.01
FEB 2000	1182.0	8,269.81	7.00
MAR 2000	1334.5	8,370.77	6.27
APR 2000	1507.5	6,449.40	4.28
MAY 2000	1650.0	6,112.90	3.70
JUN 2000	1792.0	5,299.08	2.96
JUL 2000	1869.5	7,529.58	4.03
AUG 2000	1933.0	13,989.60	7.24
SEP 2000	2011.0	6,191.94	3.08
Total	14325.5	$69,546.79	
Total PMPM		$4.85	
Incurred to Date:			
OCT 2000	2066.0	$8,661.02	$4.19
NOV 2000	2069.0	$6,646.31	$3.21
DEC 2000	2134.0	$2,229.00	$1.04

1% < Qualified @ 185% gross
Denied @ 140% net

[redacted] 3% < Qualified @ 140% net
Denied @ 185% gross

Random Sample of 201 Healthy Steps Cases

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
1139a	1			1	960	-	960	961	1,270	1		310
386a	1			1	1,097	288	809	961	1,270	152		173
663b		1		1	100	-	100	961	1,270	861		1,170
1085	1			1	-	-	-	961	1,270	961		1,270
769a	1			1	975	-	975	975	1,288	-		313
1499b		1		1	578	-	578	975	1,288	397		710
2003b		1		1	435	-	435	975	1,288	540		853
312b		1		1	150	-	150	975	1,288	825		1,138
462b		1		1	150	-	150	975	1,288	825		1,138
1428b		1		1	-	-	-	975	1,288	975		1,288
2003a		1		1	-	-	-	975	1,288	975		1,288
538			1	2	1,717	286	1,431	1,290	1,705	(141)	1	(12)
438			1	2	1,611	277	1,334	1,290	1,705	(44)	1	94
1154	1		1	2	1,677	420	1,257	1,290	1,705	33		28
377			1	2	1,602	368	1,234	1,290	1,705	56	1	103
437	1		1	2	1,354	151	1,203	1,290	1,705	87		351
1159	1		1	2	1,356	180	1,176	1,290	1,705	114		349
670	1		1	2	1,200	92	1,108	1,290	1,705	182		505
667	1		1	2	1,388	282	1,106	1,290	1,705	184		317
730		1	1	2	1,200	211	989	1,290	1,705	301		505
1088	1		1	2	957	-	957	1,290	1,705	333		748
1174			1	2	1,038	403	635	1,290	1,705	655	1	667
2020			1	2	1,987	248	1,739	1,313	1,735	(426)	1	(252)
424			1	2	2,012	392	1,620	1,313	1,735	(307)	1	(277)
1311			1	2	1,905	316	1,589	1,313	1,735	(276)	1	(170)
1277			1	2	1,824	300	1,524	1,313	1,735	(211)	1	(89)
1208			1	2	1,834	317	1,517	1,313	1,735	(204)	1	(99)
112			1	2	1,750	351	1,399	1,313	1,735	(86)	1	(15)
1783			1	2	1,380	-	1,380	1,313	1,735	(67)	1	355
1462			1	2	1,994	647	1,347	1,313	1,735	(34)	1	(259)
2348			1	2	1,901	590	1,311	1,313	1,735	2	1	(166)
1796	1		1	2	2,494	1,206	1,288	1,313	1,735	25		(759)

Random Sample of 201 Healthy Steps Cases

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
1209			1	2	1,834	555	1,279	1,313	1,735	34	1	(99)
1380	1		1	2	1,508	263	1,245	1,313	1,735	68		227
966	1		1	2	1,729	513	1,216	1,313	1,735	97		6
2228	1		1	2	1,514	321	1,193	1,313	1,735	120		221
1987	1		1	2	1,396	226	1,170	1,313	1,735	143		339
1928			1	2	1,342	290	1,052	1,313	1,735	261	1	393
1805	1		1	2	1,106	58	1,048	1,313	1,735	265		629
1510	1		1	2	1,373	341	1,032	1,313	1,735	281		362
2220	1		1	2	1,378	363	1,015	1,313	1,735	298		357
1428a	2			2	938	-	938	1,313	1,735	375		797
1651	1		1	2	961	90	871	1,313	1,735	442		774
2273	1		1	2	818	65	753	1,313	1,735	560		917
2089	1		1	2	976	444	532	1,313	1,735	781		759
2290a		2		2	459	-	459	1,313	1,735	854		1,276
1437	1		1	2	578	184	394	1,313	1,735	919		1,157
1200	1		1	2	364	-	364	1,313	1,735	949		1,371
1134			1	3	1,972	-	1,972	1,619	2,139	(353)	2	167
560			2	4	1,940	-	1,940	1,619	2,139	(321)	2	199
985				1	2,250	430	1,820	1,619	2,139	(201)	1	(111)
586			1	3	2,022	235	1,787	1,619	2,139	(168)	2	117
426			2	3	1,955	204	1,751	1,619	2,139	(132)	1	184
609			1	3	2,387	661	1,726	1,619	2,139	(107)	2	(248)
1132			1	3	2,352	649	1,703	1,619	2,139	(84)	2	(213)
575			2	3	2,417	724	1,693	1,619	2,139	(74)	1	(278)
930	2		1	3	1,635	98	1,537	1,619	2,139	82		504
663a	1		2	3	1,722	201	1,521	1,619	2,139	98		417
866			1	3	1,786	271	1,515	1,619	2,139	104	2	353
1030	1	1	1	3	1,808	304	1,504	1,619	2,139	115		331
508	2		1	3	1,743	276	1,467	1,619	2,139	152		396
382	2		1	3	1,417	104	1,313	1,619	2,139	306		722
1098	2		1	3	1,308	-	1,308	1,619	2,139	311		831
1060	1	1	1	3	1,610	318	1,292	1,619	2,139	327		529

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
535			1	3	1,380	90	1,290	1,619	2,139	329	2	759
701			1	3	1,733	450	1,283	1,619	2,139	336	2	406
697			2	3	1,344	92	1,252	1,619	2,139	367	1	795
900	1		2	3	1,327	90	1,237	1,619	2,139	382		812
997b	1		2	3	1,456	309	1,147	1,619	2,139	472		683
294	2		1	3	1,202	90	1,112	1,619	2,139	507		937
495	2		1	3	1,071	90	981	1,619	2,139	638		1,068
635	2		1	3	1,466	487	979	1,619	2,139	640		673
933	2		1	3	1,045	90	955	1,619	2,139	664		1,094
997a	3			3	928	132	796	1,619	2,139	823		1,211
1139b	1		2	3	1,473	1,004	469	1,619	2,139	1,150		666
1106			2	3	3,840	558	3,282	1,651	2,182	(1,631)	1	(1,658)
1896			2	3	2,898	564	2,334	1,651	2,182	(683)	1	(716)
1752			2	3	3,225	916	2,309	1,651	2,182	(658)	1	(1,043)
2327			2	3	2,924	654	2,270	1,651	2,182	(619)	1	(742)
769b			2	3	2,824	723	2,101	1,651	2,182	(450)	1	(642)
572			1	3	2,261	206	2,055	1,651	2,182	(404)	2	(79)
2290b			2	3	2,544	517	2,027	1,651	2,182	(376)	1	(362)
1843			2	3	2,668	673	1,995	1,651	2,182	(344)	1	(486)
1770			2	3	2,554	610	1,944	1,651	2,182	(293)	1	(372)
2003c			2	3	2,163	237	1,926	1,651	2,182	(275)	1	19
1886			2	3	2,301	383	1,918	1,651	2,182	(267)	1	(119)
2097			1	3	2,087	396	1,691	1,651	2,182	(40)	2	95
235				3	1,819	129	1,690	1,651	2,182	(39)	3	363
435	1		2	3	1,728	90	1,638	1,651	2,182	13		454
183	2		1	3	1,688	90	1,598	1,651	2,182	53		494
2325	2		1	3	1,665	103	1,562	1,651	2,182	89		517
1874	1	1	1	3	1,962	416	1,546	1,651	2,182	105		220
1977	1		2	3	2,001	466	1,535	1,651	2,182	116		181
30	1		2	3	1,522	-	1,522	1,651	2,182	129		660
2138	2		1	3	1,820	312	1,508	1,651	2,182	143		362
1382	2		1	3	1,594	90	1,504	1,651	2,182	147		588

Random Sample of 201 Healthy Steps Cases

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
2336	2		1	3	1,724	271	1,453	1,651	2,182	198		458
2038	1	1	1	3	1,984	534	1,450	1,651	2,182	201		198
2206	1	1	1	3	2,011	631	1,380	1,651	2,182	271		171
2207	1	1	1	3	1,847	474	1,373	1,651	2,182	278		335
1442	1		2	3	2,034	700	1,334	1,651	2,182	317		148
1471	2		1	3	1,320	-	1,320	1,651	2,182	331		862
2204	1	1	1	3	1,414	103	1,311	1,651	2,182	340		768
1241		1	1	3	1,808	504	1,304	1,651	2,182	347	1	374
2088	1	1	1	3	1,955	661	1,294	1,651	2,182	357		227
2011	1		2	3	1,572	337	1,235	1,651	2,182	416		610
1675			2	3	1,300	90	1,210	1,651	2,182	441	1	882
1270	2		1	3	1,207	-	1,207	1,651	2,182	444		975
1702	1		2	3	1,370	170	1,200	1,651	2,182	451		812
113	2		1	3	1,321	217	1,104	1,651	2,182	547		861
2299			2	3	1,000	259	741	1,651	2,182	910	1	1,182
2163	1		2	3	845	190	655	1,651	2,182	996		1,337
1632			2	3	-	-	-	1,651	2,182	1,651	1	2,182
1672	2		2	4	1,378	294	1,084	1,919	2,536	835		1,158
592			2	4	2,625	310	2,315	1,948	2,574	(367)	2	(51)
1294			2	4	2,797	482	2,315	1,948	2,574	(367)	2	(223)
566			2	4	2,832	532	2,300	1,948	2,574	(352)	2	(258)
546			2	4	3,283	1,049	2,234	1,948	2,574	(286)	2	(709)
537			1	4	2,554	571	1,983	1,948	2,574	(35)	3	20
814	2		2	4	2,127	248	1,879	1,948	2,574	69		447
527	2		2	4	1,816	150	1,666	1,948	2,574	282		758
202		2	2	4	2,236	604	1,632	1,948	2,574	316		338
412		2	2	4	1,853	288	1,565	1,948	2,574	383		721
354	1		2	3	1,563	-	1,563	1,948	2,574	385		1,011
934	2		2	4	1,647	90	1,557	1,948	2,574	391		927
1173	2		2	4	1,600	155	1,445	1,948	2,574	503		974
442	2		2	4	1,608	201	1,407	1,948	2,574	541		966
83	2		2	4	1,446	149	1,297	1,948	2,574	651		1,128

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
2163	1		2	3	845	190	655	1,951	2,578	1,296		1,733
1995			2	4	2,778	435	2,343	1,990	2,630	(353)	2	(148)
2096			2	4	2,317	244	2,073	1,990	2,630	(83)	2	313
1576			2	4	2,362	308	2,054	1,990	2,630	(64)	2	268
2105	1	1	2	4	2,223	241	1,982	1,990	2,630	8		407
1321	2		2	4	2,102	130	1,972	1,990	2,630	18		528
1478	2		2	4	2,363	406	1,957	1,990	2,630	33		267
1502	3		1	4	2,425	490	1,935	1,990	2,630	55		205
1597	2		2	4	2,855	938	1,917	1,990	2,630	73		(225)
208	2		2	4	2,202	312	1,890	1,990	2,630	100		428
1407	3		1	4	2,177	297	1,880	1,990	2,630	110		453
462a	1	1	2	4	2,030	161	1,869	1,990	2,630	121		600
700	1	1	2	4	2,242	380	1,862	1,990	2,630	128		388
1439	2		2	4	1,837	-	1,837	1,990	2,630	153		793
1937	1	1	2	4	2,120	298	1,822	1,990	2,630	168		510
1235	2		2	4	2,258	467	1,791	1,990	2,630	199		372
1838	1	1	2	4	2,068	316	1,752	1,990	2,630	238		562
1239	3		1	4	1,950	208	1,742	1,990	2,630	248		680
1599	2		2	4	1,814	98	1,716	1,990	2,630	274		816
916	2		2	4	1,893	195	1,698	1,990	2,630	292		737
1585	4			4	1,892	215	1,677	1,990	2,630	313		738
1422	2		2	4	2,648	988	1,660	1,990	2,630	330		(18)
282	3		1	4	1,742	90	1,652	1,990	2,630	338		888
2027	3		1	4	1,726	90	1,636	1,990	2,630	354		904
2215	2		2	4	2,049	417	1,632	1,990	2,630	358		581
1815	2	1	1	4	1,665	92	1,573	1,990	2,630	417		965
1389	2		2	4	1,808	249	1,559	1,990	2,630	431		822
766		3	1	4	2,216	804	1,412	1,990	2,630	578		414
1487	3		1	4	1,683	484	1,199	1,990	2,630	791		947
1316			2	4	1,477	361	1,116	1,990	2,630	874	2	1,153
2337	2		2	4	1,262	260	1,002	1,990	2,630	988		1,368
1972	2		2	4	873	-	873	1,990	2,630	1,117		1,757

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
1741			1	4	862	125	737	1,990	2,630	1,253	3	1,768
140	2		2	4	378	-	378	1,990	2,630	1,612		2,252
1426			2	4	-	-	-	1,990	2,630	1,990	2	2,630
2107	2		2	4	-	-	-	1,990	2,630	1,990		2,630
521			2	5	2,511	249	2,262	2,277	3,009	15	3	498
511			2	5	2,646	486	2,160	2,277	3,009	117	3	363
561	3		2	5	2,477	404	2,073	2,277	3,009	204		532
1079	2	1	2	5	2,236	170	2,066	2,277	3,009	211		773
938	3		2	5	1,754	-	1,754	2,277	3,009	523		1,255
1029	1	2	2	5	2,243	493	1,750	2,277	3,009	527		766
910	3		2	5	1,500	154	1,346	2,277	3,009	931		1,509
386b	3		2	5	1,287	90	1,197	2,277	3,009	1,080		1,722
638	3		2	5	1,165	-	1,165	2,277	3,009	1,112		1,844
1035	3		2	5	-	-	-	2,277	3,009	2,277		3,009
1716			2	5	4,534	1,181	3,353	2,328	3,076	(1,025)	3	(1,458)
2315			2	5	4,416	1,381	3,035	2,328	3,076	(707)	3	(1,340)
1589			2	5	2,978	557	2,421	2,328	3,076	(93)	3	98
299			2	5	2,619	294	2,325	2,328	3,076	3	3	457
2296			2	5	2,722	413	2,309	2,328	3,076	19	3	354
1707	2	1	2	5	2,408	210	2,198	2,328	3,076	130		668
1353	3		2	5	2,292	237	2,055	2,328	3,076	273		784
1044	1	2	2	5	2,281	355	1,926	2,328	3,076	402		795
2141	3		2	5	2,500	606	1,894	2,328	3,076	434		576
600			2	5	1,974	250	1,724	2,328	3,076	604	3	1,102
2288		3	2	5	1,892	256	1,636	2,328	3,076	692		1,184
960	3		2	5	1,730	191	1,539	2,328	3,076	789		1,346
161	3		2	5	1,600	90	1,510	2,328	3,076	818		1,476
1777			2	5	1,494	178	1,316	2,328	3,076	1,012	3	1,582
170	2		2	4	1,535	430	1,105	2,328	3,076	1,223		1,541
2102		4	1	5	-	-	-	2,328	3,076	2,328		3,076
579			2	6	3,259	597	2,662	2,606	3,444	(56)	4	185
526	4		2	6	2,430	392	2,038	2,606	3,444	568		1,014

Case	Healthy Steps	Medical Assistance	Adults	Total in Family	TOTAL INCOME	TOTAL EXP	NET INCOME	140% FPL	185% FPL	140% FPL Less Net Income	Denied	185% FPL Less Gross Income
651	4		2	6	849	90	759	2,606	3,444	1,847		2,595
1356			2	6	3,801	1,169	2,632	2,666	3,523	34	4	(278)
824	4		2	6	3,201	589	2,612	2,666	3,523	54		322
661	4		2	6	2,645	488	2,157	2,666	3,523	509		878
96	4		2	6	2,278	230	2,048	2,666	3,523	618		1,245
146	4		2	6	2,059	276	1,783	2,666	3,523	883		1,464
2216	4		2	6	1,666	242	1,424	2,666	3,523	1,242		1,857
623	5		2	7	2,705	292	2,413	3,005	3,971	592		1,266

Dave Zentner 1-23-01 #1

Contracts & Other Costs for Budget Object Code 3014 "Operating Fees & Services" for 2001 - 2003 Biennium	Estimated Contract Amount
North Dakota Health Care Review : This contract is for utilization review of hospital services and the contract was based on a negotiated amount that is increased each year for inflation. The increase for the next biennium was 5%	$ 552,510
Dental Consultant : This contract is with a dentist to review dental claims for proper utilization. The rate is based on $60 per hour.	$ 30,000
Medical Consultant : This contract is for a medical consultant to review medical claims for proper utilization and out-of-state requests. The rate is based on $65 per hour	$ 111,150
Optometry Consultant : This contract is with a Optometrist to review vision prior authorizations and claims for proper utilization. The rate is based on $110 per day	$ 10,200
Provantage Health Services: This contract is for drug utilization and drug reporting and the cost is based on the 1999-2001 biennium contract with 4% inflation	$ 134,943
First Data Bank: Drug pricing information used for making drug payments. The cost is based on the actual contract price for the 2001-2003 biennium.	$ 91,140
Blue Cross/Blue Shield: Audits for the Medicaid portion of Hospital Services	$ 30,000
DRI/McGraw Hill: This contract is for the calculation of the inflation factors for the DRI inflation facto for Nursing Home Inflation and is based on 1999-2001 cost plus inflation.	$ 10,920
First Mental Health: PASRR evaluations for nursing faculties and certification of need for RTC's an ARTC's. This contract was based on request for proposals and they were the only one that submitted a proposal. This includes a base monthly fee plus approximately $24,000 for training cost plus a per unit fee for services that exceed 5% of the estimate used to develop the base rates.	$ 943,150
Actuarially Costs: This is required for the HMO contract and is based on the cost of past contracts.	$ 30,000
Micromedix - Online drug information used by Pharmacist, based on prior costs plus 5%.	$ 15,710
Healthy Steps - Actuarially Costs / Promotional Material & Outreach Material Development	$ 87,000
Managed Care Independent Evaluation & Review - The HMO contract requires and independent review and evaluation. This is the estimated cost of that review.	$ 48,000
Strategic Planning Surveys	$ 30,000
Monthly ID Card Costs (Printing ID/Mailing Etc) (costs approximately $1,000 per month)	$ 24,242
Stock-ID Cards - Printing of initial stock of ID Cards (1998 order cost $9,550 plus 5%)	$ 10,028
Dunseith/McVille Payments (Payments for 1999-2001 IGT Payments)	$ 400,000
UND/NDSU - Statewide Survey for LTC	$ 241,006
Misc: Other items such as licenses & Taxes, misc. contractual fees, workers comp payments, advertising expenses, freight & Express, awards and rewards other miscellaneous fees. Expenditures through November 30 = 7795. (7795/17*24= $11,005) - note the $11,971 is remaining balance, but is close to projections for this biennium.	$ 11,971
2001-2003 Budget	$ 2,811,970
Less IGT Related Expenditures	
Dunseith & McVille	$ (400,000)
UND/NDSU Statewide Needs Assessment Survey	$ (241,006)
2001-2003 Budget Comparison Total	$ 2,170,964
1999-2001 Budget	$ 2,128,704
Change In Request	$ 42,260
Percent Change	1.99%

Medicaid

Critical Access Hospitals
DRG Analysis
FYE 6/30/00

red= CAH
blue=in process

If RL pays more than DRG additional amount was included
I.e. DRG pays 500 and r/l is 700, then 200 is added to paid
Paid at $1,807

Group	Prov No	Hospital	Charges	Paid+r/l	Days Of Stay	Discharges	% Paid			Increase (Dec) to 75%	Increase (Dec) to 80%	Increase (Dec) to 85%	Increase (Dec) to 90%	Increase (Dec) to 95%	Increase (Dec) to 100%
1	1009	Griggs County Hospital	-									-	-	-	-
1	1014	Jacobson Memorial	3,079	1,391	5	1	45.2%		1>4 days	918	1,072	1,226	1,380	1,534	1,688
1	1029	Hillsboro Medical	-									-	-	-	-
1	1031	Kenmare	-									-	-	-	-
1	1034	Linton	11,692	5,851	14	4	50.0%		1>4 days	2,918	3,503	4,087	4,672	5,256	5,841
1	1039	Nelson County Health	3,778	4,746	3	2	125.6%			(1,913)	(1,724)	(1,535)	(1,346)	(1,157)	(968)
1	1053	Mountrail Bethel	19,917	14,467	14	10	72.6%	3 transfers		471	1,467	2,462	3,458	4,454	5,450
1	2038	Richardton	3,890	6,365	5	3	164.1%	2 transfers		(3,468)	(3,273)	(3,079)	(2,884)	(2,690)	(2,495)
1	1055	Turtle Lake	-									-	-	-	-
Total		Group 1	42,356	32,840	41	20	77.5%			(1,073)	1,045	3,163	5,280	7,398	9,516
2	1000	Ashley	26,241	9,984	28	6	38.0%		3>4 days	9,697	11,009	12,321	13,633	14,945	16,257
2	1004	St Andrews	36,589	19,952	35	16	54.7%		1>4 days	8,990	10,919	12,849	14,778	16,708	18,637
2	1005	St Lukes	8,213	4,137	8	3	50.4%			2,023	2,433	2,844	3,255	3,665	4,076
2	1007	Carrington	133,614	81,832	90	34	61.2%		1>4 days	18,379	25,059	31,740	38,421	45,101	51,782
2	1008	Pembina County	41,588	18,369	44	14	44.2%	1 transfer	2>4 days	12,822	14,901	16,981	19,060	21,140	23,219
2	1010	St Lukes Crosby	17,513	8,627	18	4	49.3%		1>4 days	4,508	5,383	6,259	7,135	8,010	8,886
2	1020	Garrison Memorial	43,828	17,187	33	11	39.2%		1>4 days	15,584	17,875	20,067	22,258	24,450	26,641
2	1027	Sakawea Medical	99,511	53,058	74	35	53.3%		1>4 days	21,575	26,551	31,526	36,502	41,477	46,453
2	1033	Cavalier	18,148	14,472	17	9	79.7%		1>4 days	(861)	46	954	1,861	2,769	3,676
2	1035	Lisbon Medical Center	43,369	28,637	48	22	66.0%	1 transfer		3,890	6,058	8,227	10,395	12,564	14,732
2	1038	Union Hospital	12,789	11,036	15	10	86.3%	2 transfers		(1,444)	(805)	(165)	474	1,114	1,753
2	1046	Oakes Community	84,959	55,966	80	33	65.9%	1 transfer	2>4 days	7,753	12,001	16,249	20,497	24,745	28,993
2	1054	Tioga Medical	20,411	15,571	21	8	76.3%			(263)	758	1,778	2,799	3,819	4,840
2	1057	McKenzie County	4,421	3,164	5	2	71.6%			152	373	594	815	1,036	1,257
TOTAL		Group 2	593,194	341,992	516	207	57.7%			102,904	132,563	162,223	191,883	221,542	251,202
3	1230	Unity Grafton	120,761	68,363	95	44	56.6%	3 transfers	3 >4days	22,208	28,246	34,284	40,322	46,360	52,398
TOTAL		Group 3	120,761	68,363	95	44	56.6%			22,208	28,246	34,284	40,322	46,360	52,398
TOTAL		ALL	756,311	443,195	652	271	58.6%			124,038	161,854	199,669	237,485	275,300	313,116
TOTAL		STATEWIDE	37,250,945	23,134,104	24,000	6,270	62.1%		General Fund	38,452	50,175	61,897	73,620	85,343	97,066
Percent of CAH to STATE			2.03%	1.92%	2.72%	4.32%									

Barb 1-23-01 #4

Hospital Medicaid Days for DSH Calculation
FYE 1999 Data
Effective 10/1/00

Days include nursery and all subproviders

Provider	FYE	Total Days	Medicaid Days	MA %	Difference	DSH formula
350024 Rolla	9/30/ 98	2,272	698	30.63%	17.67%	**11.07%**
350030 Devils Lake	6/30/ 99	7,004	1,451	20.72%	7.75%	**7.10%** **
350001 Garrison	6/30/ 99	234	46	19.66%	6.69%	6.68%
350068 SCCI Mandan	8/31/ 98	915	173	18.91%	5.94%	6.38%
350025 Watford City	6/30/ 99	128	21	16.41%	3.44%	**6.38%** **
State Hospital	6/30/ 99	69,990	10,328	14.76%	1.79%	
350008 Unimed	6/30/ 99	21,185	2,770	13.08%	0.11%	**4.04%**
350003 St Joseph Dickinson	6/30/ 99	10,692	1,264	11.82%		
350015 Medcenter	12/31/ 98	41,043	4,723	11.51%		
350043 Trinity	6/30/ 99	33,642	3,574	10.62%		
350047 Grafton	6/30/ 99	1,463	148	10.12%		
350009 Jamestown	6/30/ 99	6,673	669	10.03%		
350010 Rugby	3/31/ 99	3,374	265	7.85%		
350002 St ALexius	6/30/ 99	47,056	3,612	7.68%		
350056 Langdon	6/30/ 99	1,582	109	6.89%		
350042 Northwood	12/31/ 99	688	42	6.10%		
350013 Valley City	6/30/ 99	2,457	141	5.74%		
350017 Williston	6/30/ 99	8,970	514	5.73%		
350034 Tioga	6/30/ 99	915	51	5.57%		
350019 Grand Forks	12/31/ 98	56,968	2,978	5.23%		
350011 Mercycare	6/30/ 99	72,978	3,783	5.18%		
350018 Harvey	9/30/ 98	2,028	105	5.18%		
350069 SCCI Fargo	10/31/ 98	987	51	5.17%		
350005 ParkRiver	6/30/ 99	1,420	73	5.14%		
350039 Hazen	6/30/ 99	1,161	57	4.91%		
350004 Dakota	12/31/ 98	45,695	2,006	4.39%		
350012 Oakes	6/30/ 99	2,447	107	4.37%		
350033 Mayville	12/31/ 98	1,145	49	4.28%		
350061 Hettinger	3/31/ 99	6,325	231	3.65%		
350007 Bottineau	9/30/ 98	1,184	38	3.21%		
350038 Cavalier	12/31/ 98	2,328	67	2.88%		
350058 Linton	3/31/ 99	812	23	2.83%		
350044 Elgin	6/30/ 99	878	22	2.51%		
350041 Lisbon	12/31/ 98	1,407	35	2.49%		
350023 Bowman	12/31/ 98	854	21	2.46%		
350027 Hillsboro	9/30/ 98	674	13	1.93%		
350021 Crosby	6/30/ 99	654	12	1.83%		
350051 Wishek	12/31/ 98	1,149	19	1.65%		
350049 Ashley	6/30/ 99	847	14	1.65%		
350035 Kenmare	6/30/ 99	125	2	1.60%		
350053 Cooperstown	6/30/ 99	263	3	1.14%		
350029 Stanley	6/30/ 99	289	3	1.04%		
350055 McVille	12/31/ 98	395	4	1.01%		
350008 Carrington	6/30/ 99	1,978	0	0.00%		
350014 Cando	6/30/ 99	1,383	0	0.00%		
350050 Turtle Lake	6/30/ 99	163	0	0.00%		
350060 Richardton	6/30/ 99	69	0	0.00%		
Total		466,887	40,313			
Standard Deviation				6.38%		
Mean				6.59%		
1 Standard Deviation				12.97%		

Barb 1-23-01 # 11

MEDICAID ANNUAL PROFILE REPORT
Focused Review Area Results
Review Completed July 1, 1999 - June 30, 2000
Claims Filed April 1, 1999 - March 31, 2000

Focused Review Area/Billed DRG	# Total Cases Observed	# Cases Denied (% Denied)	# DRG Changes (% Changed)
Newborn - DRGs 385-390	484	0 (0.0%)	60 (12.4%)
DRG 468 - Extensive OR Procedure Unrelated to Principal Diagnosis	18	3 (16.7%)	4 (22.2%)
DRG 475 - Respiratory System Diagnosis with Ventilator Support	26	0 (0.0%)	1 (3.8%)
Digestive Disorders - DRGs 182-184	102	18 (17.6%)	20 (19.6%)
Psych and Substance - ICD-9-CM Codes 290-319	513	30 (5.8%)	2 (0.4%)
7-day Readmission	255	21 (8.2%)	12 (4.7%)
15-day Readmission	152	4 (2.6%)	4 (2.6%)
Day Outlier	262	3 (1.1%)	8 (3.1%)
Cost Outlier	39	0 (0.0%)	5 (12.8%)
Less Than 3-day Length of Stay	1593	164 (10.3%)	88 (5.5%)
Preauthorization	14	1 (7.1%)	0 (0.0%)
Higher Weighted DRG	5	0 (0.0%)	2 (40.0%)
Other	3	1 (33.3%)	0 (0.0%)

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PRO Reviews
For Claims filed 4/1/99 to 3/31/00

Readmission Rates (Table 1)

	# of Cases	7-Day Readmission	15-Day Readmission	30-Day Readmission	Transfers	Mortality	ALOS
Group 1	56	2	2	5	4	0	3.6
Group 2	678	19	27	53	22	3	2.6
Group 3	1336	29	46	70	41	9	2.6
Group 4	4286	109	190	280	49	36	4.3
Statewide	6356	159	265	408	116	48	3.8

Provider DRG Reviews Results by Group (table 3)

	# of Cases	# of Cases Denied	% Denied	# DRGs Changed	% of Cases w/ DRG Change
Group 1	29	3	10.3%	8	27.6%
Group 2	361	37	10.2%	37	10.2%
Group 3	441	21	4.8%	23	5.2%
Group 4	1804	126	7.0%	103	5.7%
Group 5	464	17	3.7%	0	0.0%
Statewide	3099	204	6.6%	171	5.5%

Prior Authorizations

#of Cases Observed	#of Cases Denied	% of Cases Denied
120	17	14.2%

Review DRGs by Physician with at least 20 cases

# of Cases	DRG Change	% w/DRG Chg	# Denied	% Denied
661	29	4.4%	48	7.3%

Total Focused Review Area Results

# of Cases	DRG Change	% w/DRG Chg	# Denied	% Denied
3,466	206	5.9%	245	7.1%

HB 1012
1-31-01
(#3)

OPEN HOUSE
January 16, 2001

Medicaid Claims Processing Facts

- The Department of Human Services' Medicaid claims processing unit processed 2,866,187 claims during the calendar year 2000, a 7 percent increase from 1999.

- Ninety-three percent of the claims handled in 2000 were processed within 30 days of receipt. During December 2000, the average time from receipt to payment was 6.5 days.

- About 28,000 or 12 percent of the claims received each month are "suspended" or reviewed for accuracy. This quality assurance mechanism requires a claims processor to review the claim. These claims are processed by a staff of nine claims processors, two of whom also back-up staff in the provider relations unit.

- Approximately 27,000 of the monthly claims submitted are paper claims. These must be assigned an Internal Control Number (ICN), copied to microfiche and batched before being keyed by the Information Management Division.

- Ninety percent of all claims received are electronic.

- In December 2000, the system processed 12,687 claims for other department divisions and other state agencies.

Examples:

Aging	8,819
Developmental Disabilities	1,817
Children Special Health Services	148
Vocational Rehabilitation	83
Disability Determination Service	693
State Hospital	21
Department of Public Instruction	840
Department of Correction	236
State Industrial School	30
Total	12,687

- Medicaid has approximately 13,112 enrolled providers with 6,000 active each month. Provider enrollment is handled by one individual.

- In calendar year 2000, the state Medicaid program sent out about 4,900 checks per month to providers and handled 2,200 payments electronically through automatic deposit.

- Each month, the provider relations unit handles around 1,600 telephone calls with two fulltime employees and two back-up staff.

Contacts:

Director: David Zentner (701) 328- 2321
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Utilization: Cindy Frohlich (701) 328-4893

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Dave Zentner 1-22-01 H 5

Definition of the Various Categories of "Dual Eligibility"

Dual Eligibles - Individuals entitled to Medicare (at least hospital insurance under Part A) and eligible for some category of Medicaid benefits. The following information describe the various categories of individuals who, collectively, are known as dual eligibles.

1. **Qualified Medicare Beneficiaries (QMBs)** - Individuals entitled to Part A of Medicare, with income not exceeding 100% of the Federal poverty level, and countable resources not exceeding twice the SSI limit. QMBs may be eligible for full Medicaid or may have Medicaid eligibility limited to payment of Medicare Part A and Part B (supplementary medical insurance) premiums and Medicare cost-sharing (deductibles and coinsurance) for Medicare services provided by Medicare providers. Federal financial participation (FFP) equals the Federal medical assistance percentage (FMAP).

   A. **QMBs without other Medicaid (QMB Only)** - Individuals entitled to Part A of Medicare, with income not exceeding 100% of the Federal poverty level, and resources not exceeding twice the SSI limit. Eligibility for Medicaid is limited to payment of Medicare Part A and Part B premiums and Medicare deductibles and coinsurance for Medicare services provided by Medicare providers. FFP equals FMAP.

   B. **QMBs with Medicaid (QMB Plus)** - Same as A above and eligible for full Medicaid benefits for Medicaid services provided by Medicaid providers. FFP equals FMAP.

2. **Non-QMBs** - Individuals entitled to Medicare and eligible for full Medicaid benefits, but not as a QMB (typically, medically needy individuals who have to spend down income to qualify). Medicaid benefits are for Medicaid services provided by Medicaid providers, but only to the extent that the Medicaid rate exceeds any Medicare payment for the service covered by both Medicare and Medicaid. Payment of Medicare Part B premiums is optional. FFP equals FMAP.

3. **Specified Low-Income Medicare Beneficiaries (SLMBs)** - Individuals entitled to Part A of Medicare, with income above 100%, but not exceeding 120% of the Federal poverty level, and resources not exceeding twice the SSI limit. Eligibility for Medicaid benefits is limited to payment of Medicare Part B premiums. FFP equals FMAP.

4. **Qualified Disabled and Working Individuals (QDWIs)** - Individuals entitled to purchase Part A of Medicare (Medicare benefits lost because of return to work), with income below 200% of the Federal poverty level, and resources not exceeding twice the SSI limit, and not otherwise eligible for Medicaid. Eligibility for Medicaid benefits is limited to payment of Medicare Part A premiums. FFP equals FMAP.

5. **Qualifying Individuals 1 (QI1s)** - Effective 1/1/98 - 12/31/02. Individuals entitled to Part A of Medicare, with income above 120%, but less than 135% of the Federal poverty level, resources not exceeding twice the SSI limit, and not otherwise eligible for Medicaid. Eligibility for Medicaid benefits is limited to full payment of Medicare Part B premiums. FFP equals FMAP at 100%, but is annually capped. Entitlement of individuals is limited by the availability of the capped allocation.

6. **Qualifying Individuals 2 (QI2s)** - Effective 1/1/98 - 12/31/02. Individuals entitled to Part A of Medicare, with income at least 135%, but not exceeding 175% of the Federal poverty level, resources not exceeding twice the SSI limit, and not otherwise eligible for Medicaid. Eligibility for Medicaid benefits is limited to partial payment of Medicare Part B premiums. FFP equals FMAP at 100%, but is annually capped. Entitlement of individuals is limited by the availability of the capped allocation.

Source: Health Care Financing Administration. Letter to State Medicaid Directors. http://www.hcfa.gov/medicaid/bba-qmb.htm, November 24, 1997.
American Association of Retired Persons, Public Policy Institute. Used with permission.

tapc2

1-9-01

North Dakota Department of Human Services
(Public Assistance Division)

BASIC CARE ASSISTANCE PROGRAM (ACC 3080)

2001 - 2003 Biennium

Month	Beds	Functional Assessments	Source of Funds			
			Total	Federal	State	Retained
Aug-01	500	0	363,571	254,136	8,573	100,862
Sep-01	500	0	363,571	254,136	8,573	100,862
Oct-01	500	0	363,571	254,136	8,573	100,862
Nov-01	500	0	363,571	254,136	8,573	100,862
Dec-01	500	0	363,571	254,136	8,573	100,862
Jan-02	500	0	363,571	254,136	8,573	100,862
Feb-02	500	0	356,813	249,412	8,454	98,947
Mar-02	500	0	356,813	249,412	8,454	98,947
Apr-02	500	0	356,813	249,412	8,454	98,947
May-02	500	0	356,813	249,412	8,454	98,947
Jun-02	500	0	356,813	249,412	8,454	98,947
Jul-02	500	0	356,813	249,412	8,454	98,947
Aug-02	500	0	368,340	257,470	8,497	102,373
Sep-02	500	0	368,340	257,470	8,497	102,373
Oct-02	500	0	368,340	257,470	8,497	102,373
Nov-02	500	0	368,340	257,470	8,497	102,373
Dec-02	500	0	368,340	257,470	8,497	102,373
Jan-03	500	0	368,340	257,470	8,497	102,373
Feb-03	500	0	361,421	252,633	6,415	102,373
Mar-03	500	0	361,421	252,633	6,415	102,373
Apr-03	500	0	361,421	252,633	6,415	102,373
May-03	500	0	361,421	252,633	6,415	102,373
Jun-03	500	0	361,421	252,633	6,415	102,373
Jul-03	500	0	361,421	252,633	6,415	102,373
TOTAL			8,700,870	6,081,908	191,632	2,427,330

Inflation: 4.0% in 8/2000, 3.28% in 8/2001, and 3.26% in 8/2002.

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R&S: Lawrence Hopkins & Girish Budhwar

1-Jan-09

Basic Care

1-18-01
David Zentner

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North Dakota Department of Human Services
(Public Assistance Division)

BASIC CARE ASSISTANCE PROGRAM (ACC 3080)

2001 - 2003 Biennium

Month	Beds	Functional Assessments	Source of Funds			
			Total	Federal	State	Retained
Aug-01	500	0	360,557	252,034	7,880	100,643
Sep-01	500	0	360,557	252,034	7,879	100,644
Oct-01	500	0	360,557	252,034	7,879	100,644
Nov-01	500	0	360,557	252,034	7,879	100,644
Dec-01	500	0	360,557	252,034	7,879	100,644
Jan-02	500	0	360,557	252,034	7,879	100,644
Feb-02	500	0	353,803	247,313	5,846	100,644
Mar-02	500	0	353,803	247,313	5,846	100,644
Apr-02	500	0	353,803	247,313	5,846	100,644
May-02	500	0	353,803	247,313	5,846	100,644
Jun-02	500	0	353,803	247,313	5,846	100,644
Jul-02	500	0	353,803	247,313	5,846	100,644
Aug-02	500	0	364,526	254,808	9,075	100,643
Sep-02	500	0	364,526	254,808	9,074	100,644
Oct-02	500	0	364,526	254,808	9,074	100,644
Nov-02	500	0	364,526	254,808	9,074	100,644
Dec-02	500	0	364,526	254,808	9,074	100,644
Jan-03	500	0	364,526	254,808	9,074	100,644
Feb-03	500	0	357,618	249,980	6,994	100,644
Mar-03	500	0	357,618	249,980	6,994	100,644
Apr-03	500	0	357,618	249,980	6,994	100,644
May-03	500	0	357,618	249,980	6,994	100,644
Jun-03	500	0	357,618	249,980	6,994	100,644
Jul-03	500	0	357,618	249,982	6,992	100,644
T O T A L			8,619,024	6,024,812	178,758	2,415,454

Inflation: 4.0% in 8/2000, 2.6% in 8/2001, and 2.5% in 8/2002.

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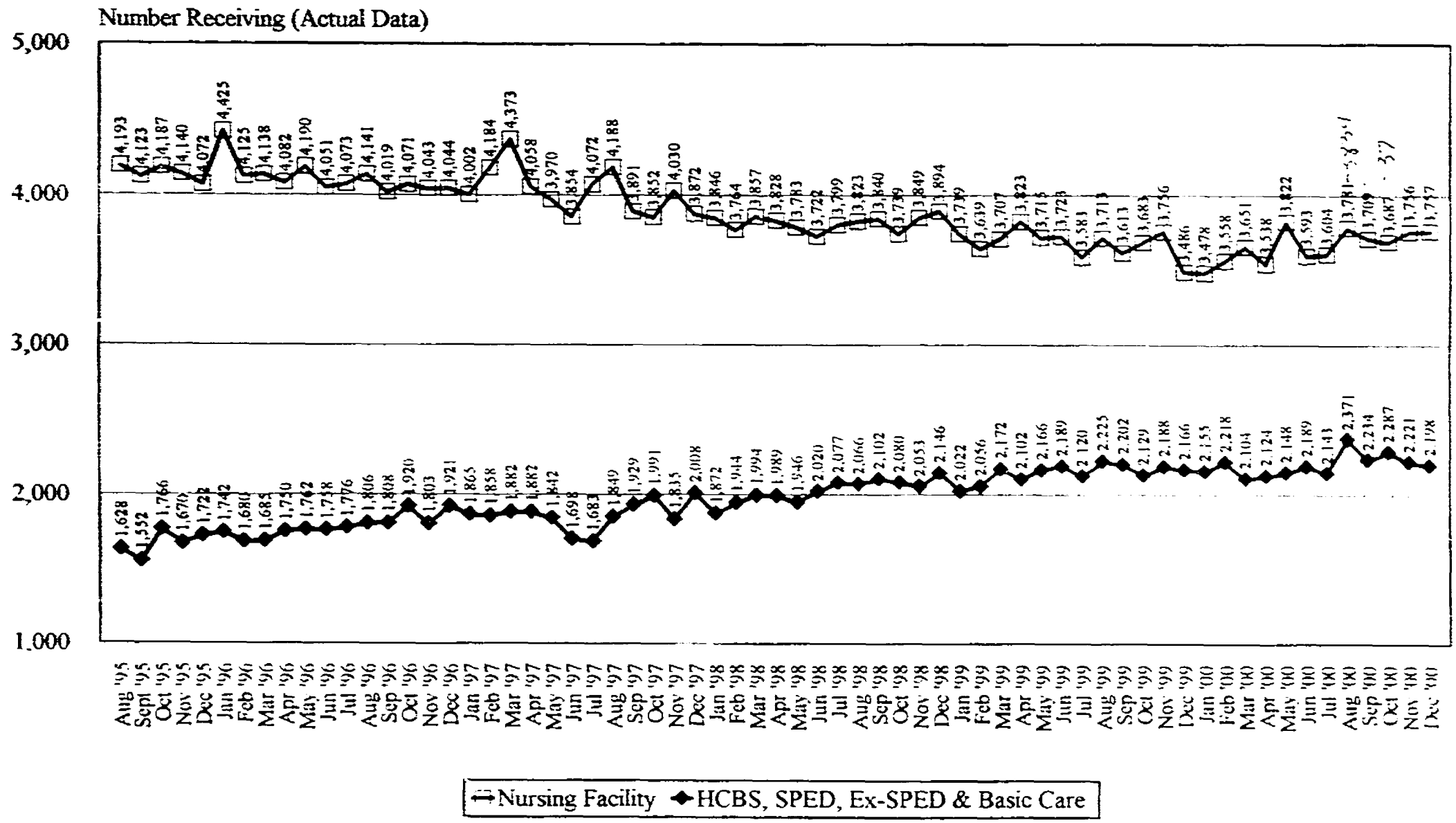
Finance: Lawrence Hopkins
January 10, 2000

1-18-01
DMC Zentner

North Dakota Department of Human Services

Long Term Care
HB 1012 to House
2001 - 2003 Biennium



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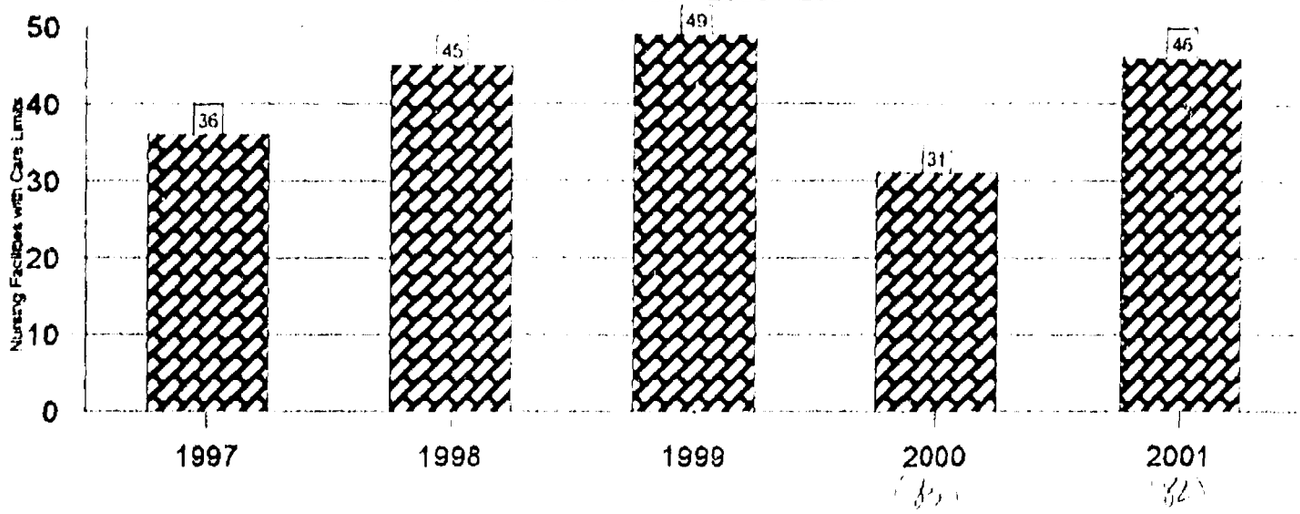
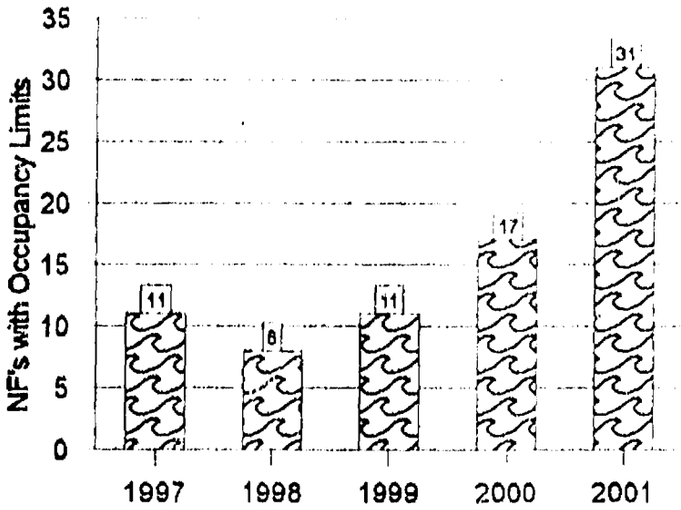
Shelly Peterson

Nursing Facilities Exceeding Limits

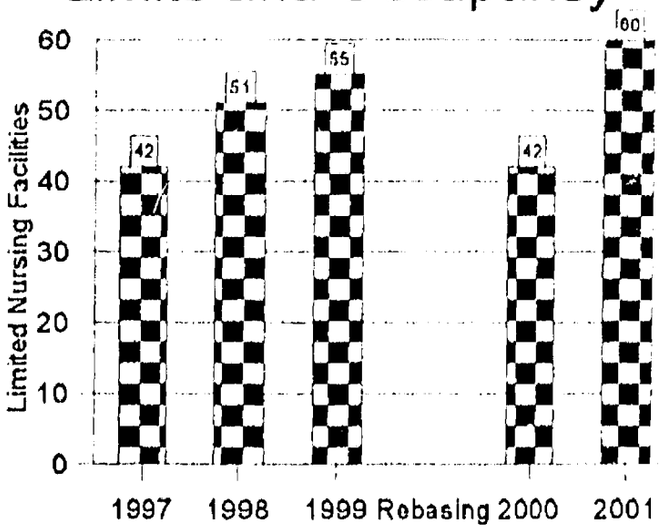
1997 - 1998 - 1999 - 2000 - 2001



Occupancy Limitation

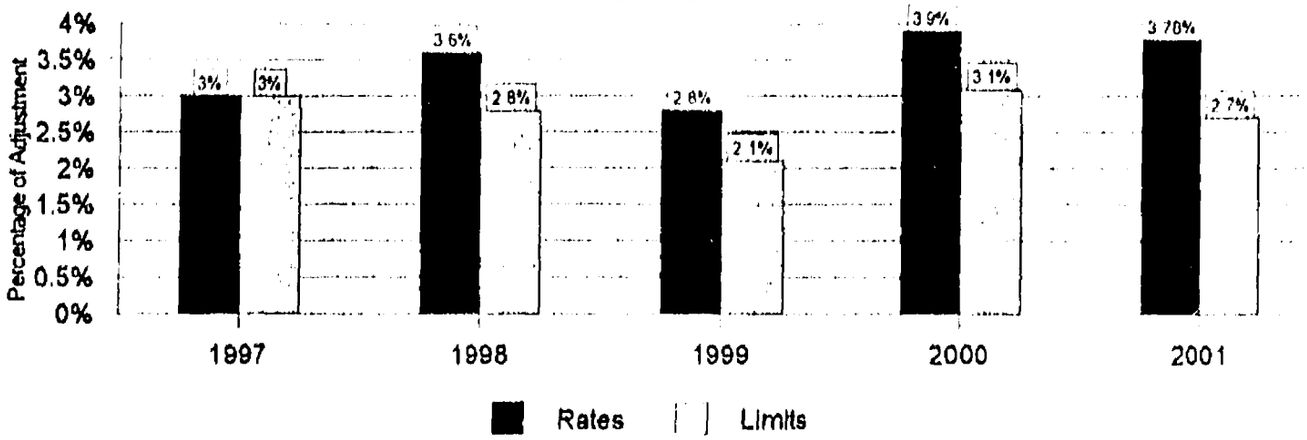


Limits and Occupancy



NF Price Adjustment on Rates & Limits

1997 - 2001



Shelly

Rebasing

BASED ON RATES SET BEGINNING JANUARY 1, 2001

	Provider Name	Number	Town	Census	90%	Below 90% Occ	Licensed Beds	Case-Mix Direct Rate	Other Direct Rate	Indirect Rate	Property Rate	Incentive	Operating Margin	Total Rate	DIRECT (68.53)	OTHER DIRECT (13.16)	INDIRECT (30.83)	NUMBER LIMITS	NUMBER ONE LIMIT	NUMBER TWO LIMIT	NUMBER THREE LIMIT
1	Ashley Medical Center	30188	Ashley	15.739	14.494		44	61.63	13.16	30.83	6.12		2.08	162.51			↑	↑		↑	
2	Missouri Slope Lutheran Care	30004	Bismarck	80.843	73.456		223	66.03	13.16	30.83	7.87		2.33	172.36			↑	↑		↑	
3	St. Vincents Nec Home	30005	Bismarck	36.864	33.269		101	58.53	13.16	26.68	22.27	2.60	2.41	189.79	↑		↑			↑	
4	Towner County Medical Center	30379	Cando	21.401	19.764		60	57.36	11.95	30.83	15.30		1.99	152.74				↑	↑		
5	Golden Acres Manor	30008	Carrington	21.798	19.764		60	52.23	12.13	28.90	10.55	1.52	1.75	148.32							
6	Griggs County NH-Cooperstown	30093	Cooperstown	20.508	19.105		58	50.90	10.57	30.82	19.56		1.99	171.96				↑	↑		
7	Heartland Care Center	30012	Devils Lake	36.475	35.575		108	54.87	13.15	30.83	4.78		2.36	157.25			↑	↑		↑	
8	Jacobson Memorial Home	30077	Elgin	8.672	8.235		25	48.90	13.15	30.83	5.85		1.71	139.08			↑	↑		↑	
9	Garrison Memorial Hospital	30134	Garrison	8.543	7.906		24	56.44	11.15	30.83	7.15		1.56	152.04				↑	↑		
10	Manor Manor Health Care Center	30067	Glen Ullin	31.191	28.328		86	59.68	11.54	22.68	3.07	2.60	1.99	148.71							
11	St. Gerard's Community Nursing Home	30163	Hankinson	13.265	12.188		37	52.44	13.12	30.83	4.75		1.83	148.19				↑	↑		
12	The Oaks Rehab and Nursing Home	30218	Hatton	19.603	19.764	↑	60	53.73	12.33	27.96	3.50	2.15	1.80	143.93							
13	Hillcrest Care Center-Hettinger	30148	Hettinger	24.989	28.967	↑	88	49.53	9.95	25.25	4.88	2.60	1.74	133.36							
14	Kenmare Care Home	30209	Kenmare	4.371	3.953		12	65.56	12.51	30.83	5.31		2.31	168.31				↑	↑	↑	
15	Nelson County Health System-Care Center	30164	Mayville	14.785	17.128	↑	52	55.33	9.61	27.80	4.82	2.25	1.78	145.31							
16	Trinity Nursing Home	30029	Minot	99.667	96.185		292	52.62	11.74	30.83	13.45		2.15	170.26				↑	↑	↑	
17	Golden Manor Inc	30106	Stevenson	15.897	16.470		50	56.27	12.33	29.51	8.63	1.11	1.91	154.51							
18	Strasburg Nursing Home	30033	Strasburg	24.691	25.034	↑	76	56.13	11.69	32.51	2.83	2.60	1.81	141.77							
19	Tioga Medical Center	30176	Tioga	10.426	9.882		30	48.24	13.16	30.83	4.14		1.82	136.30			↑	↑	↑	↑	
20	Prairieview Medcenter One	30053	Underwood	21.091	22.399	↑	68	55.11	11.24	27.54	5.71	2.23	1.82	147.49							
21	Walsh Rehab & Nsg Hm	30039	Walsh	32.274	32.281	↑	98	54.72	13.16	25.82	2.28	2.60	1.88	143.69			↑		↑	↑	
22	Aneta Good Samaritan	30322	Aneta	15.978	15.482		47	53.63	12.47	30.83	13.27		1.77	154.34				↑	↑	↑	
23	Arthur Good Sam	30058	Arthur	26.558	29.646	↑	90	58.68	13.16	30.83	7.15		2.03	158.21			↑	↑	↑		↑
24	Bagley Home	30003	Bismarck	50.297	46.445		141	65.45	13.16	30.83	5.82		2.31	165.29			↑	↑	↑		↑
25	Bottineau Good Sam	30118	Bottineau	26.231	26.681	↑	81	63.01	12.12	29.86	10.61	0.87	2.12	168.37							
26	Sunset Care Corporation	30006	Bowman	24.057	22.070		67	54.02	11.58	30.39	14.34	0.44	1.91	155.36							
27	Ruggewood	30194	Cavalier	20.441	19.764		60	60.40	11.57	30.83	6.67		1.96	159.15				↑	↑	↑	
28	Crosby Good Sam	30122	Crosby	23.271	25.034	↑	76	51.93	10.62	30.83	4.83		1.77	141.00				↑	↑	↑	
29	Devils Lake Good Sam	30115	Devils Lake	29.602	30.964	↑	94	60.58	12.62	30.83	6.15		2.06	160.10				↑	↑	↑	
30	St. Bernards Health Center	30237	Dickinson	63.433	59.292		180	45.61	11.38	29.09	5.78	1.39	1.67	131.95							
31	St. Luke's Home	30077	Dickinson	30.065	27.670		84	61.77	13.16	30.83	5.26		2.19	163.01			↑	↑	↑		↑
32	Dunseith Community Nurs	30052	Dunseith	15.651	17.788	↑	54	51.07	11.60	27.13	2.75	2.60	1.70	137.18							
33	Prince of Peace Care Center-Ellendale	30012	Ellendale	22.577	22.729	↑	69	45.06	10.24	30.83	7.96		1.62	131.37				↑	↑	↑	
34	Enderlin Hillcrest Manor	30158	Enderlin	20.859	20.423		62	60.91	11.45	27.76	10.88	2.30	1.97	163.39							
35	Bethany Homes	30082	Fargo	69.781	63.245		192	67.11	12.66	30.83	9.56		2.23	175.41				↑	↑	↑	
36	Elim Home	30051	Fargo	49.305	44.798		136	58.54	12.73	30.23	5.33	2.60	2.02	155.71							
37	Rosewood on Broadway	30015	Fargo	36.772	33.599		102	64.52	12.83	26.78	6.59	2.60	2.24	166.53							
38	Villa Maria - Fargo	30086	Fargo	49.197	45.457		138	59.05	13.03	26.93	8.66	2.60	2.03	158.95							
39	Sargent Manor Health Care	30224	Forman	9.584	13.176	↑	40	48.56	10.07	28.97	10.59	1.47	1.63	139.65							
40	Benedictine Living Center Of Garrison	30247	Garrison	23.278	23.287	↑	71	51.48	11.37	29.97	6.91	0.80	1.76	142.92							
41	Lutheran Sunset Home	30015	Grafton	34.907	37.390	↑	113	68.53	11.84	30.83	3.99		2.20	171.53	↑			↑	↑		↑
42	Central Dakota Village	30020	Jamestown	36.227	32.940		100	67.51	12.90	27.26	4.84	2.60	2.25	170.69							
43	Hi-Acres Manor Nursing Center	30027	Jamestown	50.945	46.775		142	64.15	10.70	30.83	10.70		2.25	169.34				↑	↑	↑	
44	Lakota Good Samaritan Center	30097	Lakota	18.071	17.788		54	58.22	13.10	30.83	15.48		1.78	152.40				↑	↑	↑	
45	St. Rose Care Center-LaMoure	30119	LaMoure	16.440	19.764	↑	60	48.79	10.65	26.89	3.97	2.60	1.54	133.08							
46	Maple Manor - Langdon	30083	Langdon	22.665	20.752		63	47.73	9.78	27.71	5.93	2.32	1.70	132.73							
47	Lanmore Good Sam Center	30113	Lanmore	14.577	17.458	↑	53	53.38	11.75	29.06	11.05	1.40	2.31	159.79							
48	Lisbon Medical Center	30023	Lisbon	14.416	14.923	↑	45	62.63	11.59	30.83	6.02		2.09	162.84				↑	↑	↑	
49	Medcenter One Care Center	30288	Mandan	42.673	38.526		120	60.86	12.05	25.42	4.74	2.60	2.08	155.83							
50	Luther Memorial Home	30024	Manville	35.122	32.611		99	61.91	11.82	30.83	5.72		1.94	161.13				↑	↑	↑	
51	North Central Good Sam-Minot	30173	Minot	20.365	9.435		59	54.71	10.43	30.83	9.60		1.83	150.62				↑	↑	↑	
52	Mott Good Samaritan	30142	Mott	21.385	19.764		60	43.69	11.03	28.50	6.39	1.79	1.53	127.45							
53	Napoleon Care Center	30114	Napoleon	14.888	14.494		44	54.15	10.23	27.00	8.67	2.60	1.70	147.13							
54	Lutheran Home of the Good Shepherd-New Rockford	30029	New Rockford	28.070	28.329	↑	86	59.71	13.15	30.06	5.23	0.74	2.14	156.27			↑		↑	↑	
55	Elim Christ Manor	30118	New Salem	27.234	20.093		61	55.30	12.51	29.31	5.38	1.24	1.87	149.30							
56	New Town Good Samaritan Center	30325	New Town	15.450	16.470	↑	50	49.33	11.22	30.83	4.33		1.67	136.35				↑	↑	↑	
57	Northwood Dea Nsg Hm	30031	Northwood	29.229	30.674	↑	85	66.27	13.16	30.83	5.51		2.12	170.74			↑	↑	↑		↑
58	Oakes Good Samaritan	30124	Oakes	35.330	36.234	↑	110	47.49	9.02	27.89	6.77	2.21	1.54	132.44							
59	Osnabrock Good Sam Ctr	30117	Osnabrock	11.326	13.505	↑	41	46.95	11.77	30.83	2.91		1.59	130.95				↑	↑	↑	
60	Park River Good Sam	30154	Park River	27.818	28.352		80	52.19	12.56	30.83	4.93		1.83	143.47				↑	↑	↑	
61	River View Good Samaritan-Parshall	30155	Parshall	15.982	16.141	↑	49	48.09	10.70	30.35	7.99	0.45	1.58	137.16							
62	Mountrail Bethel Home - Ter	30032	Stanley	20.439	18.776		57	55.66	13.16	29.32	5.80	1.24	2.08	170.31			↑		↑	↑	
63	Shepherd Care Center	30073	Valley City	59.574	55.998		170	60.41	11.91	22.44	8.85	2.50	1.90	156.49							
64	Sheyenne Valley Care Ctr	30115	Velva	17.385	16.470		50	52.30	10.32	30.16	9.05	0.87	1.81	163.56							
65	St. Catherine's Living Center - Wahpeton	30034	Wahpeton	57.339	54.322	↑	164	51.62	10.54	27.44	9.88	2.51	1.59	143.56							
66	Pioneer Nursing Center	30235	Walhalla	14.079	13.505		41	57.73	10.64	29.64	1.72	1.70	1.71	147.75							
67	Good Shepherd Home	30036	Wahpeton	15.451	15.482		47	48.47	13.06	27.90	4.52	2.25	1.94	137.26							
68	Westhope Home	30037	Westhope	15.946	16.799		51	57.43	12.16	30.83	6.67		2.00	155.46			↑	↑		↑	
69	Bethel Lutheran Home	30038	Wilton	59.936	58.963		179	62.19	13.16	26.85	4.25	2.60	2.01	161.97			↑		↑		
70	Manor Care Health Services-Fargo	30012	Fargo	36.493	35.905		109	47.75	9.23	27.38	6.34	2.55	1.70	132.37							
71	Manor Care Health Services-Minot	30025	Minot	38.263	34.916		106	54.58	9.87	22.42	7.14	2.60	1.77	140.66							
72	Knife River Care Center	30002	Beulah	30.224	27.996		85	55.94	11.75	28.06	5.90	2.09	2.13	157.94							
73	Heart Of America	30135	Rugby	37.588	38.869	↑	118	58.53	13.15	30.83	4.22		2.39	173.27	↑		↑	↑			
74	Parkside Lutheran Home	30109	Lisbon	13.139	13.176	↑	40	56.51	12.56	30.83	20.50		1.97	186.93				↑	↑	↑	
75	Presentation Med Ctr	30137	Rolette	15.408	15.811	↑	48	60.45	13.15	30.83	4.22		2.15	158.40			↑	↑	↑		
76	St. Aloisius Medical Center	30129	Harvey	38.338	38.270		115	53.34	13.15	30.39	4.90	0.48	1.87	146.24			↑		↑	↑	
77	St. Andrews Bottineau	30181	Bottineau	7.388	10.541	↑	32	61.56	13.15	30.57	3.25	2.15	2.28	159.75			↑		↑	↑	
78	Hillsboro Community Nursing	30019	Hillsboro	15.439	15.811	↑	48	62.90	13.16	30.83	3.58		2.14	162.42			↑		↑		
79	Valley Elderlife Center	30017	Grand Forks	58.433	52.704		160	64.45	13.15	30.83	16.25		2.43	176.06			↑	↑	↑		
80	Woodlands Village	30201	Grand Forks	33.993	38.869	↑	118	68.53	13.16	30.83	29.63		2.25	196.55	↑		↑	↑	↑		
81	Hill Top Home of Comfort	30271	Killdeer	21.159	19.435		59	64.15	13.16	30.83	14.42		2.09	175.35			↑	↑	↑		
82	N.D. Veterans Home	30293	Lisbon	13.387	12.517		38	68.53	13.16	30.83	11.86		2.32	180.83	↑		↑	↑	↑		
	Totals					31									5	24	39	69	27	14	1

Rewrite

1-23-01

#6

DHHC
Zentner

1.23.01

Nursing Home Recipients and Utilization

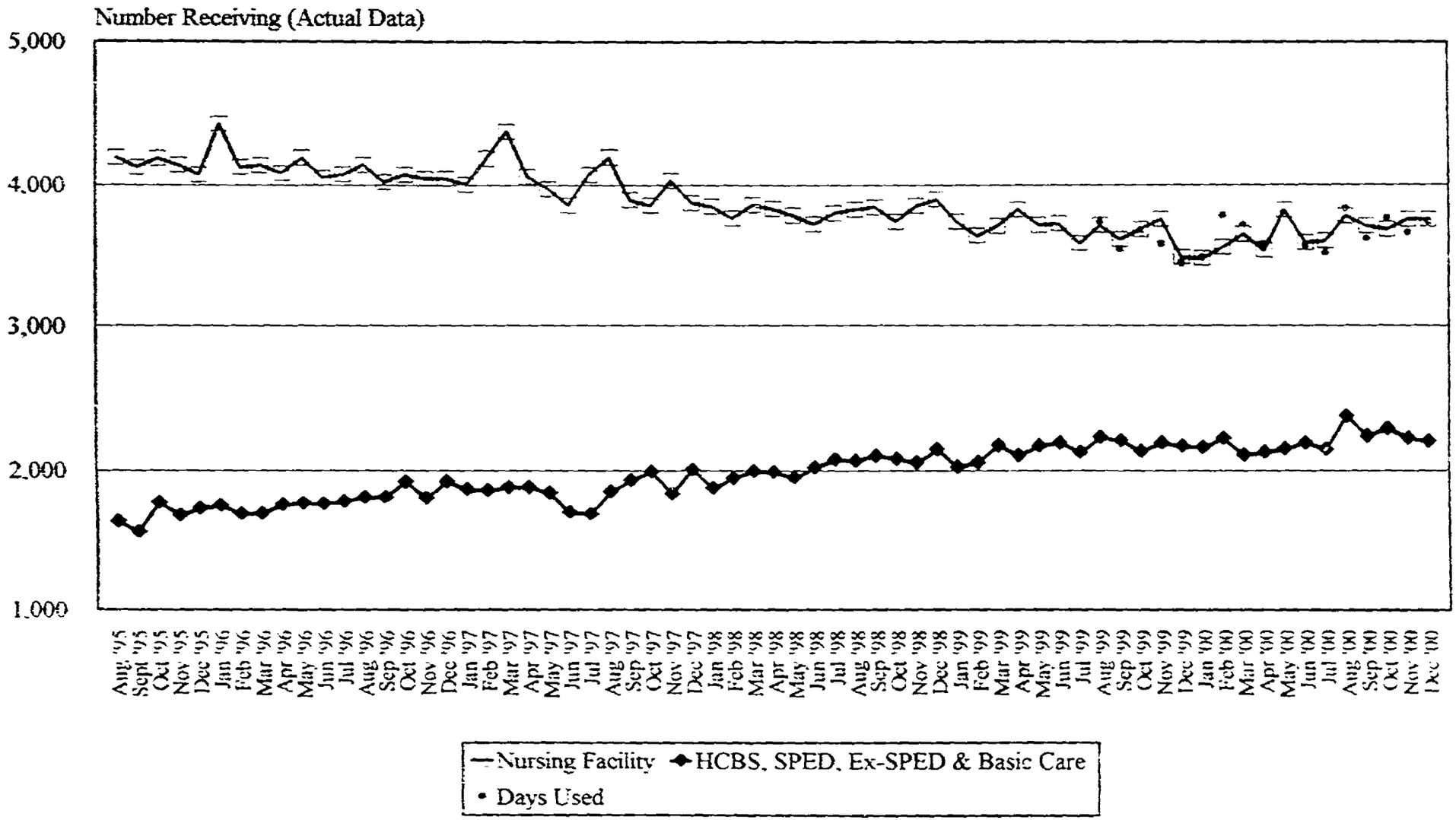
		Recipients	Days	Difference	Units
1	Aug-99	3713	3,740	(27)	115,945
2	Sep-99	3613	3,544	69	109,871
3	Oct-99	3683	3,678	5	110,326
4	Nov-99	3756	3,585	171	111,131
5	Dec-99	3486	3,446	40	103,366
6	Jan-00	3478	3,485	(7)	107,936
7	Feb-00	3558	3,783	(225)	117,268
				0	
8	Mar-00	3651	3,714	(63)	107,696
9	Apr-00	3538	3,582	(44)	111,056
10	May-00	3822	3,800	22	114,007
11	Jun-00	3593	3,574	19	110,793
12	Jul-00	3604	3,519	85	105,555
13	Aug-00	3781	3,835	(54)	118,876
14	Sep-00	3709	3,619	90	112,179
15	Oct-00	3687	3,737	(50)	112,998
16	Nov-00	3756	3,662	94	113,537
17	Dec-00	3757	3,741	16	112,235
17 month	Average	3,658	3,650	8	111,457
6 month	Average	3,716	3,686	30	112,563 - days paid

North Dakota Department of Human Services

Long Term Care

HB 1012 to House

2001 - 2003 Biennium



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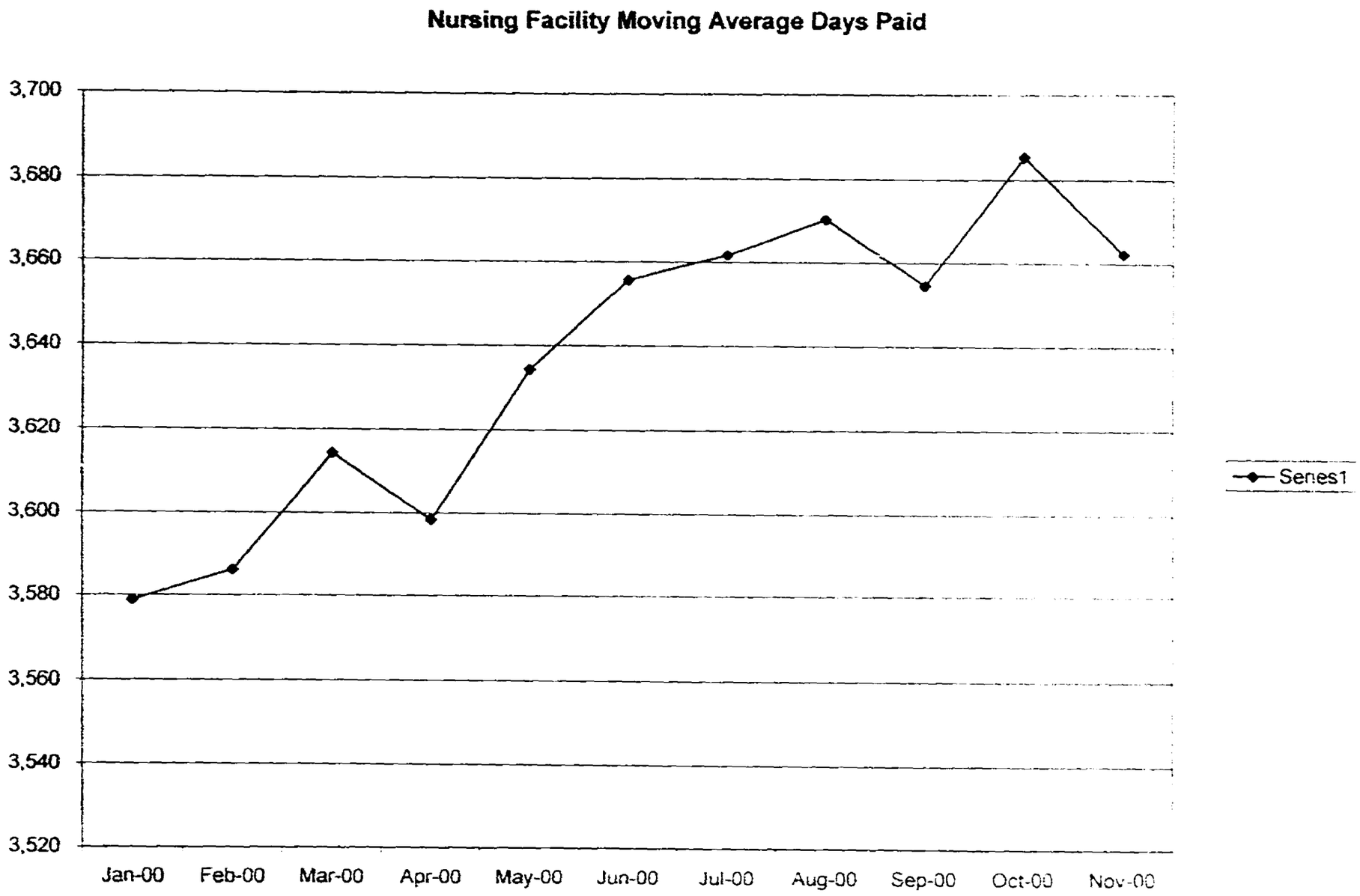
#3


Nursing Facility Moving Average Days Paid
3,700
3,680
3,660
3,640
3,620
3,600
3,580
3,560
3,540
3,520
Jan-00
Feb-00
Mar-00
Apr-00
May-00
Jun-00
Jul-00
Aug-00
Sep-00
Oct-00
Nov-00
Series1

Barb Fischer

#1

	Persons Eligible		Persons Receiving			
Month	Budget	Actual	Budget	Actual	per Paid	6 Mo Ave
Aug-99		42,000	3,776	3,713	3,740	
Sep-99		42,301	3,776	3,613	3,544	
Oct-99		41,997	3,776	3,683	3,678	
Nov-99		41,833	3,776	3,756	3,585	
Dec-99		41,849	3,776	3,486	3,446	
Jan-00		41,911	3,776	3,478	3,482	3,579
Feb-00		42,027	3,776	3,558	3,783	3,586
Reprojection May 16th, 2000						
Mar-00		42,510	3,656	3,651	3,714	3,614
Apr-00		42,396	3,656	3,538	3,582	3,599
May-00		42,395	3,656	3,822	3,800	3,634
Jun-00		42,423	3,656	3,593	3,574	3,656
Jul-00		42,108	3,656	3,604	3,519	3,662
Aug-00		42,338	3,656	3,781	3,835	3,671
Sep-00		42,418	3,656	3,709	3,619	3,655
Oct-00		42,485	3,656	3,687	3,767	3,685
Nov-00		42,450	3,656	3,756	3,662	3,662
Reprojection Nov, 2000						
Dec-00			3,700		3,700	
Jan-01			3,700		3,700	
Feb-01			3,700		3,700	
Mar-01			3,700		3,700	
Apr-01			3,700		3,700	
May-01			3,700		3,700	
Jun-01			3,700		3,700	
Jul-01			3,700		3,700	

1-23-01

#7

Fiscal Impact of 2001 Limits

FACILITY	LOCATION	Direct	Other Direct	Indirect	Total Impact	Medicaid Percent
Ashley Medical Center	Ashley		1.56	4.03	[illegible]	[illegible]
Missouri Slope Lutheran Care Center	Bismarck		0.03	0.37	32,[illegible]	20,[illegible]
St. Vincent's Nursing Home	Bismarck	3.21	0.02		107,[illegible]	29,[illegible]
Heritage Healthcare Center, Inc.	Cando			1.10	[illegible]	[illegible]
Carrington Health Center	Carrington					
Golden Acres Manor	Carrington					
Griggs County Nursing Home	Cooperstown			1.84	[illegible]	[illegible]
Lake Region Lutheran Home	Devils Lake		0.18	3.29	120,[illegible]	[illegible]
Jacobson Mem. Hospital Care Center	Elgin		0.76	6.51	[illegible]	[illegible]
Garrison Memorial Hospital	Garrison			2.91	24,651	[illegible]
Morton Manor Nursing Home	Glen Ullin					
St. Gerards Nursing Home	Hankinson			0.56	7,311	[illegible]
Tri County Retirement & Nursing Home	Halton					
Hillcrest Care Center	Hettinger					
Kenmare Community Nursing Facility	Kenmare			13.37	58,440	[illegible]
Friendship Healthcare Center	McVille					
Trinity Nursing Home	Minot			1.79	178,440	[illegible]
Golden Manor Inc	Steele					
Strasburg Nursing Home	Strasburg					
Tioga Medical Center	Tioga		0.01	4.25	44,415	15,451
Prairieview Home	Underwood					
Wishek Home for the Aged	Wishek		0.43		13,878	[illegible]
Anela Parkview Health Center	Anela			0.16	2,556	[illegible]
Arthur Good Samaritan	Arthur		0.40	0.77	31,073	19,537
Baptist Home	Bismarck		0.99	1.81	140,832	94,184
Bottineau Good Samaritan Center	Bottineau					
Sunset Care Corporation	Bowman					
Wedgewood Manor	Cavalier			8.70	177,837	78,196
Crosby Good Samaritan Center	Crosby			3.45	80,285	27,583
Devils Lake Good Samaritan Center	Devils Lake			0.17	5,032	2,758
St Benedicts	Dickinson					
St. Luke's Home	Dickinson		0.26	3.17	102,822	53,373
Dunseith Community Nursing Home	Dunseith					
Prince of Peace Ellendale	Ellendale			2.00	46,142	28,862
Enderlin Hillcrest Manor	Enderlin					
Bethany Home	Fargo			2.59	180,733	[illegible]
Elim Home	Fargo					
Rosewood on Broadway	Fargo					
Villa Maria	Fargo					
Sargent Manor Health Care Center	Forman					
Benedictine Living Center Garrison	Garrison					
Lutheran Sunset Home	Grafton	3.18		3.08	226,414	[illegible]
Central Dakota Village	Jamestown					
Hi Acres Manor Nursing Center	Jamestown			0.26	13,246	[illegible]
Lakota Good Samaritan Center	Lakota			4.96	89,632	46,470
LaMoure Healthcare Manor	LaMoure					
Maple Manor Nursing Home	Langdon					
Lansford Good Samaritan Center	Lansford					
Lisbon Medical Center	Lisbon			1.46	21,047	14,134
Medcenter One Care Center	Mandan					
Luther Memorial Home	Mayville			5.17	181,581	[illegible]
North Central Good Samaritan Center	Mohall			1.72	35,028	13,994
Mott Good Samaritan Nursing Center	Mott					
Napoleon Care Center	Napoleon					
Lutheran Home of the Good Shepherd	New Rockford		0.15		4,211	[illegible]
Elm Crest Manor	New Salem					
New Town Good Samaritan Center	New Town			2.24	34,608	24,246
Northwood Deaconess Home	Northwood		0.89	2.98	113,116	[illegible]
Oakes Good Samaritan Center	Oakes					
Osnabrock Good Samaritan Center	Osnabrock			1.55	17,665	10,793
Park River Good Samaritan Center	Park River			0.26	7,233	3,471
Rock View Good Samaritan Center	Parshall					
Mountrail Bethel Home	Stanley		1.11		22,754	13,623
Sheyenne Care Center	Valley City					
Sourris Valley Care Center	Velva					
St. Catherines Health Care Center	Wahpeton					
Pembina Nursing Center	Walhalla					
Good Shepherd Home	Watford City					
Westhope Home	Westhope		0.18	0.34	8,812	4,409
Bethel Lutheran Home	Williston		0.16		9,590	[illegible]
Manor Care Health Services Fargo	Fargo					
Manor Care Health Services Minot	Minot					
Knife River Care Center	Beulah					
Heart of America Nursing Facility	Rugby	4.55	3.01	0.94	301,627	[illegible]
Parkside Lutheran Home	Lisbon			5.30	69,637	[illegible]
Presentation Care Center	Rolette		1.88	7.78	148,841	[illegible]
St. Alexius Nursing Home	Harvey		0.87		33,354	[illegible]
St. Andrews Nursing Home	Bottineau		5.83		43,072	[illegible]
Community Nursing Home	Hillsboro		2.75	7.04	160,411	[illegible]
Valley Healthcare Center Med Park	Grand Forks		0.49	4.79	292,686	[illegible]
Valley Memorial Health	Grand Forks	1.83	1.05	2.79	201,664	[illegible]
Hill Top Home of Comfort, Inc.	Killdeer		1.24	3.47	99,659	[illegible]
North Dakota Veterans Home	Lisbon	5.78	5.14	17.76	378,912	[illegible]
Totals					$4,007,432	[illegible]

TASKS FOR THE STATEWIDE ASSESSMENT

The following tasks represent an initial response to a proposed statewide needs assessment for long term care in North Dakota.

1. Service Area Model

Develop a model that delineates service areas. Boundaries will be defined based on analysis and feedback from facility administrators, Health Department staff, and location analysis using Geographic Information Systems (GIS). Factors that will be considered include: a) relational boundaries (e.g., zip codes), b) trade market analysis, c) service delivery systems. This will be an initial effort that establishes boundaries for future data sets and analyses. It will require professional time, travel expenses for collaboration, and funds for a survey of providers. Estimated time line is 3 months.

2. Elderly Demand Model

Develop elderly population estimates and projections for geographic areas that will best reflect the characteristics of the local service areas. Preliminary estimates can be designed using existing data along with early releases of the 2000 Census. These estimates will be used to address the following issues: A) What is the distribution of elderly using 5 year cohorts up to age 85 and over? B) Is there evidence of a significant return migration at the most advanced age levels? C) Are there cohort anomalies in the population that jeopardize informal caregiving. Evidence of cohort out-migration by younger cohorts during difficult economic times may have left local populations short of adult children to rely on for informal caregiving. D) Can we identify demographically challenged areas with unique needs for alternative care?

Demographic analysis will begin at the onset of the project and continue as data from the 2000 Census becomes available. A more detailed population projection model will be designed to encompass service areas after release of the detailed population data from the 2000 Census. This model will seek to build on zip code level data for aggregating demographic data and will become the standard for aggregating survey data developed as part of this study. This model will be flexible and able to respond to competition and overlapping service areas. This effort will require professional time and expenses for computer modeling and mapping. Estimated time - 3 years.

3. Labor Demand Model

Assess the labor supply and demand issues for each service area. This will be accomplished through a series of surveys that address various dimensions of the labor force including availability, recruitment, education, and retention. These surveys may dovetail with other in the project and include: a) labor availability and

underemployment survey (i.e., random household survey), b) providers labor needs survey, and c) student survey of career intentions and residential preferences. Sources of existing data to be used in the analysis include North Dakota Job Service, the MDS (minimum data set) from the State Health Department, public instruction, and higher education data on placements for graduates. Others might be added to the list of potential sources. Input will be solicited from analysts and administrators in other state agencies where these issues appear relevant. Secondary analysis of data from other units will begin during the first months of year one. Assessment of data management and analysis will be ongoing and could be expected to flow into year 2. Costs include funding for statewide survey, professional time, and providers survey. Estimated time required - 18 months.

4. Elderly Profile

Conduct a state public sample survey to assess the extent of need as measured by ADLs (Activities of Daily Living), IADLs (Instrumental Activities of Daily Living), Chronic diseases and direct expressions of need. This survey will also include data on public interest in alternative forms of care for the future and people's expression of their plans for the future regarding retirement and residence. A sample of people 50 and over may be appropriate. Possible sampling frames may be obtained from the AARP. A stratified sample will be used to minimize urban numbers and over represent small, frontier counties where the under serviced is the norm.

The use of optical scanning using custom instruments will be explored if a large scale mailing campaign is used for data collection The advantage of the scanner is that the data input is automated eliminating data entry errors present in manual data entry.

The data from the survey will be used to produce prevalence rates for chronic diseases, ADLs , IADLs and other agreed upon indicators. This provides a picture of present conditions and can be used with population projections to gain an estimate of future need for services. Additional data from a second administrator survey will provide information on the extent to which needs are met with formal services, available in the area and the adequacy of the services. The principle outcome of this effort is to develop a clear sense of the level of need in the population and to determine the extent to which it remains unmet through either formal or informal services. The public survey will address informal care. This activity will begin after the designation of service areas. The Long Term Care Association lists 112 facilities with 68 in rural areas. The resolution service areas for the rural and urban areas should be addressed prior to designing the survey sample. We may elect to concentrate only on the rural facilities as they represent the bulk of underserved communities. The time flow for this component will begin at month 4 and continue over the 3 year duration of the project. The public survey will begin in the fourth month of year 1. Instrument development, identification of benchmark data and approval of design must occur before the survey can be reproduced in machine readable form. The instrument should be completed and produced by the end of the

first year with data collection beginning promptly at the beginning of the second year. The sample will need to be drawn and a mailing prepared with preaddressed return envelopes taking an additional month. Response time and follow-up is expected to take approximately 3 months. During the remainder of year two the data will be compiled and analyzed. The applied nature of this work is such that we should anticipate the analysis to also be on-going for several months with an interactive process allowing the data to be queried and a series of reports developed in response to questions especially looking at applying prevalence rates from the survey to the population forecasts. Data and reports would be made available on a continuing basis.

5. Provider and Facilities Profile

A survey of nursing home administrators will be conducted to measure their experience with labor force issues, recruitment and retention concerns along with a small survey of staff to assess factors that lead to successful recruitment and retention Administrators will be asked about their thoughts regarding policies that have worked for them or policies they would like to see as possible solutions. This survey will be done after service areas are defined. Estimated time -- one year.

This effort will be a collaborative project between UND and NDSU. A steering committee will be organized to guide the conceptual and analytical development of the project.

As a vision of output for survey results, we have been using a process that results in local survey data on general health status, chronic diseases, ADLs, IADLs, vision, hearing, dental problems, health behaviors (smoking, diet, exercise, drinking, weight, and social involvement), service use and demographic background items. We extracted the items from a variety of national surveys and have sought to maintain compatibility with these national data sets for purposes of comparison. The national benchmarks are presented along with local data in order to help people evaluate the meaning of each finding. Additionally, we produce an aggregate file of all people surveyed for comparison. In this case we could do the state and of course we can aggregate both survey and census data in a variety of ways. This presentation has been very well received and a version of it will be recommended for this study. An application of survey based prevalence rates will be added to the population data to obtain estimates of the numbers and changes in numbers of people likely to experience different chronic diseases and disabilities.

TENTATIVE BUDGET ITEMS: 3 YEAR

Elderly Survey

Materials costs for survey: 10,000 respondents with two mailings.

20,000 machine readable instruments from NCS	$ 3,500
Envelopes (20,000 each, outgoing and return)	$11,000
Postage	$ 7,000
Total	$21,500

Labor Availability Survey

Telephone survey @ $17/respondent for 2,500	$42,500

Providers Survey

Telephone survey @ $17/respondent for 112	$ 1,904
Subtotal for Surveys	**$65,904**

PERSONNEL (in scientific man years)

Service Area Model	Months 1-3	.15 SMY
Elderly Demand Model (Population analysis)	Months 1 – 36	.75 SMY
Labor Demand Model & Secondary data analysis	Months 1-18	.30 SMY
Elderly Profile	Months 1 – 36	.75 SMY
Survey of Admin & personnel	Months 1-12	.25 SMY
	Total	2.20 SMY

Estimated costs for 2.20 SMY @ average annual salary of $55,000	$121,000
Fringe benefits @ 25%	30,250
Subtotal for Personnel	**$151,250**
General supplies and travel @ 2,000 per year	$ 6,000
GROSS ESTIMATE OF DIRECT COSTS FOR 3 YEARS	$223,154
Indirect Costs @ 8%	$ 17,852
GRAND TOTAL	**$241,006**

Dave Zentner

TESTIMONY BEFORE THE HUMAN RESOURCES SECTION
OF THE HOUSE APPROPROPRIATIONS COMMITTEE
REGARDING HOUSE BILL 1117
JANUARY 29, 2001

Chairman Svedjan, members of the committee, I am David Zentner, director of Medical Services for the Department of Human Services. I appear before you today to provide information and offer support for this bill.

The Task Force on Long Term Care Planning was appointed by former Governor Schafer to review the current delivery system for long term care services and make recommendations for changes. The Task Force included members from government, the long term care industry and the public. The Task Force met during the interim and issued a report in September 2000. The report included a recommendation to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

Section one of the bill authorizes the Department to establish the targeted case management service. Section two sets forth the powers and duties of the Department in establishing the service.

The purpose of Targeted Case Management Services is to ensure that clients are aware of available services so that they and their families can make informed decisions regarding where they wish to obtain needed services. It is also used to ensure that clients are receiving the care necessary to meet their needs while they are receiving SPED, Expanded SPED or Basic Care services.

Currently, SPED and Expanded SPED clients receive case management services from county social service staff. Payments made to counties comes from 95% state general fund dollars for SPED clients and 100% general funds for Expanded SPED clients. SPED and Expanded SPED provides home and community based services to individuals who either are not eligible for or receive services that are not otherwise covered under the Medicaid Program.

The new service would be available to Medicaid recipients eligible for SPED, all Expand SPED clients, clients eligible for the Basic Care Assistance Program and other Medicaid recipients at risk of needing long term care services. The Department estimates that a total of 1,680 individuals will receive services during each year of the new biennium.

By utilizing the Medicaid Program to pay for case management services for about 30% of SPED clients who are Medicaid eligible and all Expanded SPED clients, the Department will be able to access 70% federal funding for these services that are currently funded entirely by state and county funds. The fiscal note shows that the cost of this program will be about $1.1 million of which about $338,530 are general funds. The general fund dollars will come from the Aging Services budget that would otherwise have been used to pay for case management services using only state or county funds. In addition, the adoption of the case management Medicaid option will save an additional $445,432 in general funds because of the replacement of general funds with federal dollars.

When the cost savings for implementing this change were determined, the 5% savings that the counties will experience were not calculated. For this reason, an additional $16,203 in general funds will be necessary to implement this service. This will reduce the overall savings to $429,229.

If this bill fails, it will be necessary to add back $445,432 in general funds to the Aging Services budget in order for that division to pay for case management

services to SPED and Expanded SPED clients. Also, the $338,530 in general funds that were requested to be transferred to the Medicaid Program would need to remain in the Aging Services budget.

The Department supports this bill and recommends a do pass.

I would be happy to answer any questions you may have.

Prepared by the North Dakota Le[illegible] Council
staff for House Appropriations - [illegible]esources
January 2001

Allen - LC

1-29-01

TARGETED CASE MANAGEMENT - 2001-03 FISCAL IMPACT

House Bill No. 1117, introduced as part of the executive budget, requires the Department of Human Services to establish targeted case management services for eligible elderly and disabled individuals who are at risk of requiring long-term care services. The schedule below reflects the 2001-03 biennium estimated fiscal impact to various programs of the Department of Human Services relating to targeted case management. The additional cost of $323,788 relates to expanding targeted case management services to basic care and other aged and disabled individuals who are Medicaid-eligible but currently not receiving case management services.

	Executive Budget Changes Relating to Targeted Case Management (As compared to funding under current law)				Department of Human Services Proposed Changes to the Executive Budget Relating to Targeted Case Management				Total Changes Relating to Targeted Case Management			
	General Fund	Federal Funds	County Funds	Total	General Fund	Federal Funds	County Funds	Total	General Fund	Federal Funds	County Funds	Total
Medical assistance				$0	$338,530	$769,220	$0	$1,107,750	$338,530	$769,220	$0	$1,107,750
Basic care assistance				0	(14,462)			(14,462)	(14,462)			(14,462)
Service payments for elderly and disabled (SPED)	($445,432)	$445,432		0	(90,065)	(445,432)	(16,203)	(551,700)	(535,497)		(16,203)	(551,700)
Expanded SPED				0	(217,800)			(217,800)	(217,800)			(217,800)
Total	($445,432)	$445,432	$0	$0	$16,203	$323,788	($16,203)	$323,788	($429,229)	$769,220	($16,203)	$323,788

#1

#3

Burleigh County Social Services

Adent Building•415 E. Rosser Avenue, Suite 113•Bismarck, ND 58501-4058•Telephone:701-222-6622•Fax:701-222-6644•701-222-6476

Before the Human Resources Division
of the House Appropriations Committee

Testimony in support of House Bill No. 1117

by John A. Graham
Director, Burleigh County Social Services

Monday, January 29, 2001

Chairman Svedjan, members of the Human Resources Division, I am John Graham, Director of Burleigh County Social Services. I appreciate the opportunity to testify in support of HB 1117.

Because I was here when the Department presented on that portion of its budget which would fund the Targeted Case Management waiver authorized by HB1117, I believe I know some of your concerns. I have with me this morning a member of my staff who has provided case management for persons who are elderly or disabled for many years. If you have specific questions about how case management works, I may call on Marie to help answer those questions.

Title XIX of the Social Security Act allows State's to amend their Medicaid State Plans to include provision of targeted case management for Medicaid eligible persons who are elderly or disabled. The Federal government believes that paying for that service will give more information to persons in need of long term care about the whole spectrum of services available to them, so they can make the long-term care choice best suited to them (i.e. one that is least restrictive, etc.).

Burleigh County Social Services provides case management services for SPED, expanded SPED, and Medicaid Waiver clients as well as clients receiving Basic Care Assistance payments. We have provided this service throughout the existence of those programs in North Dakota. In addition we provide case management services for clients receiving county-funded in-home care services.

The adoption of the Targeted Case Management (TCM) waiver will not change our manner of providing case management. In addition, because the clients who will receive TCM are already our clients, or will become our clients because they would be eligible for SPED, expanded SPED, Medicaid Waiver, or county-funded services, we do not believe that any more case managers would have to be added then would have had to be added in any case due to the increasing service caseload.

Mr. Chairman, case management is intended to, and does, increase the range of client choice, rather than restrict client choice. The case manager is trained and oriented to enhancing that choice by letting the client know the full range of choices available to him or her.

Burleigh County is presently engaged in a pilot project testing the value of expanding case management availability to the all citizens of the State regardless of income or assets. As part of that pilot, we often surveyed our clients about their satisfaction with the case management function. I think several comments on those surveys may be helpful to this Committee in judging the impact of case management on these individuals and their families.

"What a wonderful program. Thank you (the case manager) for being there. Your support has been invaluable in keeping my parents independent which is their continued desire."

"[Case manager's name] assessment and guidance was a catalyst for us. I'll always be grateful for the advice."

"Hooking up with [case manager's name] was a lifesaver for us. My elderly parents were on the brink of needing intervention in order to remain in their home, and [case manager's name] was a great help in explaining what services were available to people not only unversed in the subject of eldercare, but also trying to sort it out at long distance."

Mr. Chairman, I urge the Division to give a do pass recommendation to House Bill No. 1117. I would be happy to answer those questions I can, or, with your permission, to refer them to Marie.

Thank you.

#4

Jaunary 26, 2001

Basic Care, Assisted Living, QSP, Respite Care, Homemaker Service, Swing Bed, Independent Apartments, Community Services, Home Health Care, Skilled Care, SPED and the list goes on and on.

This is the myriad of terms and concepts which include unspoken qualifying conditions that a care giver needs to master. The need for understanding the vocabulary is just the beginning of the decision making process. Often times the care giver is expected to know the terms, the qualifying government guidelines, what's available in the community, and who to contact in a time of crisis.

This is a daunting task when emotions are high and clear thinking at a minimum, and a decision is needed. This decision is generally needed within a time frame such as after a surgery, after a fall, or death of a spouse. This is the time when a case manager's services are at a premium. A case manager can explain the unique vocabulary, explain the hidden guide lines that are implicit in the terminology, and give names and numbers of people to contact.

I have been the sole family caregiver for my parents for over 10 years. First I needed help with managing decisions with my father. His movement was physically impaired and he definitely wanted to stay at home. There were all kinds of decisions and arrangements to be made. His case manager was able to answer my questions, point out some options, and get me started in honoring his wish to stay at home. When the time came that my mother could no longer handle his needs at home, again the case manager guided me in processes that would give both my mother and father a good quality of life.

My father has passed away, and now its my mother that needs help. With failing eyesight and an array of medical issues, again the case manager has guided and advised Mother and me with options. Through a team effort, with a variety of services, my mother is able live at home, just where she is happy, secure, and most of all independent.

Making numerous decisions with the people that you love which will profoundly effect their lives is a monumental and scary task. We would not have been able to be successful with the decisions if it had not been for the case manager that was just a phone call away when Mother or I needed information.

If you have any further questions please feel free to contact me at 258-1096.
Thank you for your time.

Cindy Dykema

Cindy Dykema
2809 Lexington Dr.
Bismarck ND 58503

Troy Lapp <lapp@btigate.com> on 01/28/2001 07:29:54 PM

Please respond to lapp@btigate.com

To: 08graj@state.nd.us
cc:
Subject: (Fwd: Legislative Funding)

----- Message from on -----

January 28, 2001

Legislative Committee
Re: Burleigh County Social Services Case Management
c/o Melinda Lapp, Burleigh County Social Services
Bismarck, ND

Dear Committee Members:

It has come to my attention that you are discussing legislation and funding of case management for counties. Since this issue affects my family and many families like mine, briefly, here are some of the ways your support has impacted us.

In 1991 and in 1993, my mother, who retired in 1970 after working at the Bank of North Dakota and the North Dakota Attorney General's office for more than twelve years, underwent hip replacement surgeries. Although the surgeries were successful, she was no longer able to attend to some household chores nor was she able to safely bathe unassisted. Throughout the following years, her health has declined to the point where she is no longer able to live alone. She is now living in an assisted-living facility.

The point of this letter is to tell you that she would have been unable to live somewhat independently in her own home if it had not been for the practical programs and very caring people at Burleigh County Social Services. Quite frankly, her income (which was approximately $750 per month plus her state pension which recently rose to $9.76 per month) would not have allowed her to manage to stay in her home. Our options, as I see them, would have been for her to sell her little house and go on welfare, or I would have to quit my job to care for her. In either case we would both be in severe financial straits.

Besides the financial help by providing care, the programs reach beyond what might be recorded on a spreadsheet. Your caregivers have provided respite, and many of them have alerted us to potential health problems. They have become kind friends to all of us.

I want to personally thank you for this invaluable service and ask you for your continued support.

Sincerely,

Inez Arman

To: John Graham <08graj@state.nd.us>, Marie Thompson <08thom@state.nd.us>
cc:
Subject: HB 1117

Members of the Appropriations Committee,

Hi, My name is Royce Schultze. I am a quadriplegic due to a spinal cord injury 20 years ago. I am writing to you in support of HB 1117. I have been a recipient of services from Burleigh County for approximately 15 years and partof the services I receive include case management. Without case managementservices I would have no idea what services are available or what my optionswould be with the different services.

In the 15 years that I have been receiving case management services not once I have been pressured into making a decision or been told what I had to do. Instead, the case managers have given me all the information and I made the choice, as it should be.

With the different changes that occur in these services it is the case managers who I count on to inform me of these changes. Without the information case managers provide to their clients I think there would be a quite a few clients going without services they need.

Thank You for your time and I hope you support HB 1117.

Royce Schultze
2009 N 5th St
Bismarck, ND 58501
701 222-0644

TESTIMONY BEFORE HOUSE APPROPRIATIONS COMMITTEE

HB 1012

January 4, 2001

AGING SERVICES DIVISION

I. Introduction

Chairman Timm and Members of the House Appropriations Committee, my name is Linda Wright. I am the Director of the Aging Services Division, Department of Human Services.

The Aging Services Division is responsible for providing leadership in the development and administration of an array of in-home and community based services in response to the needs of vulnerable adults, persons with physical disabilities, and an aging society in North Dakota. The services administered by the Division are intended to assist individuals in maintaining independence and self-sufficiency to their maximum potential. The services are also intended to maintain individuals in their own homes and communities for as long as possible, preventing or delaying the need for institutional care. Aging Services is also responsible for the protection of vulnerable adults, including nursing home residents, from harm and violation of their rights. This is accomplished through the Long-Term Care Ombudsman and Vulnerable Adult Services Programs.

North Dakota is a "graying" state:

- In the year 2010, 19.5% of the state's population will be age 60 and over.

- In the year 2010, it is projected that more than half of North Dakota's counties will have 25% or more of their population age 60 and over.
- The fastest growing age group in North Dakota is those 85 years of age and over (a projected increase of 20.1% between 1990 and 2010).
- The last of the "baby boomers" will reach 50 years of age in 2014 and comprise an estimated 22.3% of the state's population, or nearly 138,000 residents.

II. Program Purpose Statements/Department Objectives/Services

The services administered by the Aging Services Division are grouped into four (4) major program areas: 1) Individual Rights, 2) Community Services, 3) Personal Cares, and 4) Home Safety.

- The purpose of the Individual Rights Program is to provide information, education, and intervention to vulnerable adults so they can exercise their rights. Services include the Long-Term Care Ombudsman program, Vulnerable Adults Services, and Legal Services.
- The purpose of the Community Services Program is to provide support services to older adults and persons with physical disabilities so they can remain in their own home. Services included are Case Management, Transportation, Health Maintenance, Information and Assistance, Outreach, Senior Companion, and Nutrition Services (congregate and home delivered meals).
- The purpose of the Personal Cares Program is to provide individualized care to older adults and persons with physical disabilities so they can remain in the least restrictive environment. Services included are Respite Care, Personal Care, Adult Family Foster Care, Family Home Care, Adult Day Care, Training for Family Caregivers, Traumatic Brain Injury Services, Residential and Transitional Living, and Adult Residential Services.

- The purpose of the Home Safety Program is to provide individual interventions, service and equipment to older adults and persons with physical disabilities so they can feel safe and independent in their home environment. Services included are Emergency Response System, Preventive Health Services, Chore, Homemaker, Environmental Modifications, Specialized Equipment and Supplies.

III. Major Accomplishments

- Instituted a competitive proposal process for all Older Americans Act contracts, reducing the number of contracts from 45 to 23.
- Delayed or prevented institutionalization of 2,631 older persons and persons with disabilities through provision of in-home and community based services.
- Actively participated in the Task Force on Long Term Care Planning which sets forth recommendations for long term care reform.
- Continued an expanded case management pilot involving Burleigh, Kidder and Emmons Counties to assure that people who need long term care services are knowledgeable about care options. As a result of this on-going pilot, a computerized universal client assessment document is now used statewide by all County Social Service offices and Older Americans Act service providers to avoid duplication and to make it easier for people to access services.
- Regional Human Service Centers, working with existing agencies and organizations, have developed a system to respond to complaints regarding vulnerable adults. The need to have a system in place is consistent with the growth of the vulnerable adult population.
- Continued partnership with the Department of Health in the statewide Diabetes Education and Awareness Program and the North Dakota Arthritis Program.

- In cooperation with the Indian Affairs Commission and the Health Department, conducted input and follow-up meetings on each Reservation to determine long term care needs of Native American citizens.
- Through the Governor's Committee on Aging, conducted Regional Governor's Statehouse Conferences on Aging in Year 2000 to address issues central to the aging agenda in North Dakota. Over 800 people participated in the conferences.
- Interfaced the Senior Info-Line data base with the internet.
- Supported the efforts of the Governor's Committee on Aging and AARP to organize the Graying of North Dakota Coalition, combining the efforts of many advocacy groups and organizations to address issues of concern to older persons and persons with physical disabilities.
- Conducted a national self-assessment study of "Consumer Direction in Home and Community Based Services" as 1 of 10 states chosen for this project by the National Association of State Units on Aging. As a result of the study, 5 goals have been identified to improve consumer directed care in North Dakota.
- Provided statewide training in 18 communities to 519 consumers and agency personnel on Medicare + Choice, through a special initiative of the Administration on Aging.

IV. Challenges

- Maintaining an adequate and trained supply of in-home care providers and offering reimbursement rates that are competitive in the marketplace.
- Meeting the needs of an increasing population over the age of 85.
- Recognition of home and community-based service options as the preferred choice in the long-term care continuum.
- Planning for an aging "baby boom" generation.

- Funding and implementing a statewide comprehensive needs assessment of older persons and persons with physical disabilities.
- Based on the results of the Expanded Case Management pilot projects, making care management available statewide to older persons and persons with physical disabilities in need of long-term care services.
- In response to the shift of North Dakota's population from rural to urban settings, meeting the service needs of rural residents in a cost effective, efficient manner.
- Meeting the spirit and intent of the Olmstead Decision through continued efforts to provide an array of in-home and community based services.

V. Budget Highlights

(Refer to attached charts)

- Funding sources include:

-Older Americans Act federal funds ($7,886,142)

-United States Department of Agriculture Cash In-Lieu of Commodities

($1,533,140)

-Title 19 federal funds ($445,432)

-General Funds ($13,596,205)

-Special Funds (Intergovernmental Transfer Funds and County Funds)

($698,354 county and $4,330,810 other)

(Note: The Medicaid Waiver for the Aged and Disabled, and the Medicaid Waiver for Traumatic Brain Injury are administered in the Aging Services Division. The funding is in the Medical Services budget.)

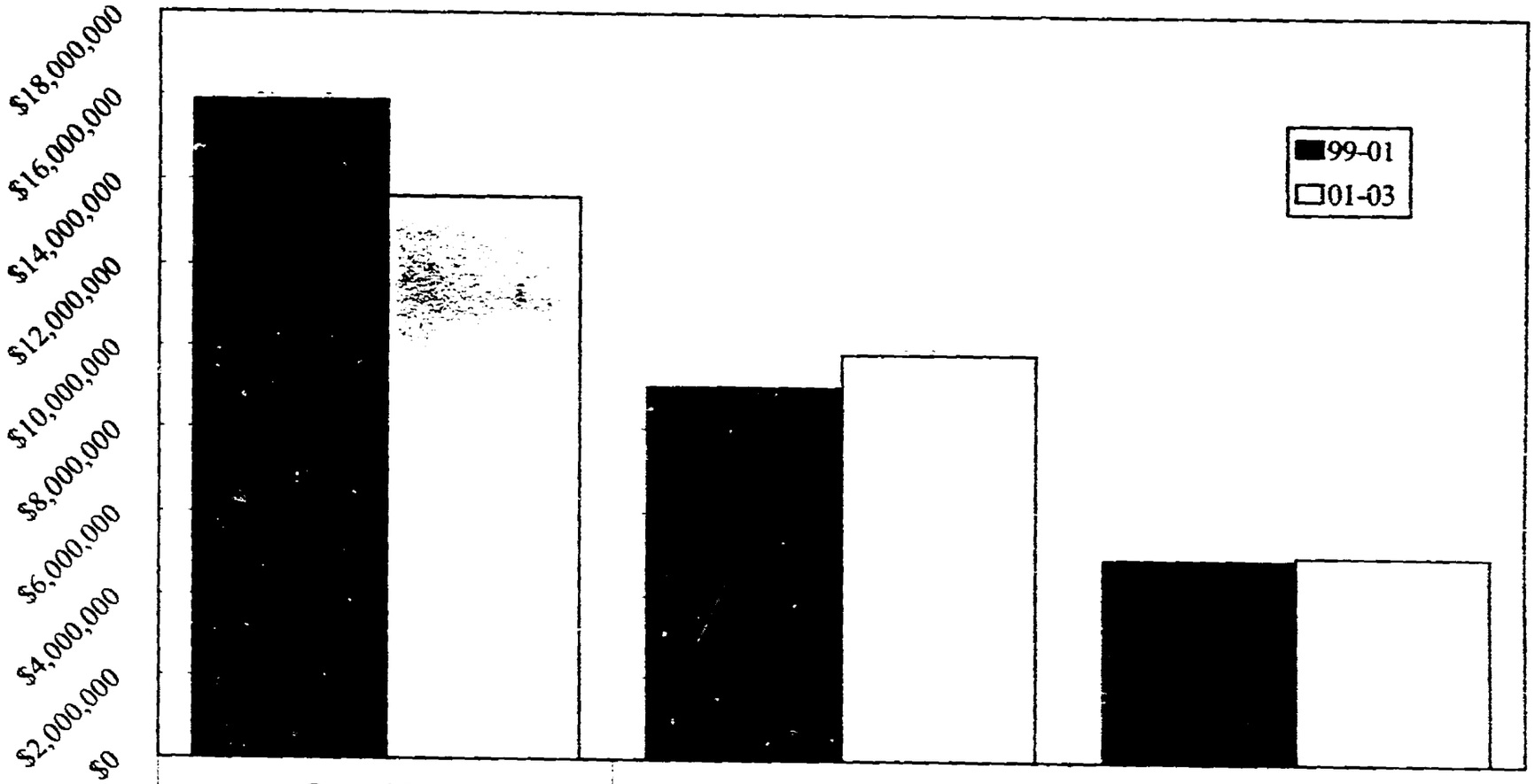
- General Funds show a net decrease of $2,273,381. This is due, however, to the elimination of the contingency fund for SPED (Service Payments for Elderly and Disabled), which was appropriated by the 56th Legislative Assembly if IGT (Intergovernmental Transfer) funds were not

available to partially fund the SPED program. The SPED budget was actually increased by $1,153,005 (a general fund increase of $649,931) to reflect a 2.2% annual inflation increase for providers of service. The Expanded SPED budget was also increased to reflect a 2.2% annual inflation increase for providers of service; an increase of $523,036. The Mill Levy Match budget was increased by $400,000.

- $252,727 in general funds has been added to the operating budget due to the funding for the distribution of telecommunications equipment which was transferred from the Vocational Rehabilitation Division to the Aging Services Division.
- Federal Funds reflect an increase due to additional Older Americans Act funds and the inclusion of Title XIX funds for Targeted Case Management, an increase of $841,984.

If there are any questions, I would be happy to answer them at this time.

North Dakota Department of Human Services
Aging Services
HB 1012 to House
2001 - 2003 BIENNIUM



	General Funds	Federal Funds	Special Funds
99-01	$15,869,586	$9,022,730	$4,930,413
01-03	$13,596,205	$9,864,714	$5,029,164

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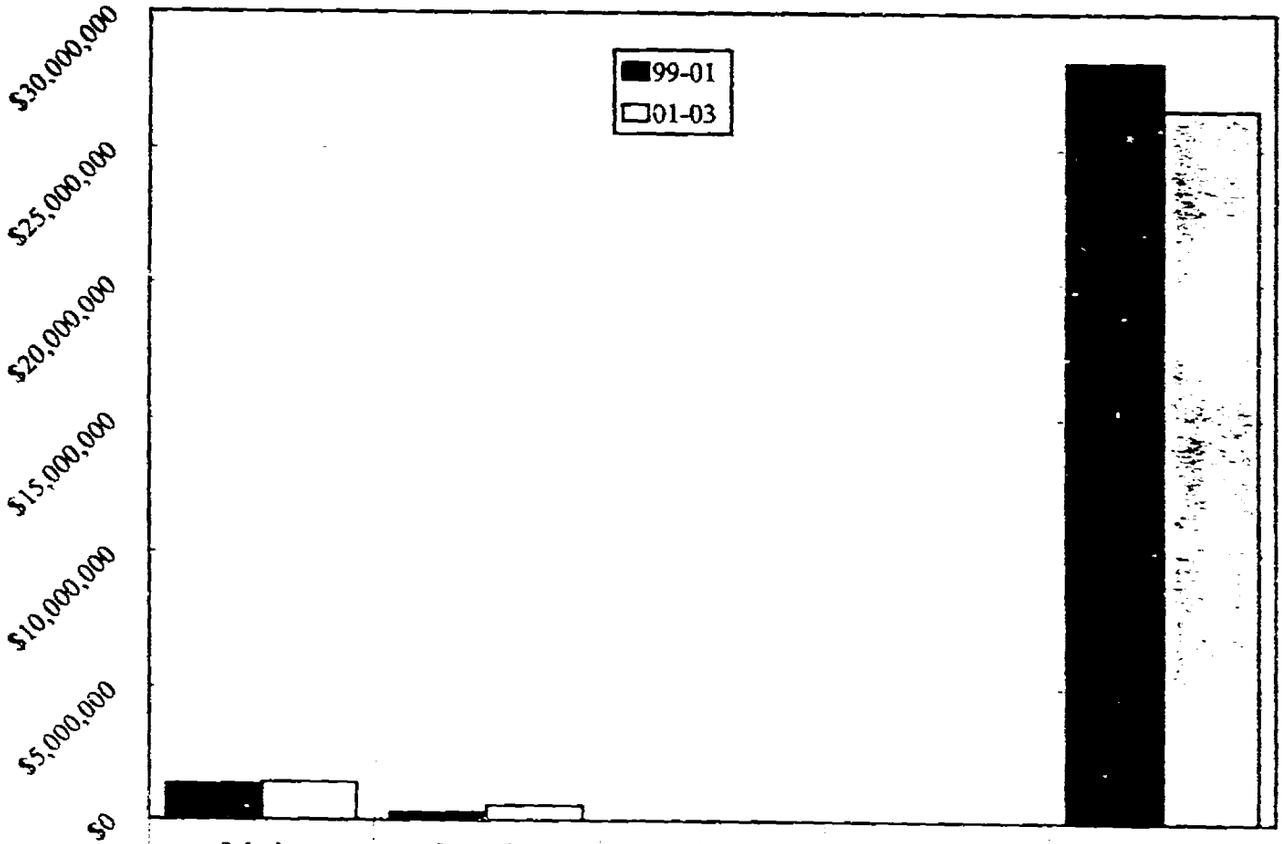
North Dakota Department of Human Services
Aging Services
HB 1012 to House
2001 - 2003 BIENNIUM



	Salaries	Operating	Equipment	Capital Improvements	Grants
99-01	$1,357,379	$276,000	$5,000	$789	$28,183,561
01-03	$1,445,048	$576,092	$0	$789	$26,468,154

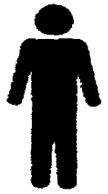
Funding Sources

99-01 Biennium:

General	$ 15,869,586
Federal	$ 9,022,730
Special	$ 4,930,413
Total	$ 29,822,729

01-03 Biennium:

General	$ 13,596,205
Federal	$ 9,864,714
Special	$ 5,029,164
Total	$ 28,490,083



FTES:

99-01	15.5
01-03	15.5

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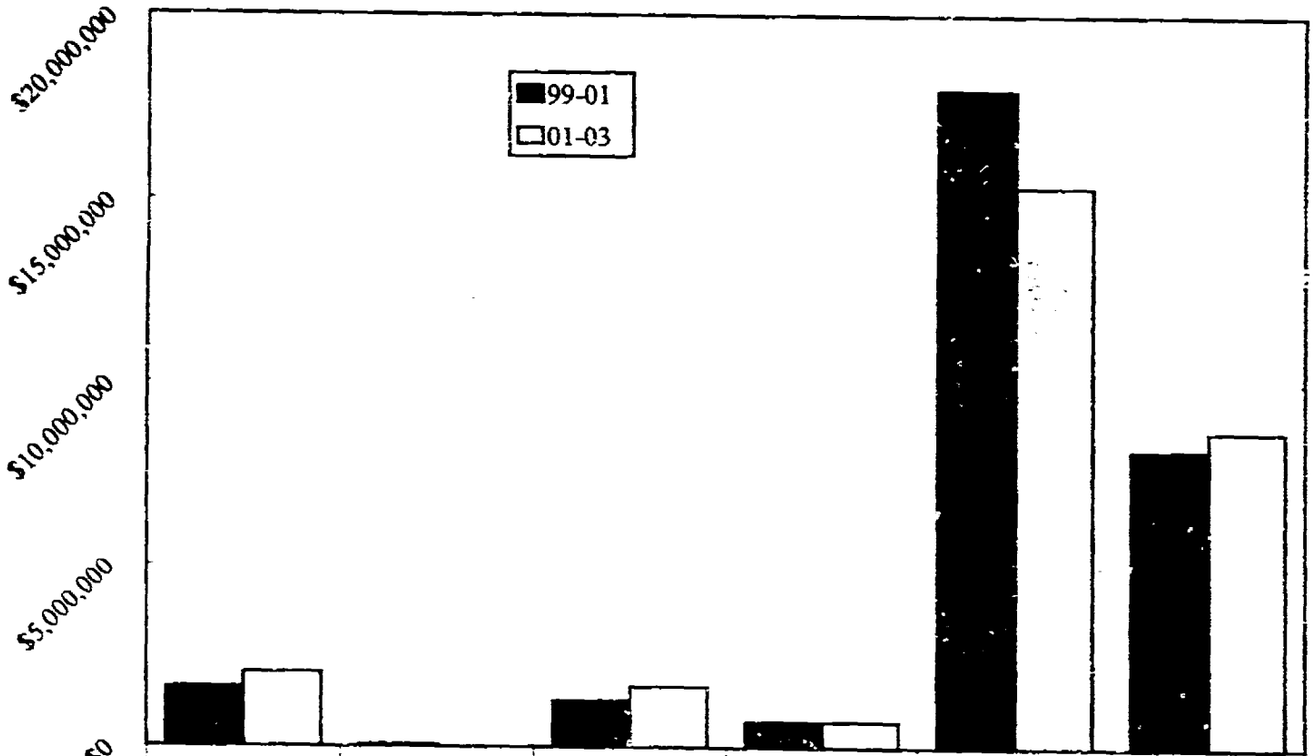
North Dakota Department of Human Services
Aging Services
HB 1012 to House
2001 - 2003 BIENNIUM



	Program Admin	Ombuds Elder Abuse	Mill Levy	State Funds To Providers	SPED Expand SPED	Federal Grants
99-01	$1,613,133	$57,150	$1,262,945	$720,000	$17,974,744	$8,194,757
01-03	$2,021,929	$0	$1,662,945	$720,000	$15,388,375	$8,696,834

Funding Sources

99-01 Biennium:	
Federal Funds:	
Title III	$ 7,389,336
Cash In-Lieu	$ 1,621,509
Medicare + Choice	$ 11,885
Special Funds:	
County	$ 640,712
Other	$ 4,289,701
General Funds	$15,869,586
Total Funds	$29,822,729
01-03 Biennium:	
Federal Funds:	
Title III	$ 7,886,142
Cash In-Lieu	$ 1,533,140
Title XIX	$ 445,432
Special Funds:	
County	$ 698,354
Other	$ 4,330,810
General Funds	$13,596,205
Total Funds	$28,490,083

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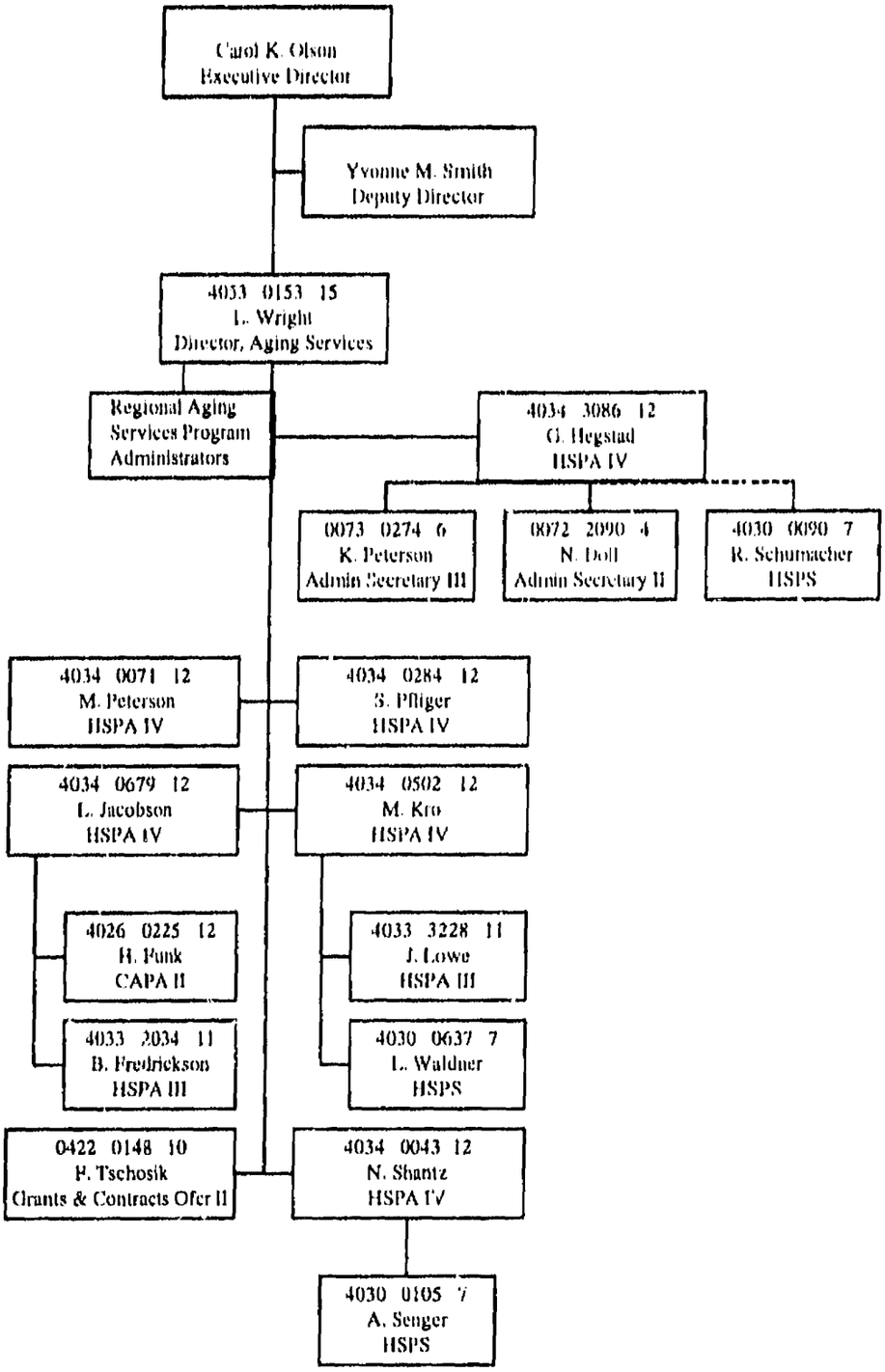
Linda

1-017-01

#6

North Dakota Department of Human Services
Aging Services Division



Revised
1/17/01

North Dakota Department of Human Services
Central Office - Excluding Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	LINE	Budget Object Code	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Actual Budget	2001 - 2003 Executive Budget Recommendation
300-43 AGING SERVICES	10	1001 SALARIES	687,596	17	970,724	1,034,804	1,099,780
300-43 AGING SERVICES	10	1002 TEMP. OT & SHIFT DIFF	13,976	17	19,730	9,21[illegible]	6,950
300-43 AGING SERVICES	10	1008 BENEFITS	204,222	17	288,313	313,359	338,308
	10 Total		**905,794**		**1,278,767**	**1,357,379**	**1,445,038**
300-43 AGING SERVICES	30	3003 IT-TELEPHONE	3,998	16	5,997	1,600	5,627
300-43 AGING SERVICES	30	3004 TRAVEL	37,826	16	56,739	63,180	47,930
300-43 AGING SERVICES	30	3005 IT - SOFTWARE - SUPPLIES	1,572	16	2,358	-	1,000
300-43 AGING SERVICES	30	3006 UTILITIES	249	16	374	600	600
300-43 AGING SERVICES	30	3007 POSTAGE	300	16	450	1,250	1,250
300-43 AGING SERVICES	30	3011 LEASE - RENT EQUIP MENT	59	16	88	-	-
300-43 AGING SERVICES	30	3012 LEASE - RENT BLDG - LAND	65,828	16	98,742	88,311	88,311
300-43 AGING SERVICES	30	3013 DUES & PROFESSIONAL DEV	24,355	16	36,532	22,600	22,[illegible]
300-43 AGING SERVICES	30	3014 OPERATING FEES & SRVC	30,167	16	45,250	44,929	363,056
300-43 AGING SERVICES	30	3016 REPAIRS	610	16	915	1,200	1,200
300-43 AGING SERVICES	30	3018 PROFESSIONAL SERVICES	-	16	-	1,320	1,320
300-43 AGING SERVICES	30	3021 OFFICE SUPPLIES	1,324	16	1,986	7,400	6,200
300-43 AGING SERVICES	30	3024 PRINTING	19,913	16	29,869	20,525	23,320
300-43 AGING SERVICES	30	3025 PROF. SUPPLIES & MATERIALS	2,240	16	3,360	8,500	4,473
300-43 AGING SERVICES	30	3030 BLDG GRNDS & VEH MTCE SUPP	50	16	75	3,700	605
300-43 AGING SERVICES	30	3033 MISC SUPPLIES	6,868	16	10,302	10,885	9,000
	30 Total		**195,358**		**293,037**	**276,800**	**576,892**
300-43 AGING SERVICES	50	5020 OTHER CAPITAL PYMNTS	304	16	456	789	789
	50 Total		**304**		**456**	**789**	**789**
AGING SERVICES Total			**1,101,455**		**1,572,260**	**1,634,168**	**2,021,929**

1-17-01

Linda Wright

#3

North Dakota Department of Human Services
Central Office Grants Lines 60, 72 and 73
Comparison of Projected 1999-2001 Expenditures to 2001-2003 Exectutive Budget Recommendation

Budget Level	Grant Type	Actual 1999 - 2001 Expenditures thru Nov. 30, 2000	# of Months used in Projection	1999 - 2001 Projected Expenditures	1999 - 2001 Actual Budget	2001 - 2003 Executive Budget Recommendation
300-43 AGING SERVICES	Expanded S.P.E.D. 100% GF	854,121	16	1,281,181	898,044	1,421,080
300-43 AGING SERVICES	S.P.E.D. 95% GF 5% CSSS match	7,765,700	16	11,648,550	12,814,290	13,967,235
300-43 AGING SERVICES	State Funds to Providers	360,000	16	540,000	720,000	720,000
300-43 AGING SERVICES	Aging Mill Levy	631,473	16	947,209	1,262,345	1,662,945
300-43 AGING SERVICES	Title III	5,005,894	16	7,508,841	6,604,363	7,163,694
300-43 AGING SERVICES	Cash In-Lieu of Commodities	1,035,983	16	1,553,975	1,621,509	1,533,140
300-43 Total		**15,653,171**		**23,479,756**	**23,921,151**	**26,468,154**

1-17-01 Linda Wright #4

YEARLY COMPARISONS
AGED & DISABLED HOME AND COMMUNITY BASED SERVICES

Year	Medicaid Waiver Aged & Disabled FFY		SPED Program Calendar Year		Expanded SPED Calendar Year		TBI Waiver FFY	
	Clients	Annual Expenditure	Clients	Annual Expenditure	Clients	Annual Expenditure	Clients	Annual Expenditure
1995	335	$1,738,139	1482	$3,212,947	269	$251,865	11	$261,028
1996	298	$2,021,658	1449	$2,904,721	396	$745,230	11	$313,328
1997	282	$2,412,508	1886	$4,339,096	212	$426,231	13	$272,335
1998	330	$2,875,481	1952	$4,752,483	163	$386,589	13	$299,950
1999	347	$3,328,323	2,044	$5,499,710	242	$540,963	14	$321,412

Linda Wright

Exhibit 9
North Dakota Department of Human Services
Expanded Case Management (ECM) Proposal

ELIGIBILITY CRITERIA FOR EXPANDED CASE MANAGEMENT ARE:

- Under age 65 years, meet Social Security disability criteria, OR
- Over age 65, and
- Do not have case management system already available to them (i.e. not MR or MI), and
- Considered to have need for Long Term Care (LTC) service

National research studies suggest there are 2-3 people in the community with characteristics like those being served. For purposes of determining the estimated population for ECM, the Department conservatively estimates one person in the community not receiving services who would benefit from same for each person already receiving services. Therefore, data from the current long-term care system is the basis for the estimates that follow.

	Average Monthly Population in Long Term Care System	Estimated Expanded Case Management Population	Comments
Nursing Home Residents	6,308	4,636	Equivalent Nursing Home population less the 253 Aged and Disabled Waiver, 769 SPED recipients served at home and 650 MA Eligible recipients.
Basic Care Residents	1,254	450	Equivalent Basic Care population less the 176 Expanded SPED, 513 SPED, and 115 Specialized Basic Care for MI/DD recipients served at home.*
SPED Recipients	1,282		Already receiving case management.
Expanded SPED Recipients	176		Already receiving case management.
Aged and Disabled Waiver Recipients	253		Already receiving case management.
TOTAL	9,273	5,086	TOTAL ESTIMATED ECM POPULATION
Persons Expected to Seek Assistance		2,034	Annual number of persons expected to seek assistance is 40% of total estimated ECM population.

*115 Specialized Basic Care for MI/DD recipients is the total of residents at G. F. St. Anne's (55), Jamestown Bethel (26), and Wilton (34).

	FISCAL YEAR 2002						FISCAL YEAR 2003						
	Expanded Case Management FY 2002						Expanded Case Management FY 2003						
	Clients	Rate	State	Federal	Other	FY 2002 Total	Clients	Rate	State	Federal	Other	FY 2003 Total	Biennium Total
Private Pay	68	$205			13,940	$13,940	90	$205			18,450	$18,450	$32,390
State Pays	1,412	$205	289,460			$289,460	1,883	$205	386,015			$386,015	$675,475
Partial Pay	46	$205	7,590		1,840	$9,430	61	$205	10,065		2,440	$12,505	$21,935
Total	1,526	615	297,050	0	15,780	$312,830	2,034	615	396,080	0	20,890	$416,970	$729,800

Note: Expanded Case Management assumes gradation of recipients to reach 75% of the estimated population in the first year.

	Targeted Case Management FY 2002						Targeted Case Management FY 2003						
	Clients	Rate	State	Federal	Other	FY 2002 Total	Clients	Rate	State	Federal	Other	FY 2003 Total	Biennium Total
MA Eligible	325	$205	20,361	46,264		$66,625	325	$205	20,361	46,264		$66,625	$133,250
Basic Care	500	$205	31,324	71,176		$102,500	500	$205	31,324	71,176		$102,500	$205,000
30% SPED	613	$450	84,300	191,550		$275,850	613	$450	84,300	191,550		$275,850	$551,700
Ex SPED	242	$450	33,280	75,620		$108,900	242	$450	33,280	75,620		$108,900	$217,800
Total	1,680		169,265	384,610		$553,875	1,680		169,265	384,610		$553,875	$1,107,750
Grand Total			466,315	384,610	15,780	$866,705			565,345	384,610	20,890	$970,845	$1,837,550

Exhibit 10

Projected Impact on the General Fund to Implement Case Management for the 2001-2003 Biennium

	Program Implemented		
General Fund Expenditures For Case Management Services Provided In Existing Programs	**Targeted Case Management**	**Expanded Case Management**	**Both**
Total SPED Program Expenditures (Exhibit 9)	$551,700	$0	$551,700
Total Expanded SPED Expenditures (Exhibit 9)	217,800		217,800
Basic Care Projection, 2001 - 2003 Biennium ***	14,462		14,462
Total Current General Fund Expenditures	$783,962	$0	$783,962
Total Projected General Fund Expenditures To Implement Program			
Fiscal Year 2002	$169,265	$297,050	$466,315
Fiscal Year 2003	169,265	396,080	565,345
Total General Fund Expenditures	$338,530	$693,130	$1,031,660
Net Savings (Cost) to the General Fund	$445,432	($693,130)	($247,698)

*** Amount appropriated for the 1999-2001 Biennium for Basic Care Functional Assessments

HB 1012

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

HB 1012

FEBRUARY 28, 2001

AGING SERVICES DIVISION

with the exception of the following pages this testimony is the same as on 1-4-01

I. INTRODUCTION

Chairman Nething and Members of the Senate Appropriations Committee, my name is Linda Wright. I am the Director of the Aging Services Division, Department of Human Services.

The Aging Services Division is responsible for providing leadership in the development and administration of an array of in-home and community-based services in response to the needs of vulnerable adults, persons with physical disabilities, and an aging society in North Dakota. The services administered by the Division are intended to assist individuals in maintaining independence and self-sufficiency to their maximum potential. The services are also intended to maintain individuals in their own homes and communities for as long as possible, preventing or delaying the need for institutional care. Aging Services Division is also responsible for the protection of vulnerable adults, including nursing home residents, from harm and violation of their rights. This is accomplished through the Long-Term Care Ombudsman and Vulnerable Adult Services Programs.

North Dakota is a "graying" state:

- In the year 2010, 19.5% of the state's population will be age 60 or over.
- In the year 2010, it is projected that more than half of North Dakota's counties will have 25% or more of their population age 60 and over.
- The fastest growing age group in North Dakota is those 85 years of age and over (a projected increase of 20.1% between 1990 and 2010).

- Based on the results of the Expanded Case Management pilot projects, making case management available statewide to older persons and persons with physical disabilities in need of long-term care services.
- In response to the shift of North Dakota's population from rural to urban settings, meeting the service needs of rural residents in a cost effective, efficient manner.
- Meeting the spirit and intent of the Olmstead Decision through continued efforts to provide an array of in-home and community-based services.

V. BUDGET HIGHLIGHTS (Refer to Attached Charts)

Funding sources include:

1. Older Americans Act Federal Funds ($7,886,142)
   - Additional federal funds are anticipated due to the approval of the National Family Caregiver Support Program, a new program included in the 2000 Reauthorization of the Older Americans Act.
2. United States Department of Agriculture ($1,533,140)
3. General Funds
   - The Executive budget recommendations for general funds totaled $13,596,205; this includes funding for Service Payments for Elderly and Disabled (SPED), Expanded SPED, State Mill Levy match, State funds to providers, Governor's Committee on Aging, and Aging administration. After House adjustments, general funds have been reduced to $10,249,721. An overview of House adjustments is as follows:

     A. <u>SPED/Expanded SPED</u> – The House reduced general funds for SPED by $2,635,892 moving funding authority to House Bill 1196. A contingency fund of $4,262,410 for SPED, which was appropriated by the 56th Legislative Assembly if IGT (Intergovernmental Transfer) funds were not available in the current biennium, was deleted in the Executive budget. The House further reduced funding for SPED by $551,700 and for Expanded SPED by $217,800, eliminating funding

(in HB 1012) for targeted case management. The funding is now in HB 1196. Targeted case management, which is an addition to the Medicaid State Plan, was originally in the Aging Services Division budget.

B. State Mill Levy Match - The Governor's budget increased the state mill levy match by $400,000 in general funds. The House reduced the general fund increase by $350,000 and included $150,000 for mill levy match in HB 1196. Based on the tax year 2000, the Governor's Budget would provide a $.5689 on the dollar match to county and city senior citizen mill levies (Appendix A).

C. Telecommunication Equipment - The Governor's budget included $252,727 in general funds and $68,400 in fees for the telecommunication equipment program for the elderly. The House reduced the general fund portion by $52,727.

4. Special Funds (Intergovernmental Transfer Funds and County Funds)

- The Executive budget funded $4,262,410 of the SPED budget with IGT funds. After House adjustments, a total of $6,898,302 of the SPED budget is funded with IGT funds. The House also included $150,000 state mill levy match funds in the IGT budget.
- The 5% county match for SPED totals $682,151, a decrease from the Executive budget of $16,203 due to the reduction of SPED funds for targeted case management.
- The current average cost of services per client per month under the Medicaid Waiver for Aged and Disabled is $1,259.10. (The Medicaid Waivers for the Aged and Disabled and for Traumatic Brain Injury are administered by the Aging Services Division; funding is in the Medical Services Division.)
- The current average cost per client per month for Expanded SPED is $308.28. The current average cost per client per month for SPED is $380.31; however, the SPED costs per client for the past three months

have been $407.66 in November, $426.59 in December, and $421.12 in January.

VI. ADULT PROTECTIVE SERVICES (Vulnerable Adult Services)

The Executive Budget contained $139,400 in federal Older Americans Act funds and $210,000 in general funds for Adult Protective Services in the regional Human Service Center (HSC) budgets.

The House reduced all of the general funds ($210,000) from the Regional HSC budgets. This was not new money, but money in the Aging Services Division budget that was re-distributed in Regional HSC's for direct service provision.

In an effort to carry out the federal mandates and state statutes, to comply with the recommendations of the Task Force on Long-Term Care Planning, the 1997-99 Interim Legislative Committee on Long Term Care, and to ascertain current need, federal carryover dollars were allocated to the Regional Human Service Centers in the current biennium to develop a focal point for receipt of and follow-up regarding abuse, neglect, and exploitation of vulnerable adults. The attached handouts (Appendix B and C), outline the current mandates in regard to protecting vulnerable adults, as well as current status of Vulnerable Adult Services through the Human Service Centers.

There have been a total of six hundred eighty (680) cases statewide in the time period of July 2000 through December 2000. The average client has been over the age of 60, female, and living alone. The most prevalent complaint has been self-neglect.

Adult Protective Services is not to be confused with case management as the two are very distinctive services. A comparison of Vulnerable Adult Services, Case Management, and Outreach is attached for your information (Appendix D).

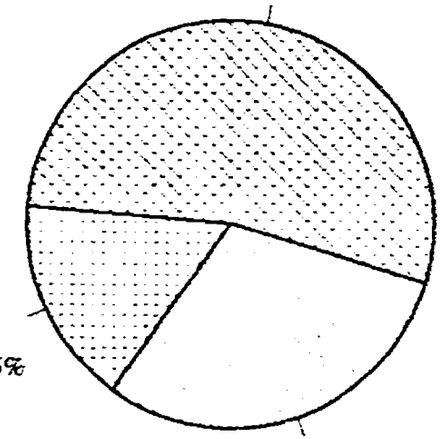
Even though the funding for Vulnerable Adult Services was in the HSC's budgets, I felt I needed to address this issue due to its' linking to our requirements at the Aging Services Division and due to the fact that the general and federal funds came from the Aging Services Division budget.

I ask for reinstatement of the $210,000 in general funds to the HSC budgets, which was removed by the House, in addition to retaining federal funds, and fully support the Governor's budget in all budget levels.

I would be happy to answer any questions you may have at this time.

North Dakota Department of Human Services
Aging Services
HB 1012 and HB 1196 to Senate
Funding Comparison of 1999-2001 to 2001 Biennium

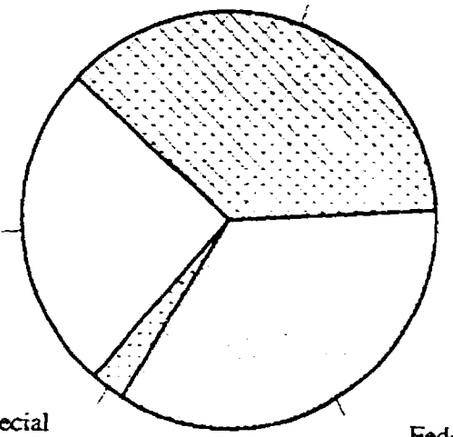
1999-2001 Biennium
$29,822,729



Special Funds	
County	$640,712
IGT Funds	$4,262,410
Other	$27,291
Total - Special Funds	$4,930,413

Federal Funds	
Title III	$7,389,336
Cash In-Lieu	$1,621,509
Medicare + Choice	$11,885
Total - Federal Funds	$9,022,730

2001-2003 Biennium
$27,467,856



Special Funds	
County	$682,151
Telecomm. Fees	$68,400
Total - Special Funds	$750,551

Special Funds - HB 1196	
IGT Funds	$7,048,302

Federal Funds	
Title III	$7,886,142
Cash In-Lieu	$1,533,140
Total - Federal Funds	$9,419,282

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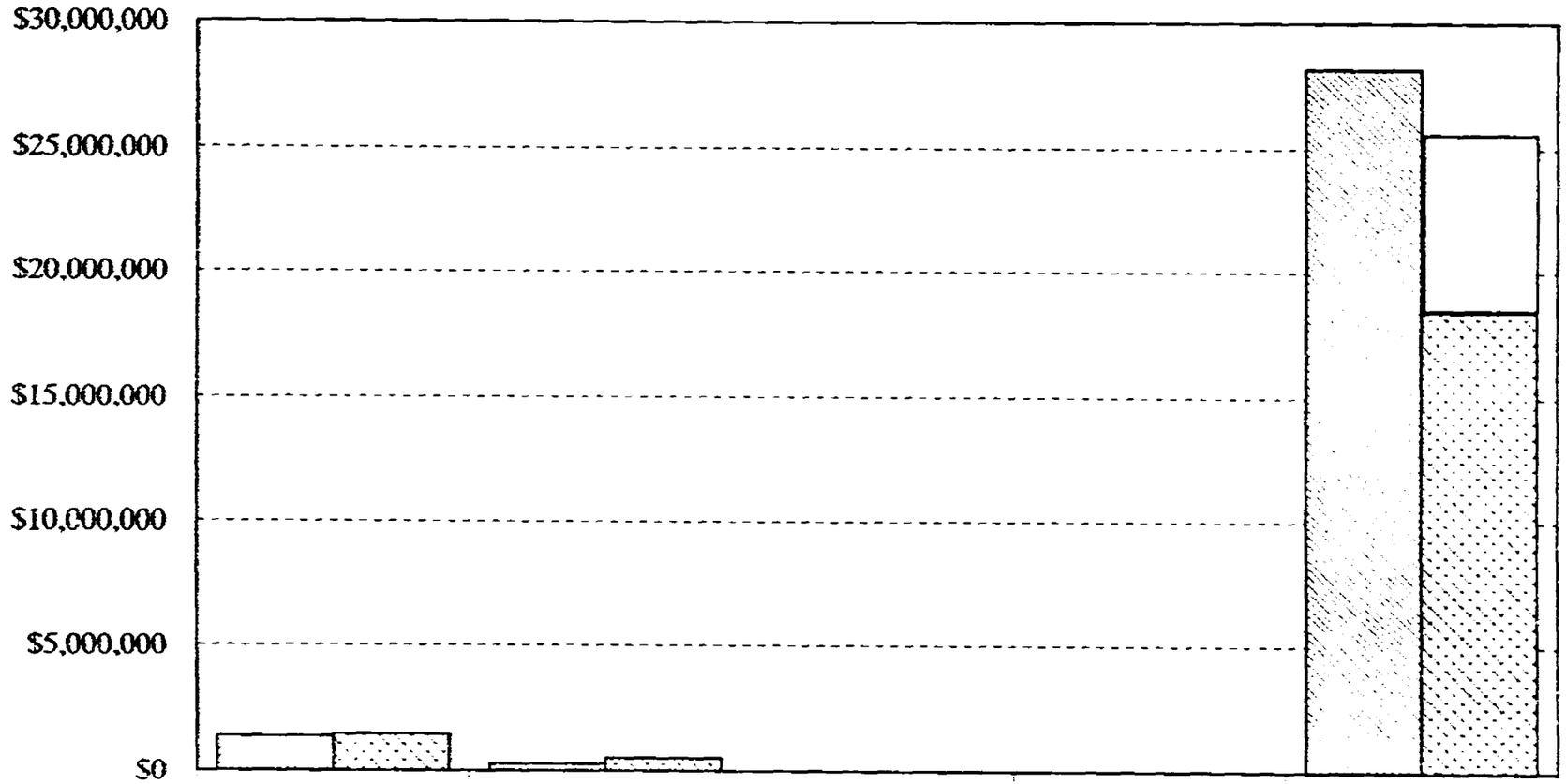
North Dakota Department of Human Services
Aging Services
HB 1012 and HB 1196 to Senate
Budget By Line Item



	Salaries	Operating	Equipment	Capital Improv.	Grants
99-01 Biennium	$1,357,379	$276,000	$5,000	$789	$28,183,561
01-03 HB 1012	$1,445,048	$523,365	$0	$789	$18,450,352
01-03 HB 1196	–	–	–	–	$7,048,302

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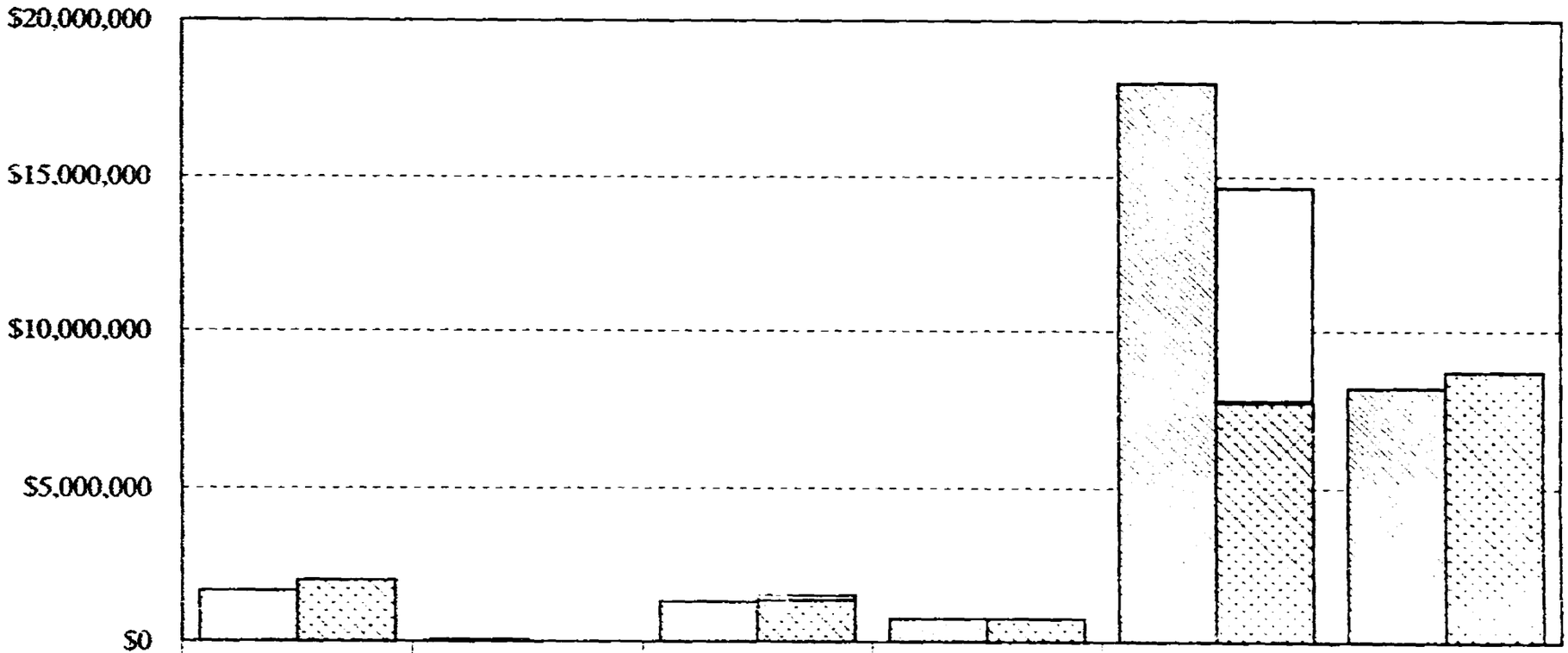
North Dakota Department of Human Services
Aging Services
HB 1012 and HB 1196 to Senate
Budget By Major Category



	Administration	Ombudsman/ Elder Abuse	Mill Levy	State Funds to Providers	SPED/ Expanded SPED	Federal Grants
99-01 Biennium	$1,613,133	$57,150	$1,262,945	$720,000	$17,974,744	$8,194,757
01-03 HB 1012	$1,969,202	$0	$1,312,945	$720,000	$7,720,573	$8,696,834
01-03 HB 1196	--	--	$150,000	--	$6,898,302	--

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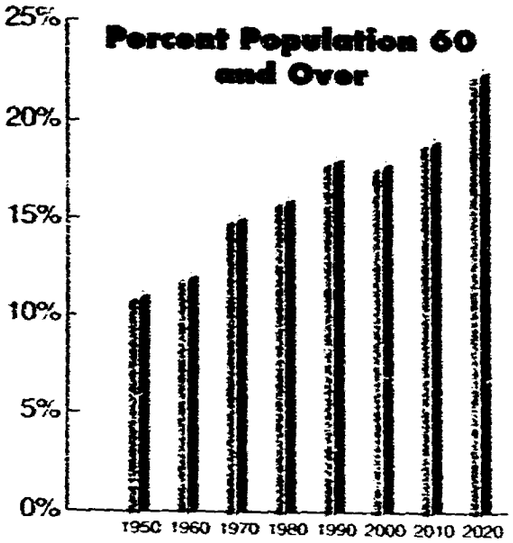
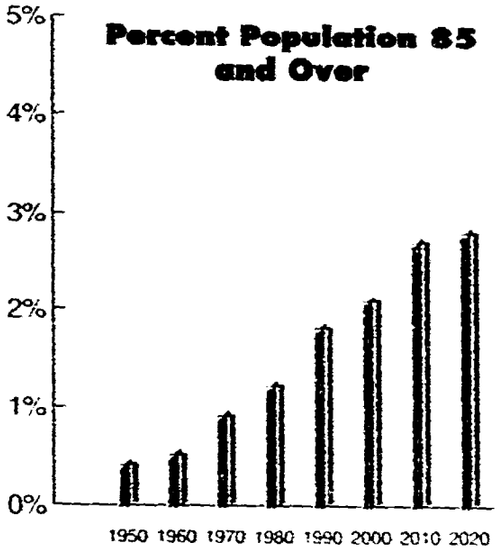
Percent of the North Dakota Population 60 Years of Age and Over and 85 Year of Age and Over

1950-1990 Census and 2000-2020 Population Projections





Source: U.S. Dept. of Commerce, Bureau of the Census

- **In 1950,** 72,050 or 11.6% of North Dakota residents were age 60 or over.
- **In 1950,** 0.4% of the population (2,262 residents) was 85 years of age or over.
- **In 1990,** 118,175 or 18.5% of the state's residents were 60 or over.
- **In 1990,** 1.8% or (11,240 residents) was 85 or over.
- **In the year 2020** it is projected that more than 161,000 or 22.4% of North Dakotans will be age 60 or over.
- **2020 projections** suggest that 2.8% of the population or 20,000 residents will be 85 years of age or over.

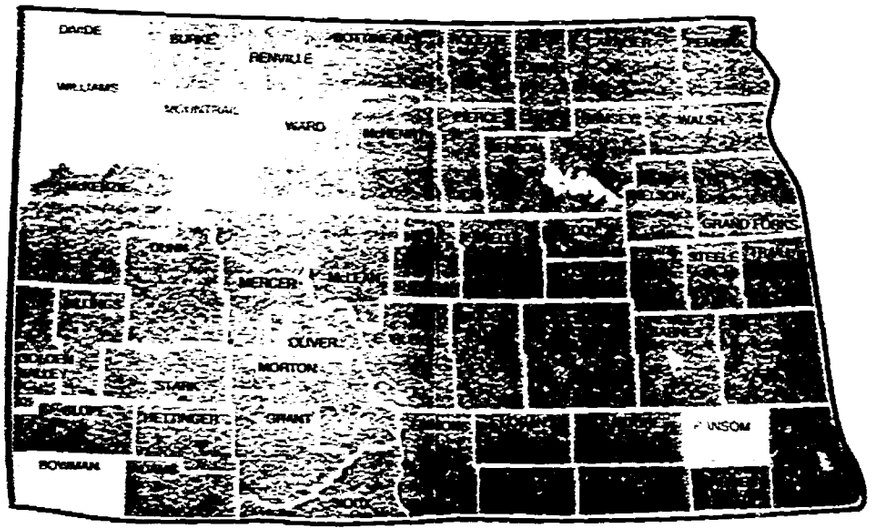
- **More of us are living longer.** Those of us 60 or over are becoming a larger part of our population than ever before. Our fastest growing group is those 85 years of age and over.
- **The first "baby boomers"** (infants born in 1946) reached 50 years of age in 1996, comprising an estimated 28.7% of the state's population, or nearly 180,000 residents. The last "baby boomers" (infants born in 1964) will reach 50 years of age in 2014 and comprise an estimated 22.3% of the state's population, or nearly 138,000 residents.
- **Information on the "graying"** of North Dakota is a resource to help us recognize this major change. These include the increased numbers of persons requiring special services in areas such as health, recreation, housing, transportation, nutrition, and the like; and the increased numbers participating in various entitlement programs. In addition, an aging population impacts the whole range of our social institutions, including education, family, friendships, business, and government.
- **We must continue** to develop services and provide opportunities for all North Dakotans as they age.
- **Credits**

Aging Services Division
North Dakota Department of Human Services
600 S. Second St., Suite 1C
Bismarck, ND 58504-5729
Telephone: 1-800-755-8521

Senior Info-line Telephone: 1-800-451-8692.

Percent of the North Dakota Population
60 Years of Age and Over, 1950

Red - Less than 15% of the total county population was 60 or over.
Lt. Red - 15-25% of the total county population was 60 or over.
Gray - Over 25% of the total county population was 60 or over.

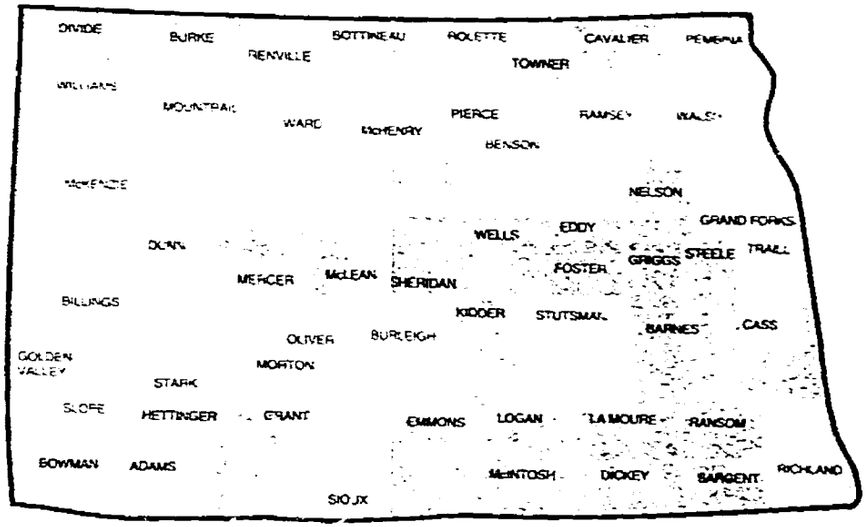


Source: U.S. Dept. of Commerce, Bureau of the Census

- **North Dakota's** total population in 1950 was 619,636
- **In 1950,** 11.6% of North Dakota's total population was 60 years of age or over.
- **Less than 15%** of the total county population in 48 of North Dakota's 53 counties was comprised of individuals over 60 or over.
- **In 1950,** not a single county in North Dakota reported more than 25% of their population to be age 60 or over.

Percent of the North Dakota Population
60 Years of Age and Over, 2010 Projected

Red - Less than 15% of the total county population is projected to be 60 or over.
Lt. Red - 15-25% of the total county population is projected to be 60 or over.
Gray - Over 25% of the total county population is projected to be 60 or over.



Source: North Dakota Census Data Center

- **In the year 2010,** North Dakota's total population is projected to be 619,953.
- **In the year 2010,** 19.5% of the state's population will be age 60 or over.
- **It is projected** that individuals age 60 or over will comprise less than 15% of the total county population in only four of North Dakota's 53 counties.
- **In the year 2010,** it is projected that more than half of North Dakota's counties will have 25% or more of their population age 60 or over.

COMPARISON OF FUNDING LEVELS FOR REGIONAL SERVICES FFY 2000 & FFY 2001

SERVICE AREA	FFY 2000	FFY 2001	INCREASE
Service Area I	$168,041	$175,208	$7,167
Service Area II	$486,470	$508,166	$21,696
Service Area III	$325,032	$337,546	$12,514
Service Area IV	$354,599	$371,963	$17,364
Service Area V	$636,180	$667,585	$31,405
Service Area VI	$525,431	$547,310	$21,879
Service Area VII	$605,309	$632,714	$27,405
Service Area VIII	$294,615	$305,025	$10,410
TOTALS	**$3,395,677**	**$3,545,517**	**$149,840**

COMPARISON OF FUNDING LEVELS FOR TRIBAL SERVICES FFY 2000 & FFY 2001

TRIBAL ENTITY	FFY 2000	FFY 2001	DIFFERENCE
Trenton Indian Service Area	$21,910	$22,058	$148
Three Affiliated Tribes		$27,517	$27,517
Spirit Lake Sioux Tribe	$20,000	$26,542	$6,542
Turtle Mountain Band of Chippewa	$63,405	$57,986	($5,419)
Standing Rock Sioux Tribe	$24,230	$24,418	$188
TOTALS	**$129,545**	**$158,521**	**$28,976**

OLDER AMERICANS ACT SERVICE DEFINITIONS

Chore Services - A service that provides assistance to persons having difficulty with one or more of the following instrumental activities of daily living: heavy housework, yardwork or sidewalk maintenance.

Congregate Meals - A service that provides meals which assure a minimum of one-third of the recommended daily allowance for a client who will be eating in a congregate setting.

Elder Rights Protection Activities - Requires the State to develop and/or enhance programs for the prevention of elder abuse, neglect, and exploitation. Services provided include:

> **Legal Assistance** - Legal advice and representation provided by an attorney to older individuals with economic or social needs and includes (i) to the extent feasible, counseling or other appropriate assistance by a paralegal under the direct supervision of an attorney; and (ii) counseling or representation by a nonlawyer where permitted by law.
>
> **Long-Term Care Ombudsman** - A person who identifies, investigates, and resolves complaints made by or on behalf of residents of long-term care facilities and works in other ways to protect the health, safety, welfare, and rights of residents.
>
> **Vulnerable Adult Services** - Remedial social, legal, health, mental health, and referral services provided for prevention, correction, or discontinuation of abuse or neglect which are necessary and appropriate under the circumstances to protect an abused or neglected vulnerable adult, and ensures that the least restrictive alternatives provided, prevent further abuse or neglect, and promotes self care and independent living.

Health Maintenance Services - A combination of services provided in an effort to determine and maintain health and well-being of clients, which include monitoring and screening procedures for early detection of disease processes, health education, referral, and follow-up.

Home-Delivered Meals - A service that provides meals which assure a minimum of one-third of the recommended dietary allowance for a client who is homebound and unable to prepare an adequate meal.

Information & Assistance - A service for older individuals that (a) provides the individuals with current information on opportunities and services available to the individuals within their communities, including information relating to assistive technology; (b) assesses the problems and capacities of the individuals; (c) links the individuals to the opportunities and services that are available; (d) to the maximum extent practicable, ensures that the individuals receive the services needed by the individuals, and are aware of the opportunities available to the individuals, by establishing adequate follow-up procedures; and (e) serves the entire community of older individuals.

Injury Prevention Services - A service that provides an assessment of a client home to determine safety risk factors and the provision of in-home safety supplies.

Outreach Services - Interventions initiated by an agency or organization for the purpose of identifying potential clients and encouraging their use of existing services and benefits.

Senior Companion Services - A service where older volunteers provide periodic companionship and non-medical support to older clients who are homebound and live in their own home.

Transportation Services - A service that provides a method of travel from one specific location to another specific location.

Linda Wright

TCM 01-03 Reprojection

North Dakota Department of Human Services

Aging Services Division

SPED (Service Payments for Elderly and Disabled) -- ACC 4113

Proposed Budget with NO Recipient Growth & 2.2% Annual Inflation

2001 - 2003 Biennium (By Month)

	Persons Receiving (unduplicated monthly)	Cost Per Person	Projected Budget for 01-03 Biennium				
Month	01-03	01-03	Total	Federal	State	County	Other
Aug-01	1,360	406.58	552,949	0.00	525,302	27,647	
Sep-01	1,360	406.58	552,949	0.00	525,302	27,647	
Oct-01	1,360	406.58	552,949	0.00	525,302	27,647	
Nov-01	1,360	406.58	552,949	0.00	525,302	27,647	
Dec-01	1,360	406.58	552,949	0.00	525,302	27,647	
Jan-02	1,360	415.52	565,107	0.00	536,852	28,255	
Feb-02	1,360	415.52	565,107	0.00	536,852	28,255	
Mar-02	1,360	415.52	565,107	0.00	536,852	28,255	
Apr-02	1,360	415.52	565,107	0.00	536,852	28,255	
May-02	1,360	415.52	565,107	0.00	536,852	28,255	
Jun-02	1,360	415.52	565,107	0.00	536,852	28,255	
Jul-02	1,360	415.52	565,107	0.00	536,852	28,255	
Aug-02	1,360	415.52	565,107	0.00	536,852	28,255	
Sep-02	1,360	415.52	565,107	0.00	536,852	28,255	
Oct-02	1,360	415.52	565,107	0.00	536,852	28,255	
Nov-02	1,360	415.52	565,107	0.00	536,852	28,255	
Dec-02	1,360	415.52	565,107	0.00	536,852	28,255	
Jan-03	1,360	424.66	577,538	0.00	115,104	28,255	421,748
Feb-03	1,360	424.66	577,538	0.00	0	28,877	548,661
Mar-03	1,360	424.66	577,538	0.00	0	28,877	548,661
Apr-03	1,360	424.66	577,538	0.00	0	28,877	548,661
May-03	1,360	424.66	577,538	0.00	0	28,877	548,661
Jun-03	1,360	424.66	577,538	0.00	0	28,877	548,661
Jul-03	1,360	424.66	577,538	0.00	0	28,877	548,661
	1,360	424.66	577,574	0.00	0	28,879	548,695
Biennium	32,640	416.32	13,588,831	0	8,646,979	679,442	4,262,410
FY 02	16,320	411.79	6,720,494	0	6,384,469	336,025	0
FY 03	16,320	420.95	6,868,337	0	2,262,510	343,417	4,262,410

A total of $551,700 was transferred out of the SPED Budget to account for the creation of Targeted Case Management (TCM)
TCM provided to Medicaid Eligible individuals will be partially funded with federal dollars and thus accounted for in the Medical Services Budget

SPED

Linda Wright

TCM 01-03 Reprojection

North Dakota Department of Human Services

Aging Services Division

Expanded SPED (Service Payments for Elderly and Disabled) ACC -- 4112

Proposed Budget with NO Recipient Growth & 2.2% Annual Inflation

2001 - 2003 Biennium (By Month)

	Persons Receiving (unduplicated monthly)	Cost Per Person	Projected Budget for 01-03 Biennium			
Month	Appr. 01-03	Appr. 01-03	Total	State	County	Other
Aug-01	190	275.95	52,431	52,431		
Sep-01	190	275.95	52,431	52,431		
Oct-01	190	275.95	52,431	52,431		
Nov-01	190	275.95	52,431	52,431		
Dec-01	190	275.95	52,431	52,431		
Jan-02	190	282.01	53,582	53,582		
Feb-02	190	282.01	53,582	53,582		
Mar-02	190	282.01	53,582	53,582		
Apr-02	190	282.01	53,582	53,582		
May-02	190	282.01	53,582	53,582		
Jun-02	190	282.01	53,582	53,582		
Jul-02	190	282.01	53,582	53,582		
Aug-02	190	282.01	53,582	53,582		
Sep-02	190	282.01	53,582	53,582		
Oct-02	190	282.01	53,582	53,582		
Nov-02	190	282.01	53,582	53,582		
Dec-02	190	282.01	53,582	53,582		
Jan-03	190	288.21	54,760	54,760		
Feb-03	190	288.21	54,760	54,760		
Mar-03	190	288.21	54,760	54,760		
Apr-03	190	288.21	54,760	54,760		
May-03	190	288.21	54,760	54,760		
Jun-03	190	288.21	54,760	54,760		
Jul-03	190	288.21	54,738	54,738		
Biennium	4,560	282.55	$1,288,437	$1,288,437		
FY 2002	2,280	279.49	637,229	637,229		
FY 2003	2,280	285.62	651,208	651,208		

A total of $217,800 was transferred out of the Expanded SPED Budget to account for the creation of Targeted Case Management (TCM)
TCM provided to Medicaid Eligible individuals will be partially funded with federal dollars and thus accounted for in the Medical Services Budget

Linda Wright - 1-17-01

North Dakota Department of Human Services

Aging Services Division

SPED (Service Payments for Elderly and Disabled) – ACC 4113

Comparison of Recipients and Expenditures by Source of Funds Between Appropriation and Actual

1999 - 2001 Biennium (By Month)

Month	Persons Receiving (unduplicated monthly) App	Est	Actual	Excess (Short) 3	Weeks Used Est	Actual	Excess (Short) 3	Cost Per Person App	Estimate	Actual	Excess (Short) 3
Aug-99	1,428	1,363	1,349	130	5	5	0	337.89	376.35	374.35	(38.46)
Sep-99	1,478	1,322	1,322	156	5	4	1	337.89	360.68	360.68	(22.79)
Oct-99	1,486	1,257	1,257	229	4	4	0	337.89	347.70	347.70	(9.81)
Nov-99	1,494	1,304	1,304	190	4	5	(1)	337.89	359.54	359.54	(21.65)
Dec-99	1,502	1,268	1,268	234	5	4	1	337.89	348.23	348.23	(10.34)
Jan-00	1,510	1,272	1,272	238	4	4	0	337.89	358.09	358.09	(20.20)
Feb-00	1,518	1,306	1,306	212	4	5	(1)	337.89	384.32	384.32	(46.43)
Mar-00	1,526	1,212	1,212	314	5	4	1	337.89	365.95	365.95	(28.06)
Apr-00	1,534	1,259	1,259	275	4	4	0	337.89	400.18	400.18	(62.29)
May-00	1,542	1,283	1,283	259	5	5	0	337.89	373.09	373.09	(35.20)
Reprojection May 2000											
Jun-00	1,551	1,285	1,301	250	4	4	0	337.89	366.84	380.87	(42.98)
Jul-00	1,560	1,287	1,259	301	4	4	0	337.89	366.84	374.38	(36.49)
Aug-00	1,568	1,289	1,353	215	5	5	0	344.65	366.84	371.77	(27.12)
Sep-00	1,576	1,291	1,343	233	4	5	(1)	344.65	366.84	389.79	(45.14)
Oct-00	1,585	1,295	1,382	203	4	5	(1)	344.65	423.08	392.31	(47.66)
Nov-00	1,593	1,299	1,303	290	5	4	1	344.65	423.08	407.66	(63.01)
Dec-00	1,601	1,305	1,306	295	4	4	0	344.65	423.08	426.59	(81.94)
Jan-01	1,610	1,311			5			344.65	423.08		
Feb-01	1,618	1,319			4			344.65	423.08		
Mar-01	1,626	1,327			4			344.65	423.08		
Apr-01	1,635	1,335			4			344.65	423.08		
May-01	1,643	1,343			5			344.65	423.08		
Jun-01	1,651	1,351			4			344.65	423.08		
Jul-01	1,660	1,359			4			344.65	423.08		
Biennium	37,537	31,219			105			341.38	390.96		
To Date	26,094	21,874	22,270	4,024	75	75	0	339.94	377.23	377.70	(37.76)
FY 00	18,177	15,395	15,383	2,788	53	52	1	337.89	367.36	369.17	(31.28)
FY 01	19,360	15,824	6,887					344.65	413.91	397.34	(52.69)

Month	"To GOVERNOR" Appropriation 2 Total	State	County	Other	Reprojection May 2000 Total	State	County	Other	Actual Expenditures 1 Total	State	County	Other	Excess (Short) 3 Total	State	County	Other
Aug-99	498,698	471,863	24,835	0	504,315	479,099	25,216		504,315	479,099	25,216		(7,617)	(7,236)	(381)	0
Sep-99	499,401	474,431	24,970	0	476,825	452,984	23,841		476,825	452,984	23,841		22,576	21,447	1,129	0
Oct-99	502,105	477,000	25,105	0	437,063	415,210	21,853		437,063	415,210	21,853		65,042	61,790	3,252	0
Nov-99	504,808	479,568	25,240	0	468,842	445,400	23,442		468,842	445,400	23,442		35,966	34,168	1,798	0
Dec-99	507,511	482,135	25,376	0	441,555	419,477	22,078		441,555	419,477	22,078		65,956	62,658	3,298	0
Jan-00	510,214	0	25,511	484,703	455,486	432,712	22,774		455,486	432,712	22,774		54,728	(432,712)	2,737	484,703
Feb-00	512,917	0	25,646	487,271	501,919	476,823	25,096		501,919	476,823	25,096		10,998	(476,823)	550	487,271
Mar-00	515,620	0	25,781	489,839	443,527	421,351	22,176		443,527	421,351	22,176		72,093	(421,351)	3,605	489,839
Apr-00	518,323	0	25,916	492,407	503,828	478,637	25,191		503,828	478,637	25,191		14,495	(478,637)	725	492,407
May-00	521,026	317,990	26,051	176,985	478,673	454,739	23,934		478,673	454,739	23,934		42,353	(136,749)	2,117	176,985
Reprojection May 2000																
Jun-00	524,067	497,864	26,203	0	471,389	447,820	23,569		495,509	470,734	24,775		28,558	27,146	1,428	0
Jul-00	527,108	500,753	26,355	0	472,123	448,517	23,606		471,347	447,780	23,567		55,761	52,973	2,788	0
Aug-00	540,411	513,390	27,021	0	472,857	449,214	23,643		503,004	477,854	25,150		37,407	35,536	1,871	0
Sep-00	543,168	516,010	27,158	0	473,590	449,911	23,679		523,489	497,315	26,174		19,679	18,695	984	0
Oct-00	546,270	518,955	27,314	0	547,883	520,495	27,394		542,168	515,060	27,108		4,102	3,895	207	0
Nov-00	549,027	521,576	27,451	0	549,581	522,102	27,479		531,186	504,627	26,559		17,841	16,949	892	0
Dec-00	551,785	524,196	27,589	0	552,119	199,942	27,606	324,571	557,133	529,276	27,857		(5,348)	(5,080)	(268)	0
Jan-01	554,887	0	27,744	527,143	554,658	0	27,733	526,925								
Feb-01	557,644	0	27,882	529,762	558,043	0	27,902	530,141								
Mar-01	560,401	0	28,020	532,381	561,427	0	28,071	533,356								
Apr-01	563,503	0	28,175	535,328	564,812	0	28,241	536,571								
May-01	566,260	531,356	28,313	6,591	568,196	0	28,410	539,786								
Jun-01	569,017	540,566	28,451	0	571,581	0	28,579	543,002								
Jul-01	572,119	543,514	28,605	0	574,966	0	28,748	546,218								
Biennium	12,814,290	7,911,168	640,712	4,262,410	12,205,264	7,514,433	610,261	4,080,570	8,335,869	7,919,078	416,791					
To Date	8,870,459	6,295,722	443,522	2,131,205	8,251,581	7,514,433	412,577	324,571	8,335,869	7,919,078	416,791	0	534,590	621,355	26,731	0
FY 00	6,139,798	3,701,604	306,989	2,131,205	5,655,545	5,372,769	282,776	0	5,678,889	5,394,946	283,943	0	460,909	(1,693,165)	23,046	2,131,205
FY 01	6,674,492	4,209,564	333,723	2,131,205	6,549,719	2,141,664	327,485	4,080,570	2,656,980	2,524,132	132,848	0	17,512	1,685,446	283,875	2,131,205

The discrepancy in funding reflects a delay in Inter Departments Governmental transfer of funds

1999 - 2001 Biennium	Total	State	County	Other
Legislative Appropriation (walk thru)	12,814,290	7,911,168	640,712	4,262,410
Emergency Commission Action	0	0	0	0
Adjusted Appropriation	12,814,290	7,911,168	640,712	4,262,410
Projected Needs (Actual to-date plus remaining months of estimate)	12,289,552	7,919,078	614,475	3,755,999
Reprojection positive/negative needs (Positive represents excess of funds and negative represents shortage of funds)	524,738	(7,910)	26,237	506,411

NOTES

1) Actual Claims processed through the MMIS System

2) Base period for appropriation was October 1998 through January 1999

3) Difference is the appropriation less the actual

#5

Expanded SPED (Service Payments for Elderly and Disabled) ACC -- 4112
Comparison of Recipients and Expenditures by Source of Funds Between Appropriation and Actual
1999 - 2000 Biennium (By Month)

Month	Persons Receiving (unduplicated monthly)				Weeks Used			Cost Per Person				To GOVERNOR' Appropriation" 2\				Reprojection May 2000				Actual Expenditures 1\				Excess (Short)			
	Appr	Est	Actual	Excess (Short) 3\	Est	Actual	Excess (Short) 3\	Appr	Est	Actual	Excess (Short) 3\	Total	State	County	Other	Total	State	County	Other	Total	State	County	Other	Total	State	County	Other
Aug-99	110	163	163	(53)	5	5	0	316.30	316.52	316.52	(0.22)	34,793	34,793			51,592	51,592			51,592	51,592			(16,799)	(16,799)		
Sep-99	110	166	166	(56)	5	4	1	316.30	291.66	291.66	24.64	34,793	34,793			48,415	48,415			48,415	48,415			(13,622)	(13,622)		
Oct-99	110	161	161	(51)	4	4	0	316.30	296.04	296.04	20.26	34,793	34,793			47,663	47,663			47,663	47,663			(12,870)	(12,870)		
Nov-99	112	170	170	(58)	4	5	(1)	316.30	303.50	303.50	12.80	35,426	35,426			51,595	51,595			51,595	51,595			[illegible]	[illegible]		
Dec-99	112	176	176	(64)	5	4	1	316.30	288.85	288.85	27.45	35,426	35,426			50,838	50,838			50,838	50,838			(15,412)	(15,412)		
Jan-00	112	184	184	(72)	4	4	0	316.30	307.28	307.28	9.02	35,426	35,426			56,539	56,539			56,539	56,539			(21,113)	(21,113)		
Feb-00	113	187	187	(74)	4	5	(1)	316.30	286.72	286.72	29.58	35,742	35,742			53,616	53,616			53,616	53,616			(17,874)	(17,874)		
Mar-00	113	174	174	(61)	5	4	1	316.30	271.25	271.25	45.05	35,742	35,742			47,197	47,197			47,197	47,197			(11,455)	(11,455)		
Apr-00	113	178	178	(65)	4	4	0	316.30	309.75	309.75	6.55	35,742	35,742			55,135	55,135			55,135	55,135			(19,393)	(19,393)		
May-00	113	171	171	(58)	5	5	0	316.30	306.89	306.89	9.41	35,742	35,742			52,479	52,479			52,479	52,479			(16,737)	(16,737)		
												Reprojection May, 2000															
Jun-00	115	180	187	(71)	4	4	0	316.30	296.76	305.49	10.81	36,691	36,691			53,417	53,417			57,127	57,127			[illegible]	[illegible]		
Jul-00	116	180	176	(60)	4	4	0	316.30	296.76	314.27	2.03	36,691	36,691			53,417	53,417			55,311	55,311			(18,620)	(18,620)		
Aug-00	119	182	185	(66)	5	5	0	322.63	296.76	311.53	11.10	38,393	38,393			54,010	54,010			57,663	57,633			(19,270)	[illegible]		
Sep-00	119	182	170	(51)	4	5	(1)	322.63	296.76	320.18	2.45	38,392	38,393			54,010	54,010			54,431	54,431			[illegible]	[illegible]		
Oct-00	119	182	182	(63)	4	5	(1)	322.63	304.34	325.14	(2.51)	38,393	38,393			55,390	55,390			59,176	59,176			(20,783)	(20,783)		
Nov-00	121	184	174	(53)	5	4	1	322.63	304.34	322.42	0.21	39,038	39,038			55,999	55,999			56,101	56,101			(17,063)	(17,063)		
Dec-00	121	184	175	(54)	4	4	0	322.63	304.34	344.29	(21.66)	39,038	39,038			55,999	55,999			60,251	60,251			(21,213)	[illegible]		
Jan-01	121	184			5			322.63	304.34			39,038	39,038			55,999	55,999										
Feb-01	122	186			4			322.63	304.34			39,361	39,361			56,607	56,607										
Mar-01	122	186			4			322.63	304.34			39,361	39,361			56,607	56,607										
Apr-01	122	186			4			322.63	304.34			39,361	39,361			56,607	56,607										
May-01	124	188			5			322.60	304.34			40,003	40,003			57,216	57,216										
Jun-01	125	188			4			322.63	304.34			40,329	40,329			57,216	57,216										
Jul-01	125	188			4			322.63	304.34			40,329	40,329			57,216	57,216										
Biennium	2,810	4,310			105			319.59	300.41			$898,044	$898,044			$1,294,779	$1,294,779										
To Date	1,949	3,004	2,979	(1,030)	75	75	0	313.25	298.71	$307.19	11.05	620,262	620,262			897,311	897,311			915,109	915,099			[illegible]	[illegible]		
FY 2000	1,350	2,290	2,093	(743)	53	52	1	316.30	$297.56	$299.81	16.49	427,007	427,007			621,903	621,903			627,507	627,507			[illegible]	[illegible]		
FY 2001	1,460	2,220	886					322.63	$303.10	$324.63	(2.00)	471,037	471,037			672,876	672,876			287,602	287,592			[illegible]	[illegible]		

1999 - 2001 Biennium	Total	State	County	Other
Legislative Appropriation (walk-thru)	898,044	898,044	0	0
Emergency Commission Action	0	0	0	0
Adjusted Appropriation	898,044	898,044	0	0
Projected Needs (Actual to-date plus remaining months of estimate)	1,312,597	1,312,567	0	0
Reprojection positive/negative needs (Positive represents excess of funds and (negative) represents shortage of funds)	(414,523)	(414,523)	0	0

NOTES

1\ Actual claims processed through the MMIS System

2\ Base period for appropriation was October 199[illegible] through January 1997

3\ Difference is the appropriation less the actual

History of Adult Protective Services in North Dakota

1. The State Legislature approved legislation in 1987 for pilot projects to determine the need and incidence of abuse, neglect, and exploitation of vulnerable adults in North Dakota. There was no appropriation with the legislation . The Aging Services Division provided Older Americans Act federal funds for 3 pilot projects during the 1987-89 biennium. The 3 pilot projects were Cass County Social Services, Lake Region Human Service Center, and Burleigh/Morton Law Enforcement.

Vulnerable adults

2. The Vulnerable Adults law was passed in 1989 by the State Legislature, as a result of the findings of the pilot projects. A fiscal note, which would have funded Adult Protective Services statewide, was reduced in the last days of the session to fund only continuation of two of the original pilot projects(the fiscal note included general funds only). The tax referral vote of 1989 eliminated the general funds for the 2 projects. Cass County Social Services and Lake Region Human Service Center each made a decision to continue to provide Adult Protective Services using their local funds and existing budgets. **The pilot project phase of APS ended in 1989. North Dakota was one of the last states in the nation to approved legislation to protect vulnerable adults.**

3. There have been efforts in every legislative session since 1989 to fund APS statewide with general funds.

4. The Department of Human Services included funding for APS statewide in the base budget for the 2001-2003 biennium, and it was also approved in the Governor's budget. **The $210,000 in general funds budgeted by the Human Service Centers for APS was money taken from the Aging Services Division budget. It is not new money, and instead is a re-distribution of money from the central office to the HSC's.**

5. The Older Americans Act began providing federal funds for Elder Abuse Prevention under Title VII in the early 1990's. The federal funds have been budgeted by North Central Human Service Center and Lake Region Human Service Center for the 2001-2003 biennium. The total amount of federal funds anticipated is $70,980. This funds a part-time person at each of the 2 Human Service Centers. North Central HSC also provides APS services to Northwest HSC. The staff person at NCHSC is also the Long-Term Care Ombudsman for both Regions 1 and 2. The staff person at LRHSC is also the Long-Term Care Ombudsman for Regions 3 and 4.

6. The Aging Services Division provided one-time federal carryover funds to the Human Service Centers in the current biennium to gather current data regarding the prevalence of abuse, neglect, and exploitation statewide and to determine how to best use existing systems and agencies to respond to complaints of abuse, neglect, and exploitation.

7. There are federal and state statutes which require the Department of Human Services to protect vulnerable adults from abuse, neglect, and exploitation.

8. In the period of July 2000 –December 2000, there was an average of 113 APS cases statewide per month. In addition, there have been 387 information and referrals and brief service contacts in the 6 month reporting perio

9. The Health Care Financing Administration (HCFA) reviewed North Dakota's Medicaid Waiver for Aged and Disabled in February 2001. One of their review findings was as follows: "The need for a statewide policy and training identifying how to report abuse, neglect and exploitation of the populations served on the waiver."

VULNERABLE ADULT SERVICES

- The State Unit on Aging, which as a federally designated single planning and service area, includes both the Aging Services Division and Human Service Centers, is required by the Older Americans Act to carryout an elder abuse prevention program, and to coordinate the program with the Long-Term Care Ombudsman program.

- The Regional Human Service Centers, by state statute, are required to "prevent or remedy the neglect, abuse, or exploitation of children and of adults unable to protect their own interests".

- The funding for Vulnerable Adult Services included in the Human Service Centers budgets is not "new money". It is both federal and state funds previously in the Aging Services Division budget that has been redistributed to the Regional Human Service Centers.

- Vulnerable Adult Services is a continuation of the current effort to maximize existing agencies and programs to respond to complaints regarding the abuse, neglect, and exploitation of vulnerable adults. This is directly in response to the recommendations of the 1997-99 Interim Legislative Budget Committee on Long-Term Care, and the Task Force on Long-Term Care Planning.

- The 2000 amendments to the Older Americans Act require hold harmless levels for the Long-Term Care Ombudsman program to the 2000 levels (updated from the 1991 levels).

- For the Medicaid Waiver for Aged and Disabled, Health Care Financing Agency requires the following related to Waiver recipients, "Evidence that, on an ongoing basis, the State identifies and appropriately addresses instances of abuse, neglect and exploitation."

CURRENT STATUS OF VULNERABLE ADULT SERVICES ACROSS NORTH DAKOTA

Region I & II

Darley Williams is an employee of North Central Human Service Center located in Minot. She is half time Regional Long Term Care Ombudsman and half time in Vulnerable Adult Services for Regions I and II. Darley is a licensed Social Worker. She receives and assess's any calls in the area of alleged abuse, neglect, self-neglect, and/or exploitation. When possible, referrals are made to other agencies that may be assistance to the client. The Vulnerable Adult Service Program and the Long Term Care Ombudsman Program are available in seven counties in Region II and 3 counties in Region I. Darley's phone number is (701) 857-8500 or toll free 1-888-470-6968. If Darley is unavailable in Region I, you may contact Karen Quick, Region I Aging Service Program Administrator at (701) 774-4685 or toll free at 1-800-231-7724. In Region II, you may contact Mari Don Sorum, Region II Aging Service Program Administrator at (701) 857-8500 or toll free at 1-888-470-6968.

Region III

Kim Locker-Helten is an employee of the Devils Lake Human Service Center. She does vulnerable adult services half time for the Devils Lake region. She is also half time Regional Long Term Care Ombudsman for Region III (Devils Lake) and IV (Grand Forks). She is a licensed social work. Kim's phone number is (701) 665-2276. If Kim is not available, you may contact Donna Olson, the Region III Aging Services Program Administrator at (701) 665-2213. The Vulnerable Adult Services program in Region III (Devils Lake) provides for the receipt and assessment of alleged abuse, neglect, self-neglect and exploitation of vulnerable adults 18 years of age and older. The Vulnerable Adult Service Program covers the six counties within Region III, as well as the Turtle Mountain Band of Chippewa and Spirit Lake Nation Indian Reservations.

Region IV	Patricia Soli, the Region IV Aging Services Program Administrator at the Grand Forks Human Service Center is the focal point for vulnerable adult services. You can contact Patricia at (701) 795-3017 in Grand Forks or 1-888-256-6742 toll free. Patricia screens potential cases. The cases that meet established criteria, and warrant further assessment are then opened and assigned the Contract Provider. The Contract Provider provides consultation, assessment, evaluations, provision of information to established teams and assignment follow-up as directed by the Region IV Aging Services Program Administrator.
Region V	Sandy Arends, the Region V Aging Services Program Administrator at the Fargo Human Service Center is the focal point for Vulnerable Adult Services in the Fargo Region. You can call Sandy at (701) 298-4411 or 1-888-342-4900 toll free. Sandy will refer cases to the contracted provider of Vulnerable Adult Services in Region V. The Contracted provider is Cass County Social Services. Cass County Social Services provides Vulnerable Adult Services to Ransom, Richland, Sargent, Steele and Traill counties. Cass County provides consultation, assessment, evaluations, information and referral and follow-up services as needed. Direct referral may be made to Cass County Adult Services unit by calling (701) 241-5747.
Region VI	Russ Sunderland, the Region VI Aging Services Program Administrator at the Jamestown Human Service Center is the focal point for vulnerable adult services. He works in cooperation with other human service center personnel, Older Americans Act Title III outreach workers and county social service agencies to deliver vulnerable adults protective services. You can reach Russ at (701) 253-6344.

Region VII

Cherry Schmidt, the Regional Aging Services Program Administrator at the West Central Human Service Center in Bismarck is the focal point for Vulnerable Adult/Elder Abuse Prevention Services. She provides consultation, screens the referrals and disposes cases that meet criteria to one of seven trained workers for assessment, referral or case coordination and follow-up. The workers are strategically located throughout the ten county region. Cherry can be reached at (701) 328-8787 or 1-888-328-2662 toll-free.

Region VIII

Mark Jesser, the Region VIII Aging Services Program Administrator at Badlands Human Services Center is the focal point for Vulnerable Adult Services in southwest North Dakota. Mark screens potential cases and refers those that require further assessment to the region's contracted provider. The contracted provider is Stark County Social Services covering Adams, Billings, Bowman, Golden Valley, Dunn, Hettinger, Slope and Stark Counties. Service provision includes: assessment /investigation of alleged abuse, neglect or exploitation of a vulnerable adult, information and referral, linkage to existing services, consultation and follow-up as needed. To inquire about VAS or to make a referral for services, please contact Mark at (701) 227-7557 or 1-888-227-7525.

APPENDIX D

RELATIONSHIP OF OUTREACH AND CASE MANAGEMENT AND VAS		
OUTREACH (reference: Older Americans Act of 1965 as Amended and DHS Service Chapter 661-05 Outreach Policies and Procedures)	CASE MANAGEMENT (reference: DHS Service Chapter 685-05 HCBS Case Management Policies and Procedures)	VULNERABLE ADULT SERVICES (VAS)
Service restricted to persons age 60 +.	No age restriction of recipient.	18 yrs of age or emancipated by marriage. Target population will be persons age 60+.
Identification of targeted persons.	Person makes application for service.	Reports of alleged abuse or neglect are received, evaluated and situation is assessed. Other agencies are involved to eliminate risk.
Link services and resources for targeted persons. Make referrals, assist with applications for service(s), assist with access to service(s) , offer appropriate follow up to assure outcome was met.	Comprehensive assessment is completed to identify specific service needs if any, determine eligibility for possible funding sources, identify existing formal and informal supports, pursue gap filling action.	Information is obtained to explore if abuse, neglect, self neglect or exploitation exists. Identify specific supports, existing and needed.
Support lifestyle which promotes choices and independence.	Assessment results determine gap filling needs and pursuit of care planning to meet identified gaps.	Assessment will identify area of need and referrasl are made to existing agencies. Brief follow-up.
One or more activities for a brief time.	Combination of assessment, care planning, authorizing service, monitoring client progress and services, reassessing needs, termination of service when appropriate.	Services are initiated as determined by assessment of situation and consent of competent adult. Legal intervention as determined by court.
Needs identified, alternatives explored, service options offered.	Services authorized for direct delivery or arranged to be delivered to client.	Services are provided by the appropriate provider. Individuals' right to self determine is preserved.
The Outreach Worker often functions as a "discharge planner".	Case Management is an ongoing service until such time as client case is terminated.	Brief, crisis intervention service. Goal is to utilize other currently existing systems for service provision and follow-up.
Recipient typically is not severely impaired or is in need of some support service for the 1st time.	Recipient typically is severely impaired or has experienced a major life style change (e.g. stroke/heart attack/financially desperate, etc.) necessitating substantial adjustments.	Individual is a vulnerable adult: (i.e. a person who has a substantial mental or functional impairment).

HB 1012

HB 1012
Senate Appropriations
February 28, 2001

Chairman Nething and members of the Committee, I am Teresa Larsen, Director for the Protection and Advocacy Project (P&A). As I have recently testified before this Committee, one of P&A's major priorities is to receive and respond to reports of alleged abuse, neglect and/or exploitation of individuals with disabilities. At this time I want to express concerns with the House version of the DHS budget which amended out a total of $210,000 from the Governor's recommended funding for adult protective services through the Human Service Centers.

During the current biennium, DHS was able to use federal dollars from the Older Americans Act to initiate a statewide vulnerable adult protective services system. Implemented through the regional Human Service Centers, from July through December 2000, DHS dealt with a total of 887 cases of elder abuse. The profile for a typical case is a female over the age of sixty, living alone, suspected of self neglect. As North Dakota continues to "gray" (it's estimated that in the year 2010, 19.5% of the State's population will be age sixty and over), we have reason to believe the need for a vulnerable adult protective services system will only increase.

To my knowledge, this is the first time that State general funds for vulnerable adult protective services have been included in the Governor's recommended budget for DHS. The Governor's inclusion of $210,000 in State money will allow DHS to continue the system it only recently started. Deleting the State funding will result in the loss of these services in five of our eight Human Center Regions.

Protective services provided through DHS and P&A are not a duplication. Through the Aging Services Division, DHS and P&A have

collaborated to develop an agreement on which entity will respond to which referrals. When appropriate, we partner to address individual and systemic needs. DHS Long-Term Care Ombudsman and Vulnerable Adult Services staff, and P&A Disabilities Advocates, have participated in joint training sessions to ensure effective communication, understanding and positive working relationships on a State and regional level.

Reportedly, the reasoning behind the House's decision to amend out the State funding for vulnerable adult protective services was that it was seen as a duplication for the services to be provided through HB 1117 - "targeted case management". From my reading, this section of the law (NDCC 50-24.1) is specific to "medical assistance for needy persons" or Medicaid-eligible individuals. HB 1117 states that DHS "shall establish a targeted case management service for disabled and elderly individuals eligible for benefits under chapter 50-24.1 who are at risk of requiring long-term care services to ensure that an individual is informed of alternatives available to address the individual's long-term care needs."

Targeted case management will not address all aspects of vulnerable adult protective services. Targeted case management will not address any needs of individuals not Medicaid-eligible. Incidents of alleged abuse, neglect and exploitation are not specific to individuals or families who have fewer economic resources.

I encourage you to ask questions of the Department of Human Services about these issues. Let's not dismantle our current, long awaited system for adult protective services as soon as we get it started.

Thank you.

Transfer of Vulnerable Adult Funds
To Human Service Centers

	99 - 01	Change	01 - 03
Central Office			
Elder Abuse - Federal	43,000	(43,000)	0
Ombudsman - Federal	14,150	(14,150)	0
* Aging General fund target	15,869,586	(4,472,054)	11,397,532
Subtotal	15,926,736	(4,529,204)	11,397,532
Human Service Centers			
Elder Abuse - Federal	47,830	23,150	70,980
Ombudsman - Federal	56,884	11,536	68,420
Vulnerable Adults - General	0	210,000	210,000
Subtotal	104,714	244,686	349,400
Total	16,031,450	(4,284,518)	11,746,932

* General fund change:

SPED Contingency	4,262,410
VAS Transfer	209,644
	4,472,054

Human Service Center Funding Schedule
For the 2001 - 2003 Biennium

	Grant	NW	NC	LR	NE	SE	SC	WC	BL	Total
S003	Mental Health Block Grant	137,335	0	137,335	137,335	0	137,335	0	137,335	686,675
S019	Substance Abuse Block Grant									
	Treatment	135,884	380,820	425,254	450,682	591,440	205,518	531,697	145,459	2,866,754
	Women's Program	145,950	419,096	0	0	0	0	0	0	565,046
S029	MH Homeless Grant	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	590,000
S090	Aging Administration									
	Federal funds	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	250,000
	General Funds	74,500	65,500	73,500	66,100	71,500	67,000	59,100	54,500	531,700
	Vulnerable Adults/Ombuds									
S096	Elder Abuse Prevention	0	21,740	21,740	0	27,500	0	0	0	70,980
S098	Ombudsman Activity	0	39,260	29,160	0	0	0	0	0	68,420
	Federal funds	0	61,000	50,900	0	27,500	0	0	0	139,400
	General Funds	0	0	0	40,700	53,300	37,500	58,100	20,400	210,000
Total HSC Funding		598,669	1,031,416	791,989	799,817	848,740	552,353	753,897	462,694	5,839,575
	Federal funds	524,169	965,916	718,489	693,017	723,940	447,853	636,697	387,794	5,097,875
	General funds	74,500	65,500	73,500	106,800	124,800	104,500	117,200	74,900	741,700

HB 1012

North Dakota Conference of Social Welfare

Chairman Nething and Senate Appropriations Committee.

I am Kathy Pfeifle and am speaking to you on behalf of the North Dakota Conference of Social Welfare and to provide testimony on HB1012.

Our mission is to support citizens in NEED in North Dakota. We are the umbrella agency for 30 plus agencies/organizations and have a membership of over 500 interested members who recognize the need of the disabled, elderly, vulnerable adults and children and families in North Dakota.

The goal of the NDCSW is to pull together the agencies and help everyone work together as a team for the betterment of North Dakota. "The children of North Dakota are our future." YES, they are our future TODAY. The elderly are the backbone of our great nation. They protected us, fought in the wars to give us the freedom that we take for granted today and even if they weren't giving their lives for us - their future; they were at home building the ships, and supporting the fighting force all the way. The elderly have also been to caretakers for us. They were there to wipe our skinned knees and bop us on the head to teach us a lesson. They taught us and are the reason we are where we are today. Now, they deserve to be protected when they can no longer protect themselves.

The House Appropriations committee removed $210,000.00 dollars of general fund monies from HB 1012. This was not new money, but a transfer of money from the Aging Services Division budget into the Human Service Centers budget where it is at the front lines to be used to protect the citizens when it is needed. This money is for the Vulnerable Adult Protective Services program. One day we may all become vulnerable and need protection. Please join with us in reinstating the $210,000.00 that is needed to protect the backbone of the great country we live in. I am enclosing a copy of the agencies we work with. Each agency has the right to decide if they want to be included in the issue at hand. Today's organizations that support the reinstatement of $210,000 for VAS are
NASW
St. Alexius
ND Catholic Conference
AARP
ND Council of Abused Women's Services

Please consider supporting and reinstating HB 1012 an important bill for today's vulnerable adult population. Our strength and our tradition!

Thank you for your time and I would be happy to answer any questions you may have.

Research Planning and Legislative Committee Association/Organization Membership/Size

American Association of Retired Persons ND-AARP-	70,000 Members
Catholic Family Service-CFS-	36 Employees
Children's Caucus CC-	100 Members
Dakota CIL-	10 Providers
Drug Free North Dakota	
Graying of North Dakota-	30 Members
Lutheran Social Services LSS-	500 Employees
Mental Health Association of ND MHA-	Mailing list of 3000
National Association of Social Workers ND-NASW-	315 Members
ND Association of Counties NDACo-	600 Members
ND Association of Non-Profit Organizations NDANO-	205 Members
ND Catholic Conference NDCC-	Mailing List of 4000
ND Conference of Social Welfare	NDCSW-615 Members
ND Council on Abused Women' Services CAWS-	20 Statewide Programs
ND Long Term Care Association-	106 Providers
ND Medical Association NDMA-	1100 Members
ND Nurses Association NDNA	
ND Project Directors Association-	30 Members
Professional Association of Treatment Homes ND-PATH-	9 Offices, 32 Employees
Silvered Haired Assembly-	70,000 Members
St. Louis Medical Center - Elder Care, Community Health, St. Services, Mental Health Division-	60 Employees
The Village Family Service Center-	180 Employees

www.ndcsw.com

3/5/01

HB 1012

Because we care

ELDER CARE

March 6, 2001

My name is Lucy Kostelecky and I am Director of Elder Care in Dickinson. Our agency provides congregate and home-delivered meals, as well as outreach services throughout southwestern North Dakota. Additionally, we provided Specialized Transportation and Chore Services in Stark County. I was present at the appropriations hearing for HB1012 held on February 28, 2001. Since Brian Arett was the spokesperson for the North Dakota Project Director's Association, I was unsure whether it was appropriate for me to give comment. However, there were some remarks made by Senator Bowman that I do feel the need to address. I apologize to all committee members that I did not do so at the time.

Senator Bowman voiced concern about small town restaurants placed in competition with senior meal sites and in some cases, struggle for survival. May I assure you all that, whenever possible, contracts are negoiated with local restaurants. This may not end up being a money-maker for them because of the limited funding available to agencies such as ours, but it does assist them with cash flow. Our agency has numerous contracts in place within southwestern North Dakota, and some of those are in Bowman and Slope Counties. Area restaurants and healthcare facilities with which Elder Care has contracts in place for meal service are:

Hunter's Table Rhame	Wednesdays - To supplement the 2 days/week at Senior Center 314 meals served in 2000
Georgia's & the Owl Amidon	Congregate up to 3 days/week, home-delivery 7 days 2514 meals served in 2000
Regent Cafe Regent	Congregate & home-delivered 3 days/week 2325 meals served in 2000

1007 ENTERPRISE AVE
PO BOX 629
DICKINSON, ND 58601

E-Mail Address: Eldercar@ctctel.com

TRANSPORTATION: (701) 483-6084
MEALS: (701) 456-1818
FAX: (701) 456-1820

Good Samaritan Home Mott	Special diets only: up to 7 days/week 947 meals served in 2000
Richardton Health Center Richardton	Special diets only: up to 7 days/week 410 meals served in 2000
Four Corners Cafe Fairfield	Congregate & home-delivered 3 days/week 1153 meals served in 2000
Beach Dairy Queen Beach	Congregate & home-delivered 3 days/week 1134 meals served in 2000

As you can see from this fairly lengthy list, we do our best to provide an opportunity for area restaurants to subsidize their businesses. A total of 8797 meals were served from these sites, out of 84844 meals for an agency total.

Recently, one of our cooks retired from the Reeder meal site. At that time, we asked the owners of the Reeder Cafe if they would be interested in a contract whereby they would provide the meals and they declined our offer.

Another concern voiced by Senator Bowman was that someone drives up in a Cadillac, has a free meal, and returns home. Of our 27 meal sites, seven are contracts, 12 are prepared in senior centers, two are served and prepared at city halls, and six are prepared and served at low-income housing unit activity rooms. One must be of low-income to even live in these facilities. One of these facilities is composed of 120 units. Would you believe the average annual income of the residents living there is $4800 to $5200? We may have a few who arrive in expensive cars, but with the pride our ND residents are known for, they usually contribute more than the asking donation, making it possible for our agency to serve those who can only afford to contribute about $ .50 per meal.

There isn't a program in existence that, if you look long and hard, you couldn't find someone who would take advantage of the program. But please see that for the one person who takes advantage, there are hundreds who would not have enough to eat if it weren't for programs such as these in place. We have people who must make the choice daily as to whether to purchase medications or to buy food.

I hope this letter has set some of your fears to rest, but if not, please feel free to contact me at any time.

Lucy Kostelecky, Director
Elder Care

Office M-F 7:00AM - 5:00PM 701-456-1818 or 701-456-1819
Fax 701-456-1820
email eldercar@ctctel.com

HB 1012

TESTIMONY to SENATE APPROPRIATIONS COMMITTEE
HB 1012 - NDDHS, AGING SERVICES DIVISION BUDGET
2/28/01 - Rodger Wetzel, Director, Community Health and Eldercare, St. Alexius

Mr. Chair, and members of the committee. My name is Rodger Wetzel. I currently am the Director of Community Health and Eldercare at St. Alexius. I have been at St. Alexius for 15 years, including also serving as Director of Social Services and Mental Health Services, along with being Eldercare Director. I have been working in the field of aging for about 30 years...and now am becoming one of them myself. During the last two bienniums I served on work groups as part of the state's LTC Planning Task Forces. And very importantly, I am concerned about my parents, age 77 and 82, living at home.

As Eldercare Director at St. Alexius for the past 15 years, I have been involved in proving education, assisting with advance directives, leading two Alzheimer's family support groups, have completed social assessments for more than 200 guardianships, and have assisted hundreds of senior adults and family members with aging-related problems. I also served on a local nursing home board for 6 years, and understand the challenges facing these service providers.

I am here to support the funding in the Governor's executive budget that would move dollars from the Aging Services Division budget to the human service centers' budgets to provide for more local provision of these services. In addition, the Governor's executive budget includes $210,000 of general fund dollars to meet the current needs. In the last two years, the numbers of these types of cases which I have been asked to assist with has significantly increased. These services, along with the funding in the Governor's budget, are an essential component of our full continuum of services for frail elderly and disabled in North Dakota. More frail elderly are staying in their own homes and communities longer, and we need these protective services to intervene when they are at risk of being abused, neglected, or exploited, sometimes by their own family members, or when they no longer can make appropriate decisions for themselves.

An important need we see along the continuum of services for elderly and disabled is the need for additional services to protect those who are abused, neglected, or exploited, or those who are not able to meet their own care needs (self-neglect). With our state having an increasingly aging population, and with more of these elderly remaining at home longer, and more of those at home experiencing dementias (10% of 65+), or being at risk of being abused or neglected, these services become such an important part of the overall service continuum.

I want to compliment the Legislature for its support of aging programs, especially home and community based services, which have enable thousands of elderly and disabled persons to remain in their own homes as long as possible. Secondly, I wish to compliment Linda Wright and the Aging Services staff at the state office and at the regional human service centers for their excellent work and their willingness to work with so many of us in the private sector who also are providing essential services to senior adults. For example, at St. Alexius we may have up to 100 older inpatients on an average day, or we provide services to about 5000 inpatients each year, plus about 10,000 older outpatients for therapies, etc. Many of these older inpatients leave the hospital needing services funded though the Aging Services Division, and its regional and local providers. This may include protective services, so I ask you to include the $210,000 general funds.

1-015-01
Tape 2 side A

Public Testimony

#15

Testimony Before The
Human Resources Division of the
House Appropriations Committee
January 15, 2001

Senior Mill levy

Chairman Svedjan and members of the Committee, my name is Brian Arett. I am the Executive Director for Fargo Senior Commission, Inc. I am here on behalf of the North Dakota Senior Services Project Directors Association, an organization made up of forty-one non-profit agencies who provide services to senior citizens throughout North Dakota, to discuss House Bill 1012. This bill contains an appropriation in the Aging Services Division for the Senior Mill Levy Match Program. This program was established by the North Dakota Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match Program restricting the types of expenses that mill levy funds can be spent on to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, and health related services.

The original appropriation for the Senior Mill Levy Match program in 1976 was $1.6 million and was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium is $1,262,945 which amounts to a match of about 46 cents for every dollar levied locally.

Our request of the 2001 Legislative Assembly and the Human Resources Division of the House Appropriations Committee is to restore the Senior Mill Levy Match program to its original dollar for dollar match of what is levied at the local level. We estimate the amount of funding needed to meet this request to be $2.75 million.

We make this request because of the significant increase in the demand for services for people age 60 and older and because of the on-going need for more in-home services in our state.

The Task Force On Long Term Care Planning, the Graying of North Dakota coalition, the Silver Haired Assembly and the Statehouse Conference On Aging have all gone on record in support of the Senior Mill Levy Match Program as being "an integral part of the continuum of long term care services." The Report of the Task Force on Long-Term Care Planning issued in September, 2000 makes the following recommendation:

> "The Task Force on Long-Term Care Planning recognizes the importance of this funding source in the overall provision of services to the senior citizens of our state and recommends the legislature restore the Senior Mill Levy Match to a dollar-for-dollar match as included in the original appropriation."

The report also notes that "many older residents of small towns throughout the state rely on" services funded through the use of mill levy dollars "as one of the few alternatives to institutional care."

The budget submitted to the Legislature by North Dakota Governor John Hoeven includes an appropriation of $1,662,945 for the Senior Mill Levy Match Program in the 2001-2003 biennium - an increase of $400,000 over the current biennium. This same budget includes funding of $14.87 million for SPED and Expanded SPED which is an increase of $1.16 million over the current biennium and funding of $264.59 million for nursing home facilities - an increase of $23.71 million over the current biennium.

Many of the people who are served through the SPED and Expanded SPED programs rely on Title III service providers for meals, transportation, chore services, Senior Companions and other services to continue living in their homes. And many of the people who are able to return to their homes after short stays in nursing homes need services from these same providers to help them to come back to their homes.

It has been demonstrated repeatedly that providing services to people in their homes is more cost effective and more desirable from the standpoint of the person receiving services. Services provided through the Senior Mill Levy Match Program help people to remain in their homes. Without adequate funding these service providers will be unable to meet the need for Meals on Wheels, transportation, outreach assistance and chore services. We need your help to prevent this from happening.

Thank you for your time. I would be happy to answer any questions you might have.

HB 1012.

Testimony Before The
Senate Appropriations Committee
February 28, 2001

Chairman Nething and members of the Committee, my name is Brian Arett. I am the Executive Director for Fargo Senior Commission, Inc. I am here on behalf of the North Dakota Senior Services Project Directors Association, an organization made up of forty-one non-profit agencies who provide services to senior citizens throughout North Dakota, to discuss House Bill 1012. This bill contains an appropriation in the Aging Services Division for the Senior Mill Levy Match Program. This program was established by the North Dakota Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match Program restricting the types of expenses that mill levy funds can be spent on to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, and health related services.

The original appropriation for the Senior Mill Levy Match program in 1976 was $1.6 million and was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium is $1,262,945 which amounts to a match of about 46 cents for every dollar levied locally.

Our request of the 2001 Legislative Assembly and the Senate Appropriations Committee is to restore the Senior Mill Levy Match program to its original dollar for dollar match of what is levied at the local level. We estimate the amount of funding needed to meet this request to be $2.75 million. We make this request because of the significant increase in the demand for services for people age 60 and older and

because of the on-going need for more in-home services in our state.

The Task Force On Long Term Care Planning, the Graying of North Dakota coalition, the Silver Haired Assembly and the Statehouse Conference On Aging have all gone on record in support of the Senior Mill Levy Match Program as being "an integral part of the continuum of long term care services." The Report of the Task Force on Long-Term Care Planning issued in September, 2000 makes the following recommendation:

> "The Task Force on Long-Term Care Planning recognizes the importance of this funding source in the overall provision of services to the senior citizens of our state and recommends the legislature restore the Senior Mill Levy Match to a dollar-for-dollar match as included in the original appropriation."

The report also notes that "many older residents of small towns throughout the state rely on" services funded through the use of mill levy dollars "as one of the few alternatives to institutional care."

The budget submitted to the Legislature by North Dakota Governor John Hoeven included an appropriation of $1,662,945 for the Senior Mill Levy Match Program in the 2001-2003 biennium - an increase of $400,000 over the current biennium. The House reduced this appropriation by in HB 1012 by $350,000 and added $150,000 to House Bill 1196. HB 1012 as amended also includes funding of $14.62 million for SPED and Expanded SPED which is an increase of $906,000 over the current biennium and funding of $264.59 million for nursing home facilities - an increase of $23.71 million over the current biennium. Finally, HB 1196 increases funding for nursing homes and basic care facilities by an additional $18.6 million.

Many of the people who are served through the SPED and Expanded SPED programs rely on Title III service providers for meals, transportation, chore services, Senior Companions and other services to continue living in their homes. And many of the people who are able to return to their homes after short stays in nursing homes need services from these same providers to help them to come back to their homes.

In the current biennium, the state of North Dakota spends $11.62 on institutional care for its senior citizens for every dollar spent on in-home alternatives. The legislation passed by the House increases that ratio to $11.84 for institutional care for every $1.00 spent on in-home care.

It has been demonstrated repeatedly that providing services to people in their homes is more cost effective and more desirable from the standpoint of the person receiving services. Services provided through the Senior Mill Levy Match Program help people to remain in their homes. Without adequate funding these service providers will be unable to meet the need for Meals on Wheels, transportation, outreach assistance and chore services. We need your help to prevent this from happening.

Thank you for your time. I would be happy to answer any questions you might have.

HB 1012

TESTIMONY
SENATE APPROPRIATIONS COMMITTEE

Tuesday, March 6, 2001

Chairman Nething and members of the Committee, my name is NORM STUHLMILLER. I am here speaking on behalf of Carol Wright, a Project Director for James River Senior Citizen's Center and the author of this testimony. I am here to testify regarding House Bill 1012. This bill contains an appropriation in the Aging Services Division for the Senior Mill Levy Match Program.

Senior Mill Match is critical for the operation of the Meals, Transit and Outreach programs across the state. This money helps fund critical services which enable senior citizens to remain independent and living in their own homes and communities for as long as possible. It has long been recognized that in-home services are much more cost-effective than institutional care. Without the meals, outreach, and transportation services provided by the senior service agencies across the state, many senior citizens would need to be institutionalized—thus greatly increasing the cost to the State.

Governor Hoeven's budget for the 2001-2003 biennium included an increase in the State Mill Match appropriation of

approximately $400,000. Amendments to HB 1012 reduced that appropriation by $350,000 and added $150,000 to HB 1196. We are asking your consideration to 1) reinstate the original $400,000 back into this bill and 2) to consider increasing the State Mill Match appropriation to a dollar-for-dollar match as originally intended when the Match was established by the Legislature.

Mill Match helps provide match dollars to assist in meeting the local requirements for the federal money received to provide Title III and Transportation services. Above and beyond the required local match, additional local fund raising has to be done in order to provide enough money to keep these services operating.

Specifically, in Fiscal Year 2000, James River Senior Citizens required $35,037 local dollars above and beyond what was received from Mill Levy and Mill Match to provide Transportation, Congregate and Home Delivered Meals, and Outreach services in Stutsman, Wells and Sheridan counties. This money needed to be raised through a variety of fund raising activities. Each month, fundraisers are held in Harvey and in Jamestown in order to accumulate the additional money needed to fund the essential services provided by this agency. As you are aware, this constant fund raising becomes

more and more difficult to sustain in our small communities. At this point, these programs have had their belts tightened to the limit and the staff is paid barely above minimum wage. An increase in funding is needed.

In many states, people are forced to have their names put on waiting lists in order to receive Home Delivered Meals, and face-to-face Outreach visits are restricted to only the most dire cases. In North Dakota, we have not yet had to resort to these choices However, with costs escalating and services increasing due to the aging of our state's population, something has to be done.

We respectfully request that you restore the State Match appropriated under the Governor's budget and consider increasing the Match to a dollar-for-dollar appropriation.

Tape 2 side B

COUNTY ASSESSMENT VALUE AND MILLS FOR SENIOR CITIZENS

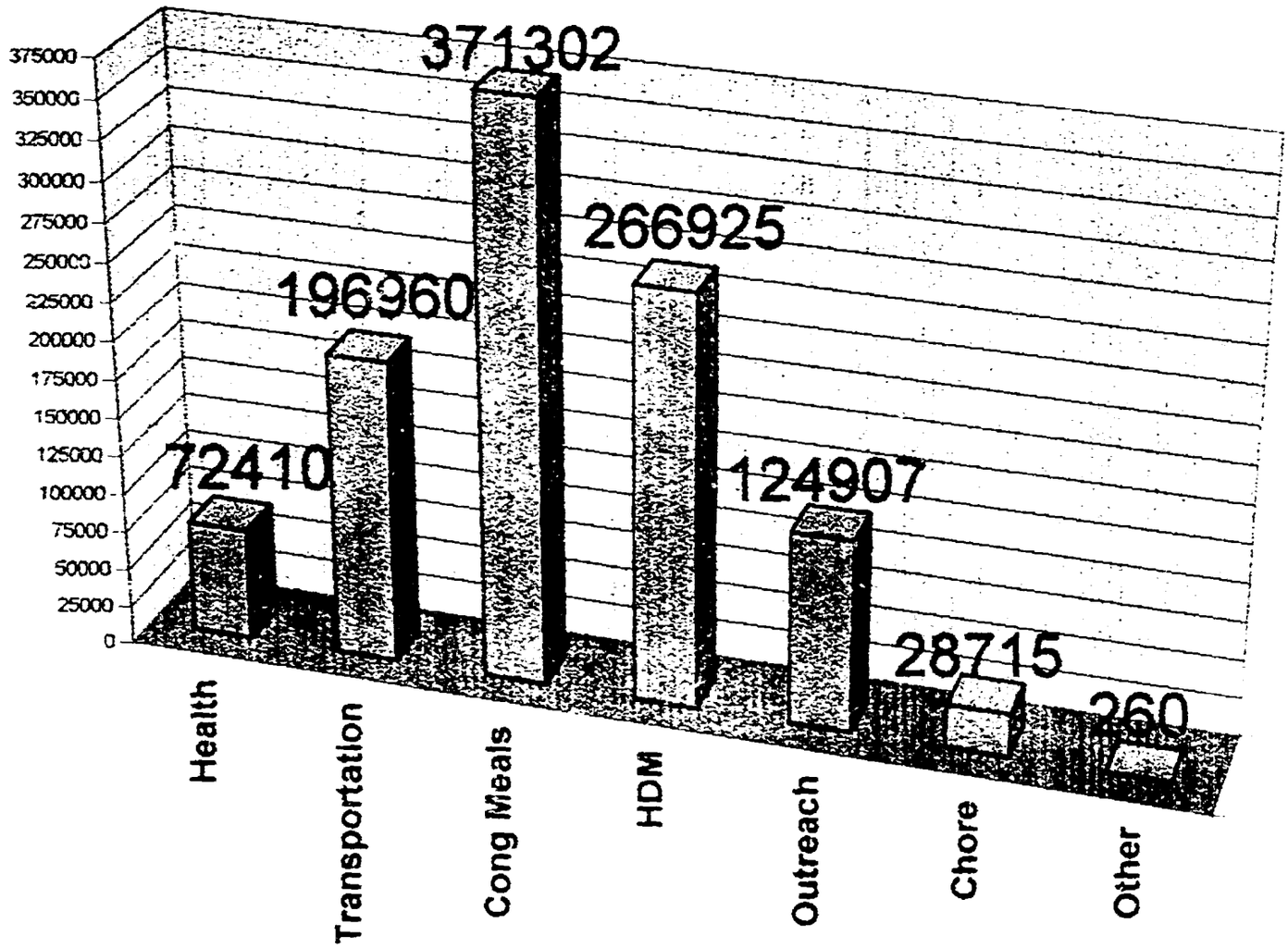
TAX YEAR 1999

COUNTY	ASSESSED VALUE	MILLS	COUNTY LEVY	CHECK AMOUNT
ADAMS	$6,504,056.00	0.1470%	$9,560.96	$4,424.35
BARNES	$24,286,351.00	0.1310%	$31,815.12	$14,722.50
BENSON	$11,190,896.00	0.1350%	$15,107.71	$6,991.12
BOTTINEAU	$18,852,424.00	0.1150%	$21,680.29	$10,032.59
BOWMAN	$7,895,787.00	0.1410%	$11,133.06	$5,151.84
BURKE	$8,225,835.00	0.0950%	$7,814.54	$3,616.19
BURLEIGH	$115,754,971.00	0.1350%	$156,269.21	$72,313.82
CASS	$225,748,971.00	0.1000%	$225,748.97	$104,465.69
CAVALIER	$18,128,198.00	0.1210%	$21,935.12	$10,150.51
DICKEY	$12,853,271.00	0.1000%	$12,853.27	$5,947.87
DIVIDE	$8,552,578.95	0.0760%	$6,499.96	$3,007.87
EDDY	$5,460,800.00	0.1460%	$7,972.77	$3,689.41
EMMONS	$11,800,984.00	0.0500%	$5,900.49	$2,730.46
FOSTER	$9,467,223.00	0.1000%	$9,467.22	$4,380.97
GOLDEN VALLEY	$4,943,480.00	0.1000%	$4,943.48	$2,287.60
GRAND FORKS	$106,888,038.00	0.1000%	$106,888.04	$49,462.61
GRIGGS	$7,901,436.00	0.1000%	$7,901.44	$3,656.40
HETTINGER	$7,717,638.00	0.1660%	$12,811.28	$5,928.44
KIDDER	$7,881,588.00	0.1070%	$8,433.30	$3,902.52
LAMOURE	$13,306,964.00	0.1040%	$13,839.24	$6,404.13
LOGAN	$6,157,514.00	0.1260%	$7,758.47	$3,590.24
MCHENRY	$15,242,716.00	0.2000%	$30,485.43	$14,107.18
MCINTOSH	$8,566,891.00	0.1000%	$8,566.89	$3,964.34
MCLEAN	$21,100,720.00	0.1000%	$21,100.72	$9,764.39
MORTON	$44,904,874.00	0.1560%	$70,051.60	$32,416.49
MOUNTRAIL	$13,391,835.00	0.1000%	$13,391.84	$6,197.09
NELSON	$10,395,390.00	0.1000%	$10,395.39	$4,810.48
OLIVER	$4,589,979.00	0.1000%	$4,589.98	$2,124.02
PEMBINA	$26,670,366.00	0.1000%	$26,670.37	$12,341.75
PIERCE	$11,013,692.00	0.1000%	$11,013.69	$5,096.60
RAMSEY	$21,914,978.00	0.1000%	$21,914.98	$10,141.19
RANSOM	$12,029,801.00	0.1510%	$18,165.00	$8,405.88
RENVILLE	$8,882,136.00	0.1000%	$8,882.14	$4,110.22
RICHLAND	$36,902,447.00	0.1140%	$42,068.79	$19,467.40
ROLETTE	$8,671,751.00	0.1290%	$11,186.56	$5,176.60
SARGENT	$10,987,576.00	0.1000%	$10,987.58	$5,084.52
SHERIDAN	$5,677,124.00	0.1000%	$5,677.12	$2,627.10
SIOUX	$1,989,950.00	0.1000%	$1,989.95	$920.85
SLOPE	$4,690,563.00	0.0890%	$4,174.60	$1,931.80
STARK	$29,877,736.00	0.1000%	$29,877.74	$13,825.97
STEELE	$9,131,405.00	0.1000%	$9,131.41	$4,225.57
STUTSMAN	$40,522,033.00	0.1800%	$72,939.66	$33,752.94
TOWNER	$10,340,673.00	0.0980%	$10,133.86	$4,689.46
TRAILL	$20,608,866.00	0.1000%	$20,608.87	$9,536.79
WALSH	$27,672,380.00	0.1000%	$27,672.38	$12,805.44
WARD	$89,700,000.00	0.1000%	$89,700.00	$41,508.82
WELLS	$14,266,282.00	0.1000%	$14,266.28	$6,601.74
WILLIAMS	$32,390,756.00	0.1730%	$56,036.01	$25,930.75
CITIES				
BEULAH	$3,298,410.00	0.0991%	$3,268.72	$1,512.61
CARSON	$237,189.00	0.1000%	$237.19	$109.77
HAZEN	$2,484,765.00	0.1000%	$2,484.77	$1,149.83
ELGIN	$400,357.00	0.1000%	$400.36	$185.28
NEW LEIPZIG	$199,870.00	0.1000%	$199.87	$92.50

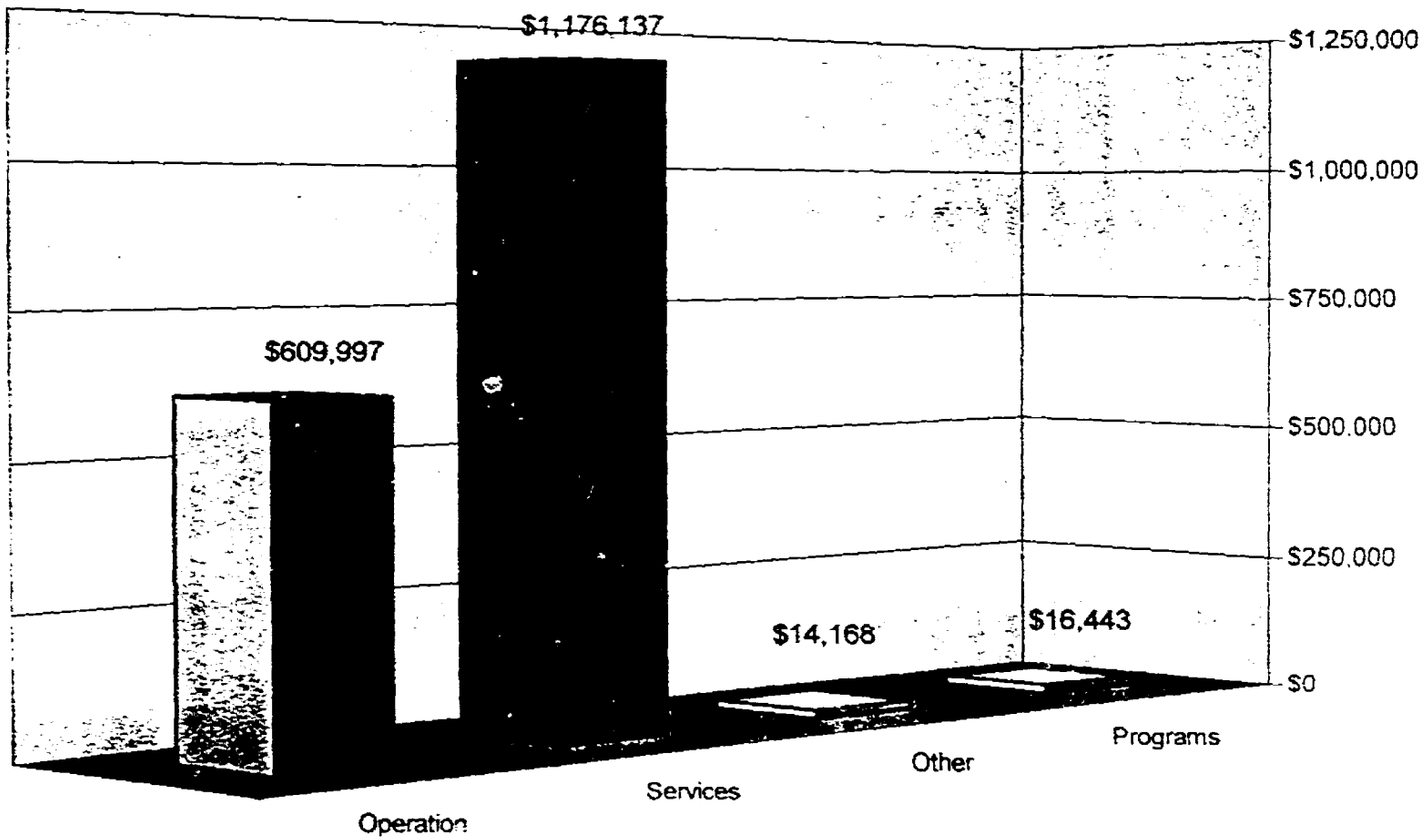
$1,188,272,514.95	$1,364,603.66	$631,472.50
Statewide Assessment	County Levy	Disbursement

Disbursement to County Levy **46.27516%**

Service Units



Dollars


$1,176,137
$609,997
$14,168
$16,443
$1,250,000
$1,000,000
$750,000
$500,000
$250,000
$0
Operation
Services
Other
Programs

Tape 4 side 1

CHECK AMTS (if appropriation increased by $200,000/year)

MILL LEVY REPORT **Based on tax year 1999**

ENTITY	ASSESSED VALUE	CHECK AMOUNT
ADAMS	$9,560.96	$5,825.63
BARNES	$31,815.12	$19,385.41
BENSON	$15,107.71	$9,205.34
BOTTINEAU	$21,680.29	$13,210.11
BOWMAN	$11,133.06	$6,783.53
BURKE	$7,814.54	$4,761.61
BURLEIGH	$156,269.21	$95,217.06
CASS	$225,748.97	$137,552.07
CAVALIER	$21,935.12	$13,365.38
DICKEY	$12,853.27	$7,831.68
DIVIDE	$6,499.96	$3,960.52
EDDY	$7,972.77	$4,857.92
EMMONS	$5,900.49	$3,595.25
FOSTER	$9,467.22	$5,768.51
GOLDEN VALLEY	$4,943.48	$3,012.13
GRAND FORKS	$106,888.04	$65,128.41
GRANT	N/A	1mill
GRIGGS	$7,901.44	$4,814.46
HETTINGER	$12,811.28	$7,806.10
KIDDER	$8,433.30	$5,138.53
LAMOURE	$13,839.24	$8,432.45
LOGAN	$7,758.47	$4,727.35
MCHENRY	$30,485.43	$18,575.21
MCINTOSH	$8,566.89	$5,219.93
MCLEAN	$21,100.72	$12,856.97
MORTON	$70,051.60	$42,683.44
MOUNTRAIL	$13,391.84	$8,159.84
NELSON	$10,395.39	$6,334.06
OLIVER	$4,589.98	$2,796.74
PEMBINA	$26,670.37	$16,250.63
PIERCE	$11,013.69	$6,710.80
RAMSEY	$21,914.98	$13,353.11
RANSOM	$18,165.00	$11,068.19
RENVILLE	$8,882.14	$5,412.01
RICHLAND	$42,068.79	$25,633.11
ROLETTE	$11,186.56	$6,816.13
SARGENT	$10,987.56	$6,694.89
SHERIDAN	$5,677.12	$3,459.15
SIOUX	$1,989.95	$1,212.50
SLOPE	$4,174.60	$2,543.64
STARK	$29,877.74	$18,204.93
STEELE	$9,131.41	$5,563.90
STUTSMAN	$72,939.66	$44,443.18
TOWNER	$10,133.86	$6,174.71
TRAILL	$20,608.87	$12,557.28
WALSH	$27,672.38	$16,861.18
WARD	$89,700.00	$54,655.49
WELLS	$14,266.28	$8,692.65
WILLIAMS	$56,036.01	$34,143.54
CITIES		
BEULAH	$3,268.72	$1,991.68
* CARSON	$237.19	$144.53
HAZEN	$2,484.77	$1,514.00
* ELGIN	$400.36	$243.95
* NEW LEIPZIG	$199.87	$121.79
	$1,364,603.66	$831,472.50
		$831,472.530
	$831,472.50	
		60.93143%

* Cities within Grant County would removed from the distribution list as of tax yr 2000

COUNTY ASSESSMENT VALUE AND MILLS FOR SENIOR CITIZENS
BASED ON TAX YEAR 2000

		CURRENT			GOVERNOR'S BUDGET			COMPARISONS
COUNTY	ASSESSED VALUE	CURRENT MILLS	CURRENT CO LEVY	CURRENT DHS AMT	CURRENT MILLS	CURRENT CO LEVY	PROPOSED DHS AMT	CURRENT TO GOV BUDGET
ADAMS	$6,535,650.00	0.1270%	$8,300.28	$3,586.83	0.1270%	$8,300.28	$4,722.85	[illegible]
BARNES	$26,973,513.00	0.1180%	$31,828.75	$13,754.28	0.1180%	$31,828.75	$18,110.54	[illegible]
BENSON	$11,435,717.00	0.1300%	$14,866.43	$6,424.29	0.1300%	$14,866.43	$8,458.99	[illegible]
BOTTINEAU	$19,567,468.00	0.1070%	$20,937.19	$9,047.67	0.1070%	$20,937.19	$11,913.25	[illegible]
BOWMAN	$8,429,929.00	0.2000%	$16,859.86	$7,285.72	0.2000%	$16,859.86	$9,593.25	[illegible]
BURKE	$8,168,517.00	0.1010%	$8,250.20	$3,565.19	0.1010%	$8,250.20	$4,694.36	[illegible]
BURLEIGH	$122,033,295.00	0.1320%	$161,083.95	$69,609.84	0.1320%	$161,083.95	$91,656.68	[illegible]
CASS	$242,295,621.00	0.1000%	$242,295.62	$104,704.17	0.1000%	$242,295.62	$137,866.07	[illegible]
CAVALIER	$18,086,844.00	0.1220%	$22,065.95	$9,535.45	0.1220%	$22,065.95	$12,555.51	[illegible]
DICKEY	$13,599,295.00	0.1000%	$13,599.30	$5,876.72	0.1000%	$13,599.30	$7,737.99	[illegible]
DIVIDE	$8,765,891.89	0.0740%	$6,486.76	$2,803.15	0.0740%	$6,486.76	$3,690.96	[illegible]
EDDY	$5,642,596.00	0.1500%	$8,463.89	$3,657.54	0.1500%	$8,463.89	$4,815.95	[illegible]
EMMONS	$12,198,212.00	0.0500%	$6,099.11	$2,635.63	0.0500%	$6,099.11	$3,470.39	[illegible]
FOSTER	$10,471,435.00	0.1000%	$10,471.44	$4,525.06	0.1000%	$10,471.44	$5,958.24	[illegible]
GOLDEN VALLEY	$5,105,641.00	0.1000%	$5,105.64	$2,206.32	0.1000%	$5,105.64	$2,905.11	[illegible]
GRAND FORKS	$106,888,038.00	0.1000%	$106,888.04	$46,189.95	0.1000%	$106,888.04	$60,819.23	[illegible]
GRANT	$7,655,896.00	0.1000%	$7,655.90	$3,308.37	0.1000%	$7,655.90	$4,356.20	[illegible]
GRIGGS	$8,185,507.00	0.1000%	$8,185.51	$3,537.24	0.1000%	$8,185.51	$4,657.55	[illegible]
HETTINGER	$7,858,253.00	0.1630%	$12,808.96	$5,535.19	0.1630%	$12,808.96	$7,288.29	[illegible]
KIDDER	$8,179,276.00	0.1030%	$8,424.65	$3,640.58	0.1030%	$8,424.65	$4,793.62	[illegible]
LAMOURE	$13,956,918.00	0.1360%	$18,981.41	$8,202.51	0.1360%	$18,981.41	$10,800.41	[illegible]
LOGAN	$6,180,966.00	0.1710%	$10,569.45	$4,567.42	0.1710%	$10,569.45	$6,014.01	[illegible]
MCHENRY	$16,653,549.00	0.1310%	$21,816.15	$9,427.50	0.1310%	$21,816.15	$12,413.38	[illegible]
MCINTOSH	$8,993,357.00	0.1000%	$8,993.36	$3,886.33	0.1000%	$8,993.36	$5,117.22	[illegible]
MCLEAN	$21,550,648.00	0.1960%	$42,239.27	$18,253.02	0.1960%	$42,239.27	$24,034.12	[illegible]
MORTON	$47,145,843.00	0.2000%	$94,291.69	$40,746.64	0.2000%	$94,291.69	$53,651.92	[illegible]
MOUNTRAIL	$13,535,374.00	0.1000%	$13,535.37	$5,849.09	0.1000%	$13,535.37	$7,701.62	[illegible]
NELSON	$10,324,929.00	0.1000%	$10,324.93	$4,461.75	0.1000%	$10,324.93	$5,874.88	[illegible]
OLIVER	$4,740,645.00	0.0970%	$4,598.43	$1,987.14	0.0970%	$4,598.43	$2,616.50	[illegible]
PEMBINA	$27,223,281.00	0.1000%	$27,223.28	$11,764.10	0.1000%	$27,223.28	$15,490.03	[illegible]
PIERCE	$11,599,536.00	0.1030%	$11,947.52	$5,162.93	0.1030%	$11,947.52	$6,798.13	[illegible]
RAMSEY	$22,596,455.00	0.1000%	$22,596.46	$9,764.70	0.1000%	$22,596.46	$12,857.37	[illegible]
RANSOM	$12,673,997.00	0.1430%	$18,123.82	$7,831.92	0.1430%	$18,123.82	$10,312.44	[illegible]
RENVILLE	$8,986,524.00	0.1000%	$8,986.52	$3,883.38	0.1000%	$8,986.52	$5,113.33	[illegible]
RICHLAND	$39,194,926.00	0.1140%	$44,682.22	$19,308.70	0.1140%	$44,682.22	$25,424.16	[illegible]
ROLETTE	$8,873,038.00	0.1280%	$11,358.64	$4,908.45	0.1280%	$11,358.64	$6,463.06	[illegible]
SARGENT	$12,150,114.00	0.1000%	$12,150.11	$5,250.48	0.1000%	$12,150.11	$6,913.41	[illegible]
SHERIDAN	$5,798,379.00	0.1000%	$5,798.38	$2,505.68	0.1000%	$5,798.38	$3,299.27	[illegible]
SIOUX	$1,999,461.00	0.1000%	$1,999.46	$864.03	0.1000%	$1,999.46	$1,137.69	[illegible]
SLOPE	$4,668,933.00	0.0900%	$4,202.04	$1,815.84	0.0900%	$4,202.04	$2,390.96	[illegible]
STARK	$31,025,230.00	0.1000%	$31,025.23	$13,407.06	0.1000%	$31,025.23	$17,653.34	[illegible]
STEELE	$9,448,421.00	0.1000%	$9,448.42	$4,082.98	0.1000%	$9,448.42	$5,376.15	[illegible]
STUTSMAN	$42,809,556.00	0.1720%	$73,632.44	$31,819.08	0.1720%	$73,632.44	$41,896.82	[illegible]
TOWNER	$10,813,915.00	0.0940%	$10,165.08	$4,392.68	0.0940%	$10,165.08	$5,783.92	[illegible]
TRAILL	$22,383,187.00	0.0910%	$20,368.70	$8,802.01	0.0910%	$20,368.70	$11,589.78	[illegible]
WALSH	$28,425,162.00	0.1000%	$28,425.16	$12,283.48	0.1000%	$28,425.16	$16,173.90	[illegible]
WARD	$93,086,868.69	0.0990%	$92,750.00	$40,080.42	0.0990%	$92,750.00	$52,774.70	[illegible]
WELLS	$15,245,785.00	0.1000%	$15,245.79	$6,588.22	0.1000%	$15,245.79	$8,674.84	[illegible]
WILLIAMS	$33,639,429.00	0.1690%	$56,850.64	$24,567.09	0.1690%	$56,850.64	$32,347.98	[illegible]
CITIES								
BEULAH	$3,298,410.00	0.0991%	$3,268.72	$1,412.53	0.0991%	$3,268.72	$1,859.90	[illegible]
HAZEN	$2,506,345.00	0.2000%	$5,012.69	$2,166.15	0.2000%	$5,012.69	$2,852.22	[illegible]
	$1,250,206,679.58		$1,461,288.77	$631,472.50		$1,461,288.77	$831,472.50	[illegible]
	Statewide Assessment		County Levy	Disbursement		County Levy	Disbursement	
		Disbursement to County Levy		43.21340%	Disbursement to County Levy		56.89994%	
				$631,472.50			$831,472.50	
				X 2 YEARS			X 2 YEARS	
				$1,262,945.00			$1,662,945.00	

2/27/01

COUNTY ASSESSMENT VALUE AND MILLS FOR SENIOR CITIZENS
BASED ON TAX YEAR 2000

		CURRENT			PROPOSED 1 MILL			COMPARISONS	
COUNTY	ASSESSED VALUE	CURRENT MILLS	CURRENT CO LEVY	CURRENT DHS AMT	PROPOSED MILLS	PROPOSED TO 1 MILL	PROPOSED DHS AMT	Co Levy	DHS Amt
A	$6,535,650.00	0.1270%	$8,300.28	$3,566.83	0.1000%	$6,535.65	$3,267.83	($1,764.63)	($299.01)
B	$26,973,513.00	0.1160%	$31,628.75	$13,754.28	0.1000%	$26,973.51	$13,486.76	($4,655.23)	($267.52)
BENSON	$11,435,717.00	0.1300%	$14,866.43	$6,424.29	0.1000%	$11,435.72	$5,717.86	($3,430.72)	($706.43)
BOTTINEAU	$19,567,468.00	0.1070%	$20,937.19	$9,047.87	0.1000%	$19,567.47	$9,783.73	($1,369.72)	$736.86
BOWMAN	$8,429,929.00	0.2000%	$16,859.86	$7,285.72	0.1000%	$8,429.93	$4,214.96	($8,429.93)	($3,070.76)
BURKE	$8,168,517.00	0.1010%	$8,250.20	$3,565.19	0.1000%	$8,168.52	$4,084.26	($81.69)	$519.07
BURLEIGH	$122,033,295.00	0.1320%	$161,083.95	$69,609.64	0.1000%	$122,033.30	$61,016.65	($39,050.65)	($8,593.19)
CASS	$242,295,621.00	0.1000%	$242,295.62	$104,704.17	0.1000%	$242,295.62	$121,147.82	$0.00	$16,443.65
CAVALIER	$18,086,844.00	0.1220%	$22,065.95	$9,535.45	0.1000%	$18,086.84	$9,043.42	($3,979.11)	($492.03)
DICKEY	$13,599,295.00	0.1000%	$13,599.30	$5,876.72	0.1000%	$13,599.30	$6,799.65	$0.00	$922.93
DIVIDE	$8,765,891.89	0.0740%	$6,486.76	$2,805.15	0.0740%	$6,486.76	$3,243.38	$0.00	$440.23
EDDY	$5,642,596.00	0.1500%	$8,463.89	$3,657.54	0.1000%	$5,642.60	$2,821.30	($2,821.30)	($836.24)
EMMONS	$12,198,212.00	0.0500%	$6,099.11	$2,635.63	0.0500%	$6,099.11	$3,049.55	$0.00	$413.92
FOSTER	$10,471,435.00	0.1000%	$10,471.44	$4,525.06	0.1000%	$10,471.44	$5,235.72	$0.00	$710.66
GOLDEN VALLEY	$5,105,641.00	0.1000%	$5,105.64	$2,206.32	0.1000%	$5,105.64	$2,552.82	$0.00	$346.50
GRAND FORKS	$106,888,038.00	0.1000%	$106,888.04	$46,189.95	0.1000%	$106,888.04	$53,444.02	$0.00	$7,254.07
GRANT	$7,655,896.00	0.1000%	$7,655.90	$3,308.37	0.1000%	$7,655.90	$3,827.95	$0.00	$519.58
GRIGGS	$8,185,507.00	0.1000%	$8,185.51	$3,537.24	0.1000%	$8,185.51	$4,092.75	$0.00	$555.52
HETTINGER	$7,858,256.00	0.1630%	$12,808.96	$5,535.19	0.1000%	$7,858.26	$3,929.13	($4,950.70)	($1,606.06)
KIDDER	$8,179,276.00	0.1030%	$8,424.65	$3,640.58	0.1000%	$8,179.28	$4,089.64	($245.38)	$449.06
LAMOURE	$13,956,918.00	0.1360%	$18,981.41	$8,202.51	0.1000%	$13,956.92	$6,978.46	($5,024.49)	($1,224.05)
LOGAN	$6,180,966.00	0.1710%	$10,569.45	$4,567.42	0.1000%	$6,180.97	$3,090.48	($4,388.49)	($1,476.94)
MCHENRY	$16,653,549.00	0.1310%	$21,816.15	$9,427.50	0.1000%	$16,653.55	$8,326.77	($5,162.60)	($1,100.72)
MCINTOSH	$8,993,357.00	0.1000%	$8,993.36	$3,886.33	0.1000%	$8,993.36	$4,496.68	$0.00	$610.34
MCLEAN	$21,550,648.00	0.1960%	$42,239.27	$18,253.02	0.1000%	$21,550.65	$10,775.32	($20,688.62)	($7,477.70)
MORTON	$47,145,843.00	0.2000%	$94,291.69	$40,748.64	0.1000%	$47,145.84	$23,572.92	($47,145.84)	($17,173.72)
MOUNTRAIL	$13,535,374.00	0.1000%	$13,535.37	$5,849.09	0.1000%	$13,535.37	$6,767.69	$0.00	$918.59
NELSON	$10,324,929.00	0.1000%	$10,324.93	$4,461.75	0.1000%	$10,324.93	$5,162.46	$0.00	$700.71
OLIVER	$4,740,645.00	0.0970%	$4,598.43	$1,987.14	0.0970%	$4,598.43	$2,299.21	$0.00	$312.08
PEMBINA	$27,223,281.00	0.1000%	$27,223.28	$11,764.10	0.1000%	$27,223.28	$13,611.64	$0.00	$1,847.54
PIERCE	$11,599,536.00	0.1030%	$11,947.52	$5,162.93	0.1000%	$11,599.54	$5,799.77	($347.99)	$636.84
RAMSEY	$22,596,455.00	0.1000%	$22,596.46	$9,764.70	0.1000%	$22,596.46	$11,298.23	$0.00	$1,533.53
RANSOM	$12,673,997.00	0.1430%	$18,123.82	$7,831.92	0.1000%	$12,674.00	$6,337.00	($5,449.82)	($1,494.92)
REMVILLE	$8,986,524.00	0.1000%	$8,986.52	$3,883.38	0.1000%	$8,986.52	$4,493.26	$0.00	$609.88
F ND	$39,194,926.00	0.1140%	$44,682.22	$19,308.70	0.1000%	$39,194.93	$19,597.46	($5,487.29)	$288.76
I E	$8,873,938.00	0.1280%	$11,358.64	$4,908.45	0.1000%	$8,873.94	$4,436.97	($2,484.70)	($471.49)
GR NT	$12,150,114.00	0.1000%	$12,150.11	$5,250.48	0.1000%	$12,150.11	$6,075.06	$0.00	$824.58
SHERIDAN	$5,798,379.00	0.1000%	$5,798.38	$2,505.68	0.1000%	$5,798.38	$2,899.19	$0.00	$392.51
SIOUX	$1,999,461.00	0.1000%	$1,999.46	$864.03	0.1000%	$1,999.46	$999.73	$0.00	$135.70
SLOPE	$4,668,933.00	0.0900%	$4,202.04	$1,815.84	0.0900%	$4,202.04	$2,101.02	$0.00	$285.18
STARK	$31,025,230.00	0.1000%	$31,025.23	$13,407.06	0.1000%	$31,025.23	$15,512.62	$0.00	$2,105.56
STEELE	$9,448,421.00	0.1000%	$9,448.42	$4,082.98	0.1000%	$9,448.42	$4,724.21	$0.00	$641.23
STUTSMAN	$42,809,556.00	0.1720%	$73,632.44	$31,819.08	0.1000%	$42,809.56	$21,404.78	($30,822.88)	($10,414.30)
TOWNER	$10,813,915.00	0.0940%	$10,165.08	$4,392.88	0.0940%	$10,165.08	$5,082.54	$0.00	$689.66
TRAILL	$22,383,187.00	0.0910%	$20,368.70	$8,802.01	0.0910%	$20,368.70	$10,184.35	$0.00	$1,382.34
WALSH	$28,425,162.00	0.1000%	$28,425.16	$12,283.48	0.1000%	$28,425.16	$14,212.58	$0.00	$1,929.10
WARD	$93,666,868.69	0.0990%	$92,750.00	$40,080.42	0.0990%	$92,750.00	$46,375.00	$0.00	$6,294.58
WELLS	$15,245,785.00	0.1000%	$15,245.79	$6,588.22	0.1000%	$15,245.79	$7,622.89	$0.00	$1,034.67
WILLIAMS	$33,639,429.00	0.1690%	$56,850.64	$24,567.09	0.1000%	$33,639.43	$16,819.72	($23,211.21)	($7,747.37)
CITIES									
BEULAH	$3,298,410.00	0.0991%	$3,268.72	$1,412.53	0.0991%	$3,268.72	$1,634.36	$0.00	$221.84
HAZEN	$2,506,345.00	0.2000%	$5,012.69	$2,166.15	0.1000%	$2,506.35	$1,253.17	($2,506.35)	($912.98)
	$1,250,206,679.58		$1,461,288.77	$631,472.50		$1,237,569.45	$618,794.75	($223,699.32)	($12,677.75)
	Statewide Assessment		County Levy	Disbursement		County Levy	Disbursement		
		Disbursement to County Levy		43.21340%	Disbursement to County Levy		50.00000%		
				$631,472.50			$618,794.75		
				X 2 YEARS			X 2 YEARS		
				$1,262,945.00			$1,237,589.50		

2/13/2001

COUNTY ASSESSMENT VALUE AND MILLS FOR SENIOR CITIZENS
Based on TAX YEAR 2000 Valuations & Disbursement is at 50 cents

COUNTY	ASSESSED VALUE	CURRENT MILLS	Potential Check Amts
ADAMS	$6,635,650 00	0 1270%	$4,150 14
BARNES	$26,973,513 00	0 1180%	$15,914 37
BENSON	$11,435,717 00	0 1300%	$7,433 22
BOTTINEAU	$19,567,468 00	0 1070%	$10,468 60
BOWMAN	$8,429,929 00	0 2000%	$8,429 93
BURKE	$8,168,517 00	0 1010%	$4,125 10
BURLEIGH	$122,033,295 00	0 1320%	$80,541 98
CASS	$242,295,621 00	0 1000%	$121,147 82
CAVALIER	$18,086,844 00	0 1220%	$11,032 98
DICKEY	$13,599,295 00	0 1000%	$6,799 65
DIVIDE	$8,765,891 89	0 0740%	$3,243 38
EDDY	$5,642,596 00	0 1500%	$4,231 95
EMMONS	$12,198,212 00	0 0500%	$3,049 55
FOSTER	$10,471,435 00	0 1000%	$5,235 72
GOLDEN VALLEY	$5,105,641 00	0 1000%	$2,552 82
GRAND FORKS	$106,888,038 00	0 1000%	$53,444 02
GRANT	$7,655,896 00	0 1000%	$3,827.95
GRIGGS	$8,185,507 00	0 1000%	$4,092 75
HETTINGER	$7,858,256 00	0 1630%	$6,404 48
KIDDER	$8,179,276 00	0 1030%	$4,212 33
LAMOURE	$13,956,918 00	0.1360%	$9,490 71
LOGAN	$6,180,966 00	0 1710%	$5,284 73
MCHENRY	$16,653,549 00	0 1310%	$10,908 08
MCINTOSH	$8,993,357 00	0 1000%	$4,496 68
MCLEAN	$21,550,648 00	0 1960%	$21,119 64
MORTON	$47,145,843 00	0 2000%	$47,145 85
MOUNTRAIL	$13,535,374.00	0 1000%	$6,767 69
NELSON	$10,324,929 00	0 1000%	$5,162.46
OLIVER	$4,740,645.00	0 0970%	$2,299 21
PEMBINA	$27,223,281.00	0 1000%	$13,611.64
PIERCE	$11,599,536.00	0 1030%	$5,973.76
RAMSEY	$22,596,455.00	0 1000%	$11,298.23
RANSOM	$12,673,997.00	0 1430%	$9,061.91
RENVILLE	$8,986,524.00	0.1000%	$4,493.26
RICHLAND	$39,194,926.00	0 1140%	$22,341.11
ROLETTE	$8,873,938.00	0.1280%	$5,679.32
SARGENT	$12,150,114.00	0 1000%	$6,075.06
SHERIDAN	$5,798,379.00	0.1000%	$2,899.19
SIOUX	$1,999,461.00	0.1000%	$999.73
SLOPE	$4,668,933.00	0 0900%	$2,101.02
STARK	$31,025,230.00	0.1000%	$15,512.62
STEELE	$9,448,421.00	0.1000%	$4,724.21
STUTSMAN	$42,809,556.00	0.1720%	$36,816.22
TOWNER	$10,813,915.00	0.0940%	$5,082.54
TRAILL	$22,383,187.00	0.0910%	$10,184.35
WALSH	$28,425,162.00	0.1000%	$14,212.58
WARD	$93,686,868 69	0 0990%	$46,375.00
WELLS	$15,245,785.00	0.1000%	$7,622.89
WILLIAMS	$33,639,429.00	0.1690%	$28,425 32
CITIES			
BEULAH	$3,298,410.00	0 0991%	$1,634.36
HAZEN	$2,506,345.00	0.2000%	$2,506.35

$1,250,206,679.58 — Statewide Assessment

$730,644.45 — Disbursement

Disbursement to Co 50.00000%

2/13/01

COUNTY ASSESSMENT VALUE AND MILLS FOR SENIOR CITIZENS

Based on TAX YEAR 2000–Proposed Additional $75,000/yr ($150,000/biennium)

COUNTY	ASSESSED VALUE	MILLS	COUNTY LEVY	CHECK AMOUNT
ADAMS	$6,535,650.00	0.1270%	$8,300.28	$4,012.84
BARNES	$26,073,513.00	0.1180%	$31,828.75	$15,387.88
BENSON	$11,435,717.00	0.1300%	$14,866.43	$7,187.30
BOTTINEAU	$19,507,468.00	0.1070%	$20,937.19	$10,122.20
BOWMAN	$8,429,029.00	0.2000%	$16,859.86	$8,151.04
BURKE	$8,168,517.00	0.1010%	$8,250.20	$3,988.63
BURLEIGH	$122,033,295.00	0.1320%	$161,083.95	$77,877.41
CASS	$242,295,621.00	0.1000%	$242,295.62	$117,139.88
CAVALIER	$18,086,844.00	0.1220%	$22,065.95	$10,667.97
DICKEY	$13,599,295.00	0.1000%	$13,599.30	$6,574.69
DIVIDE	$8,765,891.89	0.0740%	$6,486.76	$3,136.08
EDDY	$5,642,596.00	0.1500%	$8,463.89	$4,091.94
EMMONS	$12,108,212.00	0.0500%	$6,099.11	$2,948.66
FOSTER	$10,471,435.00	0.1000%	$10,471.44	$5,062.50
GOLDEN VALLEY	$5,105,641.00	0.1000%	$5,105.64	$2,468.37
GRAND FORKS	$106,888,038.00	0.1000%	$106,888.04	$51,675.93
GRANT	$7,655,896.00	0.1000%	$7,655.90	$3,701.31
GRIGGS	$8,185,507.00	0.1000%	$8,185.51	$3,957.35
HETTINGER	$7,858,256.00	0.1630%	$12,808.96	$6,192.60
KIDDER	$8,179,276.00	0.1030%	$8,424.65	$4,072.97
LAMOURE	$13,956,918.00	0.1360%	$18,981.41	$9,176.72
LOGAN	$6,180,966.00	0.1710%	$10,569.45	$5,109.89
MCHENRY	$16,653,549.00	0.1310%	$21,816.15	$10,547.20
MCINTOSH	$8,993,357.00	0.1000%	$8,993.36	$4,347.92
MCLEAN	$21,550,648.00	0.1960%	$42,239.27	$20,420.93
MORTON	$47,145,843.00	0.2000%	$94,291.69	$45,588.12
MOUNTRAIL	$13,535,374.00	0.1000%	$13,535.37	$6,543.79
NELSON	$10,324,029.00	0.1000%	$10,324.03	$4,991.67
OLIVER	$4,740,645.00	0.0970%	$4,598.43	$2,223.15
PEMBINA	$27,223,281.00	0.1000%	$27,223.28	$13,161.33
PIERCE	$11,599,536.00	0.1030%	$11,947.52	$5,776.13
RAMSEY	$22,596,455.00	0.1000%	$22,596.46	$10,924.45
RANSOM	$12,673,997.00	0.1430%	$18,123.82	$8,762.11
RENVILLE	$8,986,524.00	0.1000%	$8,986.52	$4,344.61
RICHLAND	$39,194,926.00	0.1140%	$44,682.22	$21,602.00
ROLETTE	$8,873,936.00	0.1280%	$11,358.64	$5,491.43
SARGENT	$12,150,114.00	0.1000%	$12,150.11	$5,874.08
SHERIDAN	$5,798,379.00	0.1000%	$5,798.38	$2,803.28
SIOUX	$1,999,461.00	0.1000%	$1,999.46	$966.66
SLOPE	$4,668,933.00	0.0900%	$4,202.04	$2,031.51
STARK	$31,025,230.00	0.1000%	$31,025.23	$14,999.41
STEELE	$9,448,421.00	0.1000%	$9,448.42	$4,567.92
STUTSMAN	$42,809,556.00	0.1720%	$73,632.44	$35,598.23
TOWNER	$10,813,915.00	0.0940%	$10,165.08	$4,914.39
TRAILL	$22,383,187.00	0.0910%	$20,368.70	$9,847.42
WALSH	$28,425,162.00	0.1000%	$28,425.16	$13,742.39
WARD	$93,686,868.89	0.0990%	$92,750.00	$44,840.78
WELLS	$15,245,785.00	0.1000%	$15,245.79	$7,370.70
WILLIAMS	$33,639,429.00	0.1690%	$56,850.64	$27,484.92
CITIES				
BEULAH	$3,298,410.00	0.0991%	$3,268.72	$1,580.29
HAZEN	$2,506,345.00	0.2000%	$5,012.69	$2,423.43
	$1,250,206,679.58 Statewide Assessment		$1,461,288.77 County Levy	$706,472.50 Disbursement

Disbursement to County Levy 48.34685%

$706,472.50
X 2 Years
$1,412,945.00

AARP was founded in 1958 by Dr. Ethel Percy Andrus as a voluntary, nonprofit, nonpartisan organization dedicated to improving the quality of life of its members and people of all ages. Since sound laws and their implementation are a major means of enhancing the quality of life for the whole community, AARP is active in the public policy arena.

In North Dakota there are more than 71,244[1] AARP members. The AARP North Dakota State Legislative Committee (SLC), a volunteer body composed of AARP members from across the state, represents these members' interests before the state's legislative and administrative bodies. Often, the SLC works in cooperation with broad-based coalitions and other AARP program volunteers.

Working with and at the direction of the SLC are several other AARP volunteers, including the Capital City Task Force (CCTF) and the AARP/VOTE Coordinator. The CCTF is a group of AARP volunteers physically located near Bismarck. They attend legislative hearings, testify before legislative committees, track bills, research issues, and update the SLC. The AARP/VOTE program educates the public about important public policy issues and where candidates for public office stand on them. The AARP/VOTE Coordinator serves as an ex officio member of the SLC. The SLC also works closely with state affiliates of the National Retired Teachers Association (NRTA), a division of AARP. NRTA members are dedicated to continuous educational opportunity, advocacy, and service.

AARP provides responsible, effective advocacy when and where our members need it.

[1] Source: *AARP Membership Report*, October 2000

AARP is the nation's leading organization for people age 50 and older. It serves their needs and interests through information and education, advocacy, and community services provided by a network of local chapters and experienced volunteers throughout the country. The organization also offers members a wide range of special benefits and services, including *Modern Maturity* magazine and the monthly *Bulletin*.

For more information, contact:

ND AARP SLC/CCTF Volunteer

D1433 © SL100ND011501

NORTH DAKOTA
STATE LEGISLATIVE COMMITTEE

Helping Shape State Policy

2001 Legislative Program

AARP

North Dakota State Legislative Committee

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* Member, Capital City Task Force

Each year, the North Dakota State Legislative Committee selects legislative priorities, which are consistent with the policies adopted by AARP's Board of Directors. These priorities are based on the needs of the state's residents and developed from feedback from member surveys, general member communications, and AARP-sponsored hearings and events. Throughout the year, the SLC may work on other legislative and regulatory proposals as they arise.

2001 North Dakota SLC Legislative Program

- Restore dollar for dollar state funding for the Senior Citizens Mill Levy Match in order to improve local aging services
- Provide funding for adult protective services
- Expand long-term care services that help seniors and the disabled stay in their own homes, including the SPED and Expanded SPED programs
- Help older North Dakotans with the high cost of prescription drugs
- Ensure access to guardianship and conservatorship services for vulnerable adults

North Dakota Capital City Task Force

CCTF COORDINATOR
Norman E. Stuhlmiller*

MEMBERS

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* Member, State Legislative Committee

Turned in below

We, the undersigned Senior Citizens, are in support of Dollar for Dollar State Mill Levy Match to help support essential services for the elderly and to help maintain Senior Centers where these services are delivered.

****

NAME	ADDRESS
Ramona Reinert	Box 541 Harrison, N.D. 58540
Bernice Halab	Box 262 Harrison, ND 58540
Eunice Holt	341 - 5th Ave NE Harrison ND 58540
Ida Carlson	Box 802 Harrison, ND 58540
Edna Hammel	333 6th Ave N.E. #3A Harrison, N.D.
Sophia Hammel	30 - 4th St. N.E. Harrison, N. Dak
Sophia Flaginger	203 1st Ave N.E.
Ruth Fredrick	30 4th St N.E. Harrison ND
Dorothy Carlson	P.O. Box 352 Harrison N.D.
Gladys Pile	P.O. Box 43 " "
Lillie E. Eslinger	P.O. Box 933 Harrison, N.D.
Ella Hammel	P.O. Box 94 Harrison, ND
Leona M. Ziegler	Box 387 Harrison, N.D.
Irene Christian	Box 356 Harrison N.D.
Laura Rime	Box 276 Harrison
Nettie Iverson	Box 44 Harrison, N.D.
Lucile Hodges	Box 344 Harrison, ND
Clara Bartlett	Box 45 Harrison, ND
Evelyn Kalsbach	Harrison Box 44 Harrison
Carl Larson	Harrison P.O. Box 99
Viola Fry Box 99 Harrison in McLean County	
Gladys B. Lund Box 2 - 5 St SE Harrison N Dak	
Lena Larson	103 5th St SE #4 Harrison N.D
Ethel Larson	132 - 3rd St SE Harrison N.D
Jeanette Iverson	Box 753 Harrison, N Dak.
Mildred Hanson	333 6th Ave NE Apt 3N Harrison
Richard B. Dunbar	30 - 4TH ST. NE. CARRISON
E.A. Stern	P.O. Box 1177 CARRISON, N.D. 58540
John Jungling	P.O. Box 444 Harrison ND

Sample of several petitions turned in

January 10, 2001

TO: Linda Wright, Director, Aging Services Division

FR: Gerry Hegstad, Deputy Director, Aging Services Division

RE: State Aid for Transportation

Attached is information you requested as a result of a question posed to you by Representative Delzer January 9, 2001. It is my understanding Representative Delzer wanted to know what difference the increase in transit dollars approved in the 1999 legislative session had on local funds to providers and services.

The attached information shows the funding level for the past three years as well as the year ending June 20, 2001. To put the funding into perspective it needs to be noted the amount distributed in 1997 was greater than 1998 due to a roll up of dollars. 1997 and 1998 were years when $1.00 per license plate was assessed. 1999 reflects about 75% of the $2.00 assessed. This is due to a phase in of the increase which began midway through the funding period. 2000 reflects the full $2.00 assessment.

The Department of Transportation does not identify transit services (rides) delivered by funding source. Reports show that rides provided through federal, state, local and fare box dollars totaled 1,602,227 for the year ended June 30,1999 and 1,585,393 for the year ended June 30, 2000.

Although funding increased, the number or rides for 1999 and 2000 were almost equal.

The lack of in increased rides in spite of increased funding may have been due to a significant rise in fuel prices coupled with increases in labor, insurance and bus replacement cost.

Statistics in this report came from Department of Transportation records. For further information contact Bill Weimer @ 328-2194.

2000 LIST OF RECIPIENTS OF STATE AID FOR PUBLIC TRANSIT FUNDS NORTH DAKOTA DEPT. OF TRANSPORTATION (JULY 2000 - JUNE 2001)

Project Sub	Project Name	Project Agreement Number	Funding Amount (by formula)*
1.	Benson Co. Transportation, Maddock, ND	($12,208)	----
2.	Bis-Man Transit Board, Bismarck, ND		116,336
3.	Cavalier Co. Sr. Meals & Services, Langdon, ND	($20,368)	----
4.	Dickey County Sr. Citizens, Ellendale, ND		20,426
5.	Dunn Co. Council on Aging, Killdeer, ND		17,595
6.	Elder Care, Dickinson, ND		42,955
7.	Emmons Co. Council on Aging, Braddock, ND		18,706
8.	Fargo Metropolitan Area Transit, Fargo, ND		106,147
9.	Fargo Senior Commission, Inc., Fargo, ND (Includes Cass, Richland, Steele, and Traill Counties.)		111,432
10.	Glen Ullin City of (Sr. Transport.) Glen Ullin, ND		4,675
11.	Golden Valley/Billings Co. Cncl. on Aging, Beach, ND		28,732
12.	Grand Forks Public Tran. Dept., Grand Forks, ND		84,172
13.	Greater Grand Forks Sr. Citzn. Assn., Grand Forks, ND		23,238
14.	Handi-Wheels Transportation, Fargo, ND		9,286
15.	Hazen City of, Hazen, ND		10,948
16.	Jamestown City of, Jamestown, ND		6,100
17.	James River Sr. Citizens Center, Jamestown, ND		71,251
18.	Kenmare Wheels and Meals, Inc., Kenmare, ND		10,228
19.	Kidder Co. Sr. Services, Steele, ND		16,688
20.	Mercy Medical Center, Williston, ND		6,323
21.	Minot City of, Minot, ND		45,493
22.	Minot Commission on Aging, Minot, ND		30,045
23.	Nelson Co. Council on Aging, McVille, ND		18,140
24.	North Central Planning Council, Devils Lake, ND (Includes Benson and Cavalier Counties, Turtle Mountain Chippewa, Nutrition United, Senior Meals and Services, and Spirit Lake Tribe)	($6,100)	134,210
25.	Turtle Mt. Chippewa Nutrition & Support Servics, Belcourt, ND	($8,388)	----
26.	Nutrition United, Inc., Rolla, ND	($21,016)	----
27.	Pembina Co. Meals & Transportation, Drayton, ND		24,644
28.	Ransom Co. Council for the Aged, Lisbon, ND		20,176
29.	Sargent Sr. Council Transportation, Forman, ND		18,328
30	Senior Meals and Services, Devils Lake, ND ($39,356 plus Cando $17,086)		----
31.	Sitting Bull College, Fort Yates, ND		17,266
32.	Souris Basin Transportation, Minot, ND		130,568
33	South Central Adult Services Cncl., Valley City, ND		116,414
34	Southwest Transportation Services, Bowman, ND		63,781
35.	Spirit Lake Tribe Sr. Services, Ft. Totten, ND	($9,699)	----
36.	Tioga Senior Citizen Center, Tioga, ND		4,473
37.	Trenton Indian Service Area, Trenton, ND		17,935
38.	Walsh Co. Transportation Program, Park River, ND		30,842
39.	West River Transportation Council, Bismarck, ND		89,446
40.	Wildrose Sr. Transportation, Wildrose, ND		7,338
41.	Williston Council for the Aging, Williston, ND		32,728
42.	Three Affiliated Tribes Aging Program, New Town, ND		13,868
		TOTAL	**$1,520,933**

6-1-99

1999 LIST OF RECIPIENTS OF STATE AID FOR PUBLIC TRANSIT FUNDS NORTH DAKOTA DEPT. OF TRANSPORTATION (JULY 1999 - JUNE 2000)

Project Sub	Project Name	Project Agreement Number	Funding Amount (by formula)
1.	Benson Co. Transportation, Maddock, ND		$ 8,612
2.	Bis-Man Transit Board, Bismarck, ND		53,973
3.	Cass Co. Council on Aging, Casselton, ND		3,848
4.	Cavalier Co. Sr. Meals & Services, Langdon, ND		15,560
5.	Dickey County Sr. Citizens, Ellendale, ND		15,583
6.	Dunn Co. Council on Aging, Killdeer, ND		14,419
7.	Elder Care, Dickinson, ND		24,849
8.	Emmons Co. Council on Aging, Braddock, ND		14,876
9.	Fargo Metropolitan Area Transit, Fargo, ND		43,913
10.	Fargo Senior Commission, Inc., Fargo, ND		15,873
11.	Glen Ullin City of (Sr. Transport.) Glen Ullin, ND		4,292
12.	Golden Valley/Billings Co. Cncl. on Aging, Beach, ND		26,182
13.	Grand Forks Public Tran. Dept., Grand Forks, ND		41,420
14.	Greater Grnd Frks Sr. Citzn. Assn., Grand Forks, ND		9,938
15.	Handi-Wheels Transportation, Fargo, ND		5,558
16.	Hazen City of, Hazen, ND		8,382
17.	Jamestown City of, Jamestown, ND		6,100
18.	James River Sr. Citizens Center, Jamestown, ND		47,261
19.	Kenmare Wheels and Meals, Inc., Kenmare, ND		5,906
20.	Kidder Co. Sr. Services, Steele, ND		14,046
21.	Mercy Medical Center, Williston, ND		4 560
22.	Minot City of, Minot, ND		20,442
23.	Minot Commission on Aging, Minot, ND		14,313
24.	Nelson Co. Council on Aging, McVille, ND		14,643
25.	North Central Planning Council, Devils Lake, ND		6,100
26.	Turtle Mt. Chippewa Nutri. & Spprt. Svc., Belcourt ND		6,808
27.	Nutrition United, Inc., Rolla, ND		12,468
28.	Pembina Co. Meals & Transportation, Drayton, ND		17,318
29.	Ransom Co. Council for the Aged, Lisbon, ND		15,480
30.	Sargent Sr. Council Transportation, Forman, ND		14,720
31.	Senior Meals and Services, Devils Lake, ND		41,169
32.	Sitting Bull College, Fort Yates, ND		14,284
33.	Souris Basin Transportation, Minot, ND		102,049
34.	South Central Adult Services Cncl., Valley City, ND		90,974
35.	Southeast Senior Services, Wahpeton, ND		22,254
36.	Southwest Transportation Services, Bowman, ND		54,962
37.	Spirit Lake Tribe Sr. Services, Ft. Totten, ND		7,575
38.	Steele Co. Council on Aging, Sharon, ND		13,541
39.	Tioga Senior Citizen Center, Tioga, ND		3,389
40.	Traill Co. Senior Services, Hillsboro, ND		17,049
41.	Trenton Indian Service Area, Trenton, ND		9,254
42.	Walsh Co. Transportation Program, Park River, ND		19,867
43.	West River Transportation Council, Bismarck, ND		67,508
44.	Wildrose Sr. Transportation, Wildrose, ND		6,742
45.	Williston Council for the Aging, Williston, ND		22,438
		TOTAL	$1,000,498

6-1-98

1998 LIST OF RECIPIENTS OF STATE AID FOR PUBLIC TRANSIT FUNDS NORTH DAKOTA DEPT. OF TRANSPORTATION (JULY 1998 - JUNE 1999)

Project Sub	Project Name	Project Agreement Number	Funding Amount (by formula)
1.	Benson Co. Transportation, Maddock, ND	38-094-0798	$ 5,841
2.	Bis-Man Transit Board, Bismarck, ND	38-066-0798	49,127
3.	Cass Co. Council on Aging, Casselton, ND	38-108-0898	2,152
4.	Cavalier Co. Sr. Meals & Services, Langdon, ND	38-046-0698	9,460
5.	Dickey County Sr. Citizens, Ellendale, ND	38-047-0698	9,483
6.	Dunn Co. Council on Aging, Killdeer, ND	38-076-0798	8,319
7.	Elder Care, Dickinson, ND	38-061-0798	18,749
8.	Emmons Co. Council on Aging, Braddock, ND	38-062-0798	8,776
9.	Fargo Metropolitan Area Transit, Fargo, ND	38-072-0798	44,212
10.	Fargo Senior Commission, Inc., Fargo, ND	38-095-0798	12,809
11.	Glen Ullin, City Of (Sen.Transport.) Glen Ullin, ND	38-118-0998	2,244
12.	Golden Valley Co. Council on Aging, Beach, ND	38-074-0798	13,982
13	Grafton City of, Grafton, ND	38-115-0898	3,050
14.	Grand Forks Public Tran. Dept., Grand Forks, ND	38-055-0798	37,744
15.	Greater Grnd Frks Sr. Citzn. Assn., Grand Forks, ND	38-075-0798	7,514
16.	Handi-Wheels Transportation, Fargo, ND	38-048-0698	3,919
17.	Hazen City of, Hazen, ND	38-065-0798	5,512
18.	Jamestown City of, Jamestown, ND	38-049-0698	3,050
19.	James River Sr. Citizens Center, Jamestown, ND	38-109-0898	32,011
20.	Kenmare Wheels and Meals, Inc., Kenmare, ND	38-073-0798	3,194
21.	Kidder Co. Sr. Services, Steele, ND	38-067-0798	7,946
22.	Mercy Medical Center, Williston, ND	38-052-0798	2,684
23.	Minot City of, Minot, ND	38-096-0798	20,168
24.	Minot Commission on Aging, Minot, ND	38-097-0798	12,756
25.	Nelson Co. Council on Aging, McVille, ND	38-098-0798	8,543
26.	North Central Planning Council, Devils Lake, ND	38-056-0798	3,050
27.	Nutrition & Support Services, Belcourt, ND	38-051-0798	3,531
28.	Nutrition United, Inc., Rolla, ND	38-058-0798	9,645
29.	Pembina Co. Meals & Transportation, Drayton, ND	38-063-0798	11,218
30.	Ransom Co. Council for the Aged, Lisbon, ND	38-059-0798	9,380
31.	Sargent Sr. Council Transportation, Forman, ND	38-050-0798	8,620
32.	Senior Meals and Services, Devils Lake, ND	38-054-0798	25,919
33.	Sitting Bull College, Fort Yates, ND	38-112-0898	8,184
34.	Souris Basin Transportation, Minot, ND	38-069-0798	61,174
35.	South Central Adult Services Cncl., Valley City, ND	38-104-0798	54,374
36.	Southeast Senior Services, Wahpeton, ND	38-045-0698	16,154
37.	Southwest Transportation Services, Bowman, ND	38-068-0798	30,562
38.	Spirit Lake Tribe Sr. Services, Ft. Totten, ND	38-099-0798	4,246
39.	Steele Co. Council on Aging, Sharon, ND	38-105-0898	7,441
40.	Three Afflt. Tribes Aging Services, New Town, ND	----------	-----
41.	Tioga Senior Citizen Center, Tioga, ND	38-064-0798	1,899
42.	Traill Co. Senior Services, Hillsboro, ND	38-057-0798	10,949
43.	Trenton Indian Service Area, Trenton, ND	38-071-0798	6,055
44.	Walsh Co. Transportation Program, Park River, ND	38-053-0798	10,717
45.	West River Transportation Council, Bismarck, ND	38-060-0798	40,672
46.	Wildrose Sr. Transportation, Wildrose, ND	38-113-0898	3,360
47.	Williston Council for the Aging, Williston, ND	38-070-0798	16,803
		TOTAL	$677,198

1997 LIST OF RECIPIENTS OF
STATE AID FOR PUBLIC TRANSIT FUNDS
North Dakota Dept. Of Transportation
(July 1997 - June 1998)

6-1-97

Proj. Sub	Project Name	Project Agreement Number	Funding Amount (by formula)
1.	Benson County Transport. Maddock, ND	17-282-0997	$ 6,154
2.	Bis-Man Transit Board, Bismarck, ND	17-203-0697	53,727
3.	Cass County Council on Aging, Casselton	17-204-0697	2,159
4.	Cavalier Co. Sen. Mels & Servs, Langdon	17-205-0697	9,835
5.	Dickey County Senior Citiz., Ellendale	17-266-0797	9,862
6.	Dunn County Council on Aging, Killdeer	17-206-0697	8,567
7.	Elder Care, Dickinson, ND	17-207-0697	20,165
8.	Emmons Co. Council on Aging, Braddock	17-208-0697	9,075
9.	Fargo Metropolitan Area Transit, Fargo	17-264-0797	50,129
10.	Fargo Senior Commission, Inc.,Fargo	17-209-0697	13,502
11.	Glen Ullin Senior Transport.,Glen Ullin	17-263-0797	2,311
12.	Golden Valley Co. Counc. oOn Aging,Beach	17-210-0697	14,182
13	Grafton City of, Grafton, ND	17-262-0797	3,050
14.	Grand Forks Public Transit Dept.	17-273-0897	42,019
15.	Greater Grand Forks Sen. Citiz. Assoc.	17-272-0897	7,622
16.	Handi-Wheels Transportation, Fargo	17-267-0797	3,680
17.	Hazen City of, Hazen, ND	17-211-0697	6,017
18.	Jamestown City of, Jamestown, ND	17-212-0697	3,187
19.	James River Sen. Citiz.Centr, Jamestown	17-213-0697	33,749
20.	Kenmare Wheels and Meals, Inc., Kenmare	17-214-0697	3,523
21.	Kidder County Senior Servs. Steele, ND	17-215-0697	8,153
22.	Mercy Medical Center, Williston, ND	17-216-0697	2,696
23.	Minot City of, Minot, ND	17-217-0697	21,256
24.	Minot Commission on Aging, Minot, ND	17-218-0697	14,940
25.	Nelson Co.Counc. on Aging, McVille,ND	17-219-0797	8,817
26.	North Centrl Plan. Council, Devils Lake	17-220-0697	3,050
27.	Nutrition And Support Servs., Belcourt	17-293-1097	3,766
28.	Nutrition United, Inc., Rolla, ND	17-234-0697	10,202
29.	Pembina County Meals & Transp., Drayton	17-221-0697	11,791
30.	Ransom Co. Council for the Aged, Lisbon	17-222-0697	9,747
31.	Sargent Senior Council Transprt., Forman	17-223-0697	8,902
32.	Senior Meals and Services, Devils Lake	17-265-0797	27,114
33.	Sitting Bull college, Fort Yates, ND	17-275-0897	8,417
34.	Souris Basin Transportation, Minot,ND	17-224-0697	60,041
35.	South Cent. Adult Serv. Cncl, Valley City	17-225-0697	56,364
36.	Southeast Senior Services, Wahpeton, ND	17-235-0697	17,279
37.	Southwest Transport. Serv.,Bowman, ND	17-236-0697	31,251
38.	Spirit Lake Tribe Sen. Serv., Ft. Totten	17-274-0897	4,380
39.	Steele Co.Council on Aging, Sharon, ND	17-226-0697	7,591
40.	Three Affil. Trbs, Aging Serv., New Town		6,412
41.	Tioga Senior Citizen Center, Tioga, ND	17-227-0697	1,824
42.	Traill Co. Senior Servs., Mayville,ND	17-228-0697	11,491
43.	Trenton Indian Serv. Area, Trenton,ND	17-229-0697	6 432
44.	Walsh Co. Transport. Prog., Park River	17-230-0697	11,575
45.	West River Transport. Council, Bismarck	17-231-0697	39,207
46.	Wildrose Sen. Transport., Wildrose, ND	17-232-0697	3,397
47.	Williston Counc.for the Aging, Willist.	17-233-0697	18,195
		TOTAL	$ 716,805

#16

Mr. Chairman and members of the committee, my name is Rick Thoms, Executive Director of Souris Basin Transportation in Minot, ND. I am hear to explain the State Aid funding for Public Transportation.

The information that I have supplied to you goes back four years for cost analysis purposes. Since the begining of State Aid in 1989, there have been 48 transit projects in the state. In 1996/1997 only 47 projects used state aid. In 1999/2000, only 46 projects used state aid.

The analysis I have provided you do not include the figures that are listed in the lower left hand corner. These figures are the 5310 and 5309 funds the state received for new vehicle replaced/purchases and must be match by 20% local funds.

Because of the addition state aid funding, we can see some major effects that are having inprovements to the overall picture:

1. Title IIIB funds are going down. 2. The amount of mill Levy funds are going down. 3. Total costs of operation are starting to go down. 4. the cost per ride is going down. 5. The cost per mile is going down. 6. The avg. fare is going up. 7. The miles driven are going up. 8. The ridership has gone down.

These are a lot of different analysis that must be contributed to the success of state aid for transit in doing what it was intended to do. Four years ago, there were 13 projects using Title IIIB funds and now there are only 11 projects using those type of funds. There has been regionalization by the DOT and Division of Aging over the last three years trying to combine small transit systems with the large ones to cut costs.

As in every type of service being provided, the cost of operation has gone up. Even as the use of the mill levy by transit projects has gone down, the use of the mill levy by other types of projects has increased, mainly because they do not have any other type of funding to off-set there operation increases.

I would urge you to support the governors budget for the increase in senior mill match, so that the senior project can provide the needed services to our states aging population.

#16

July 1, 1996 to June 30, 1997

STATE AID	SEC 18	SEC 9	OAA 111B	MILL LEVY	OTHER	FARES	TOTALS	MILES	RIDES	VEHICLES
708320.3	603004	2314051	284726.0	2122972.	995222.8	1487970.	8516431.	3727723	1867158	243

48 TRANSIT PROJECTS

TOTAL COSTS 8516431. COSTS PER MILE 2.284608 COSTS PER RIDE 4.575866 TOTAL FEDERAL FUNDS 3201925. Avg Fare Per Ride 0.796656

July 1, 1997 to June 30, 1998

STATE AID	SEC 18	SEC 9	OAA 111B	MILL LEVY	OTHER	FARES	TOTALS	MILES	RIDES	VEHICLES
738083.9	654375	2800393	314679.0	1977469.	818041.3	1507024.	8810066.	3398593	1602277	216

48 TRANSIT PROJECTS

TOTAL COSTS 8810066. COSTS PER MILE 2.592268 COSTS PER RIDE 5.496466 TOTAL FEDERAL FUNDS 3769447 Avg Fare Per Ride 0.940551

July 1, 1998 to June 30, 1999

STATE AID	SEC 18	SEC 9	OAA 111B	MILL LEVY	OTHER	FARES	TOTALS	MILES	RIDES	VEHICLES
757429.9	660736.5	2800393	314679.0	1831441.	727616.5	1485202.	8581195.	3391477	1604114	219

48 TRANSIT PROJECTS

TOTAL COSTS 8581195 COSTS PER MILE 2.530316 COSTS PER RIDE 5.349607 TOTAL FEDERAL FUNDS 3775898. Avg Fare Per Ride 0.926364

July 1, 1999 to June 30, 2000

STATE AID	SEC 18	SEC 9	OAA 111B	MILL LEVY	OTHER	FARES	TOTALS	MILES	RIDES	VEHICLES
1119513.	893413.5	1910636	300736.0	1612775.	899738.9	1588660.	8325472.	4022726	1585353	218

48 TRANSIT PROJECTS

~~TOTAL COSTS~~ ~~8325472.~~ ~~COSTS PER MILE~~ ~~2.069609~~ ~~COSTS PER RIDE~~ 5.251362 ~~TOTAL FEDERAL FUNDS~~ 3104785 Avg Fare Per Ride 1.002266

FY 99
5310 — $283,521.00
5309 — $1,985,000.00

FY 2000
$981,096.00
2,989,904.00

FY 2001
2,500,000.00

#16

STATS FOR ALL PUBLIC TRANSPORTATION IN NORTH DAKOTA
(July 1, 1999 to June 30, 2000)

(Rural $) Sec 5311	(Urban $) Sec 5307	(Aging $) OAA III-B	City-Co.-State Mill Levy	Other	Fares	Total $	Miles	Rides	Vehicles	Name
7500		16550.00	3850	265.1	5394.95	42180.67	35955	5602	2	Benson County Transp.
	663353		247641	112170	203857	1370994	594416	174612	23	Bis-Man Transit
8750			0	0	2418	15514	24478	2557	1	Cass County Transp.
9713			0	0	3734	30799	16085	6917	2	Cavalier County Transp.
10433			1105.42	0	3288.12	32528.54	21079	6983	1	Dickey County Transp.
			0	1394.91	1991.75	12334.9	10614	1873	1	Dunn County Transp.
48225		0	56185.78	53794.44	22812.93	213767.1	81655	42768	5	Elder Care
7628			0	0	5784	25638.85	16434	2244	1	Emmons County Transp.
	736322		455551	57511	326471	1649765	615000	455877	22	City of Fargo
5000		75597	12825	11811	13742	147357	102247	35577	6	Fargo Commission on Aging
			1817	0	2251	7995.51	5761	1550	1	Giles Bikes Transp.
6526			0	1285	0 3297.82	38482.82	20557	857	1	Golden Valley Transp.
Did not apply for outside funding in FY 99					0	0	0	0	0	City of Grafton
	510565		496107	144695	141455	1331446	536184	213594	29	City of Grand Forks Transit
	0	0	2975	1500	14279	51273	40297	13379	4	Grand Forks Seniors
				74537.07	27280.52	103616.5	37736	9472	2	Handiwheels of Fargo
			18839.42	11785.15	16335.49	42765.06	14366	14163	2	City of Hazen
7675					31693	45465	34800	9666	1	City of Jamestown
62384			27141.75	37525	111488.8	296267.5	152378	62099	11	James River Transit
4010			2000	2135	2375	14340	3246	9832	1	Kenmare Wheels & Meals
8925		11007	0	0	6919	42059	29560	11288	1	Kidder/Emmons County Transp.
12250				8155.8	3200	28169.4	8933	6409	4	Mercy Hosp
115200			150702	21340	50487	369033	210564	157281	14	City of Minot Transit
22800			33670	82421	35289	186936	97828	35697	4	Minot Commission on Aging Transp.
44225			14168	961.1	3085.82	80891.92	25454	3730	3	Nelson County Transp.
76350			6500	3255.8	141544.7	233750.5		5558	1	Lake Region
		7028		155.46	120	14311.46	9572	2031	2	Belcourt Transportation Services
10834		22180	1908	1719	2395.01	55491.01	31481	7254	5	Nutrition Unlimited
10954			0	928.76	3471.83	35466.59	19241	2597	1	Pembina County Transp.
6000			0		4138	27667	25000	2550	2	Ransom County Transp.
6580				6957.44	5503	26792.74	25224	2014	2	Sargent County Transp.
28116.5		950		3545.5	35914.81	116259.8	56166	25535	2	Devils Lake Transit
24525				24760	4750	69623	104271	6416	5	Sitting Bull College Transp
77800		64015	7000	59812.69	23167.62	346747.3	142035	36333	13	Souris Basin Transportation
27420				87420	136148.5	312585.5	344267	9224	6	Newtown Bus Line (Thru SBT)
31800				27083.75	27194.04	188052.7	146891	36219	6	South Central Transportation
					4260	32793	27556	15187	3	Southeast Seniors Transportation
55700			13000	19823	9896	148229	83081	37266	6	Southwest Transportation
0		19520		11553		39570	32850	2667	3	Spirit Lake Tribe
8425			0	549	4833	25185	27417	1575	1	Steele County Transp.
Did not apply for any outside funding in FY 99						0			1	Three Affil. Tribes
				232	192.6	3984.38	5836	1399	1	Tioga Seniors Transp
			0	254	1006	21337	4767	2059	1	Traill County Transp
12050		11552	1238	1321	1464	40759	9179	6266	1	Trenton Indian Services
15275			9000	10741.94	8555.52	68337.57	40549	3377	2	Walsh County Transp
52400		52000	33548	20862	35476	270939	105563	47787	14	West River Transportation
				0		2397.55	2755	156	1	Wildrose Seniors Transp.
7900		20332		4072	9069	65316	25646	13693	6	Williston Seniors Transp

STATE AID	SEC 18	SEC 9	OAA 11TB	MILL LEVY	OTHER	FARES	TOTALS	MILES	RIDES	VEHICLES	48 TRANSIT PROJECTS
1119513.	893413.5	1910636	300736.0	1612775.	899738.9	158866B.	8325472.	4022726	1585393	218	

~~TOTAL COSTS 8325472. COSTS PER MILE 2.069609 COSTS PER RIDE 5.251362 TOTAL FEDERAL FUNDS 3164785. Avg Fare Per Ride 1.003060~~

#16

STATE FOR ALL PUBLIC TRANSPORTATION IN NORTH DAKOTA
(July 1, 1998 to June 30, 1999

State Aid	(Rural $) Sec 18	(Urban $) Sec 9	(Aging $) OAA IIIB	City+Co.-State Mill Levy	Other	Fares	Total $	Miles	Rides	Vehicles	Name
5841	4550		11511	3700	154.93	4625.36	30386.29	22267	5973	2	Benson County Transp.
49127		1671267		581199	159397	301192	2766742	576935	181506	23	Bis-Man Transit
2152	7072			4279	6418.33	2230	22219.33	25813	2300	1	Cass County Transp.
4460	6194			2000	9675	1227	30559	15361	6637	2	Cavalier County Transp.
9558.55	9485			8600	79.29	3664.65	31417.49	20450	7381	1	Dickey County Transp.
7351.21				240.75	1051.13	1750	10452.26	9627	1612	1	Dunn County Transp.
13749	39040		3	31004.64	62246.92	29036.72	179996.5	75330	42592	4	Elder Care
7568.32	7561.5					5255	20782.82	16235	2042	1	Emmons County Transp.
46212		764775		263132	60795	332377	1464751	605591	480533	22	City of Fargo
11440			47437	22256	1941	17753	143257	43357	43657	6	Fargo Commission on Aging
4079				1317	2247.92	0	8143.92	5923	1067	1	Glen Ullin Transp.
26125	6371			6812.96		3128.31	42341.47	16643	3022	1	Golden Valley Transp.
27728	6299					2595.6	46629.6	4412	571	1	City of Grafton
60864		364371		544682	37744	236713	1242351	307227	214494	24	City of Grand Forks Transit
7574			13414.5	35946.52	20	13371.04	67669.61	36468	18793	3	Grand Forks Seniors
4930					22677.51	3542	52747.52	35442	9257	2	Handicapped of Fargo
5872				18705.46	11610.75	12249.59	40076.79	15035	8992	2	City of Hazen
3152	4222					3027.4	34972	4851.6	8493	1	City of Jamestown
32931	51535			1700	2667.27	6497	96420.27	162762	70177	11	James River Transit
3194				2200	517.42	2544.4	8255.82	3774	10357	1	Kenmare Wheels & Meals
7564	7210		1173	1700	2667.27	6497	37471.27	23621	4243	1	Kidder/Emmons County Transp
2664	3407				16947.59	3452.46	32512.05	11795	8163	3	Mercy Hosp
27255	33290			147294	25401	5436	238259	149245	157251	13	City of Minot Transit
12756	15452			17611	9397	30755	174947	85237	34253	4	Minot Commission on Aging Transp
8541	10370			4864	5060.13	3474.21	35366.34	24977	3519	3	Nelson County Transp.
3057	44430			6500	1322.17	7536.4	61763.5		5327	1	Lake Region
			7123		155.46	120	7323.46	4572	5936	2	Belcourt Transportation Services
4645	6750		12193	6062	2223.42	2556.1	37252.12	25175	7233	5	Nutrition United
11223	8549			7579	614	2614	30870	19692	2277	1	Pembina County Transp.
9323	5107			5400		4492	25142	25251	3130	2	Ransom County Transp.
2610.49	6451				120	49.2	13462.49	24124	1595	2	Sargent County Transp.
25915	22668		127		6595.33	24954.77	91154.6	55496	25357	7	Devils Lake Transit
4148	10450				15855	2346	51230	69322	6435	2	Sitting Bull College Transp
41174	49675		62715	7000	37112	22298	249259	134692	36476	13	Souris Basin Transportation
	56215				46470	77224.25	179260.2	196012	[illegible]	6	Newtown Bus Line (Thru SDT)
54174	43425			19526	38446.17	25877.74	191711.4	141346	34973	9	South Central Transportation
16154				15401.54		4677.5	36233.34	16124	16155	3	Southeast Seniors Transportation
33552	17740			14500	13741	18735	97327	65559	47662	5	SouthwestTransportation
4254	4751		23904		3411.4		34401.4	27654	1710	2	Spirit Lake Tribe
7449	12669			3654.4	0	2507	26279.4	19493	1952	1	Steele County Transp.
		Did not apply for any outside funding in FY					0			1	Three Affil. Tribes
1944					577.33	141	2625.33	2494	488	1	Tioga Seniors Transp
17264				1258.21		472	19219.21	9625	442	1	Traill County Transp
6255	5720		4731	3727	2504.74	7	31421.74	7771	5162	1	Trenton Indian Services
10717	7197			7535.46		7433.14	33347.25	23916	142	1	Walsh County Transp
40472	24471		9217	26154	13763	1527	125447	111652	24247	12	West River Transportation
17412					263.27		1649.27	1557	224	1	Wildrose Seniors Transp
19[illegible]	[illegible]		[illegible]	[illegible]		[illegible]	[illegible]	25731	12415	6	Williston Seniors Transp

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	FARES [illegible]	TOTALS [illegible]	MILES [illegible]	RIDES 1504114	[illegible]	49 TRANSIT PROJECTS

[illegible] COSTS PER MILE [illegible] COSTS PER RIDE [illegible] TOTAL FEDERAL FUNDS [illegible] Avg Fare Per Ride 0.425364

1-15-01
Tape 2 - side A

#9

NORTH DAKOTA

INDEPENDENT LIVING

PROGRAM

Proposed
Biennial Budget
Request

2001-2003

Independent Living

The North Dakota Joint Effort

The North Dakota Statewide Independent Living Council (SILC) and the State Rehabilitation Council (SRC) have joined forces. It is imperative for people with disabilities of North Dakota to learn how to live independently in order to be employed successfully. At the same time a person needs employment to live independently.

Due to an increased need Vocational Rehabilitation had to get an emergency appropriation to provide employment services through June 30, 2001. During this years budgeting process they needed additional general fund dollars to match and draw down federal funding. The only general fund dollars available to VR were the $279,802 in State Independent Living funding appropriated by the legislature in 1995.

- Centers for Independent Living (CIL) are responsible, cost effective and efficient. CILs serve over 6,000 people of all ages and disabilities per year with an average independent living goal achievement of 85%.
- CILs have empowered people in North Dakota for 20 years to live as independently as possible in the community of their choice, remove barriers in the environment and educate the community about people with disabilities.
- The biggest barrier to Independent Living is funding. The SILC and Centers are requesting $1.2 million in general funds to support a statewide network of independent living services to North Dakotans with disabilities.
- Vocational Rehabilitation gets people with disabilities into the workforce. VR served almost 7,000 people and placed over 900 individuals in jobs.
- Vocational Rehabilitation saves North Dakota money. For every dollar spent the client will pay back $2.07 in taxes.
- With an over 70 % rate of unemployment among people with disabilities, VR needs an additional $300,000 to draw down the maximum federal funds to meet employment service needs.

Vocational Rehabilitation and Independent Living go together like a hand inside a glove. The SILC and SRC are requesting this additional funding to support citizens with disabilities to live as independently as possible and to become employed.

North Dakota Biennial Budget Request

The North Dakota Association of Centers for Independent Living in conjunction with the North Dakota Statewide Independent Living Council is requesting additional state funding of $650,000 per year for the 2001-2003 biennium to support a statewide network of Centers for Independent Living (CILs).

CILs are community based, consumer-controlled organizations providing independent living services in the State of North Dakota. Centers operate under North Dakota Century Code Chapter 50-06.5 and the Federal Regulations of the Workforce Investment Act of 1998.

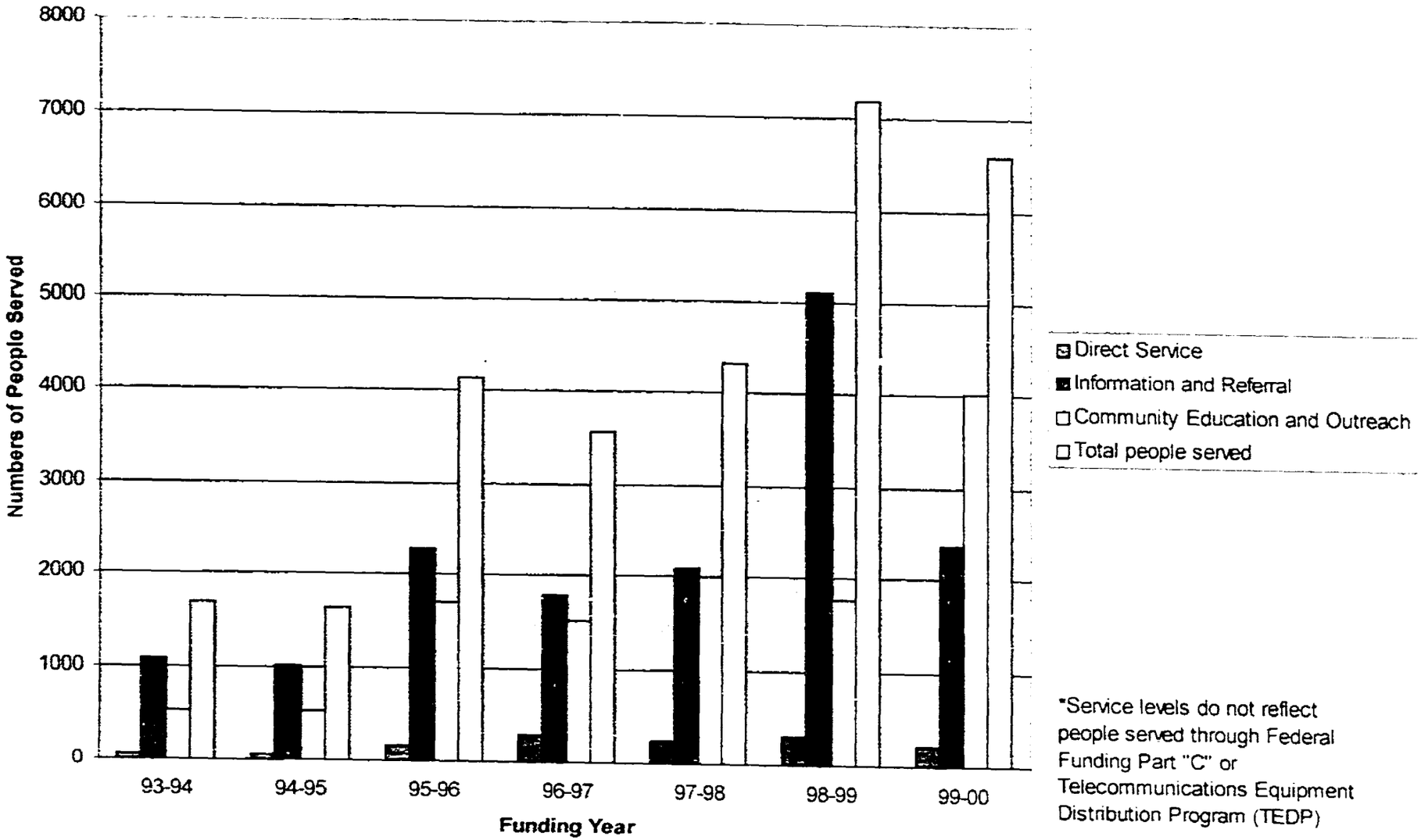
Centers for Independent Living (CIL) in North Dakota and across the nation are leaders in the design and implementation of "consumer controlled" service delivery. CILs have Boards of Directors that are a majority of people with significant disabilities and staff that are a majority of people with disabilities. This is the most cost effective and efficient mechanism to ensure that all citizens with disabilities and their families have access to community based services including independent living, employment, education, housing, transportation, recreation and health care. **The Independent Living Movement is people with disabilities helping other people with disabilities to live as independently as possible.**

North Dakota's four regionally located Centers provide the mandated four core independent living services and two other related services to any person with a disability, of any age, based on need. The core Independent Living (IL) services are:

1) Independent Living Skills Training
2) Information and Referral
3) Advocacy, both individual and systems
4) Peer mentoring

Because Centers are mandated by state and federal legislation to serve persons with any type of disability, they have worked collaboratively with the Statewide Independent Living Council (SILC) and Vocational Rehabilitation to develop a statewide network of consumer controlled, community based independent living Centers. With additional funding, CILs will be able to serve the entire state.

North Dakota State Funding Service Levels*



*Service levels do not reflect people served through Federal Funding Part "C" or Telecommunications Equipment Distribution Program (TEDP)

Independent Living is not a welfare or entitlement program. it is an empowerment program. Currently two specific national initiatives: The Ticket to Work and the Work Incentives Improvement Act of 1999 and the Olmstead Supreme Court Decision are direct results of advocacy action by people with disabilities and CILs. People with disabilities do not want to sit at home or in an institution but want to work, live in the community and participate in life just like everyone else.

Centers for Independent Living are the logical statewide service delivery system to partner with to implement these and other disability related initiatives. CILs have been empowering people of all ages and all disabilities in North Dakota for 20 years to live as independently as possible in the community of their choice, removing barriers in the environment and educating the community about people with disabilities. **The biggest barrier that CILs have is the lack of funding.**

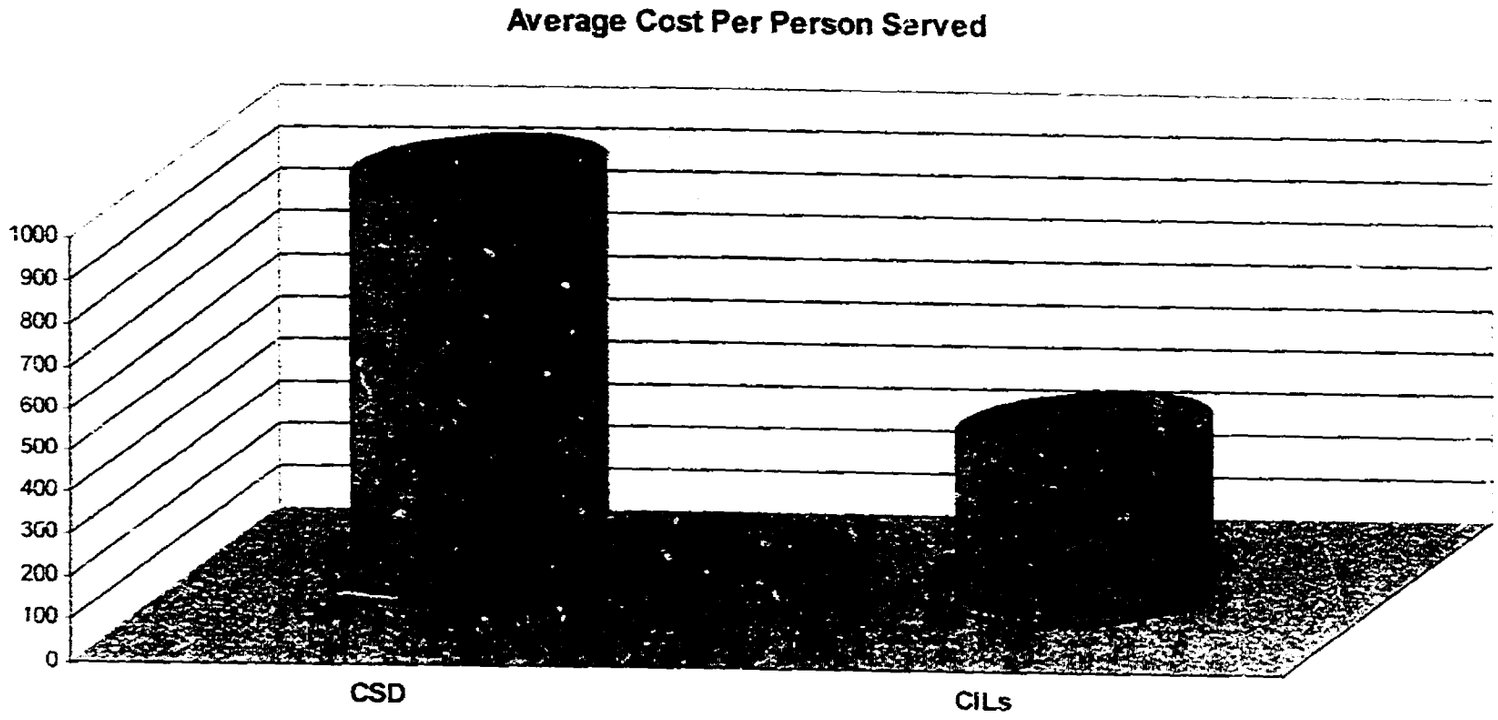
During the last biennium, the four CILs were appropriated $279,802 in state funds. This amounts to an average of $34,975 per Center for Independent Living per year and reflects serving over 6,000 people per year with an average independent living goal achievement of 85%. CILs are responsible, cost effective and efficient and took the initiative to seek out and find other disability related services that could be provided through the network that is being developed.

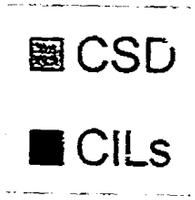
The Telecommunications Equipment Distribution Program (TEDP) is a program that was established to make sure that people who are deaf, hard of hearing or speech impaired could use the telephone system in North Dakota. Initially this program was operated under the South Dakota Communication Services for the Deaf (CSD), single disability organization which had only one office, located in Fargo.

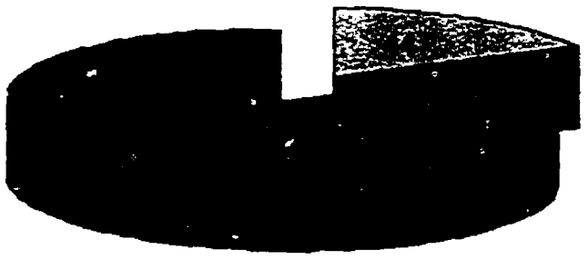
In July of 1997, the Centers for Independent Living were awarded the contract to provide this service through a competitive biding process. Comparatively the average number of people served per month has raised 517%, the average number of information and referral calls has risen 445% per month and the average cost per person is down 143%. The CILs have also provided service to 51 of the 53 counties of North Dakota.

Telecommunications Equipment Distribution Program

Comparison between Communications Services for the Deaf (CSD) and Centers for Independent Living (CILs) average cost per person served and service levels which enable persons with deafness and severe hearing impairments to use a telephone.







Average Amount of People Served

Average Information & Referral Levels

In the past legislative session CILs worked with Vocational Rehabilitation and the Legislature to enhance the effectiveness of the TEDP program through amendments to North Dakota Century Code. These amendments added income guidelines for recipients and added people with severe physical disabilities.

The Statewide Independent Living Council (SILC) is a governor appointed council that guides the development of independent living in the state. The SILC and the CILs have worked hand in hand since 1988 to build the system that is in place today.

The SILC established almost ten years ago a plan to deliver independent living services statewide through the four Centers with each having a branch office. The funding amount attached then was a minimum level of $350,000 per CIL and $50,000 per each branch office. Following is the amounts of funding currently being received and the funding needed to reach the minimum level of funding established by the SILC.

CILS	**Part C**	**Part B/State**	**Total**	**Needed to reach minimum**
Dakota	325,762	42,983	368,745	31,255
Independence	32,474	108,557	141,031	258,969
Freedom	84,160	129,190	213,350	186,650
Options	40,392	174,798	215,190	184,810
Total	$482,788	455,528	938,317	**$661,684**

Centers for Independent Living provide a continuum of services that are consumer controlled and community based. The SILC and the CILs have done everything in their power to provide services to people with disabilities and raise additional funds to meet the growing needs and initiatives. CILs need additional funding to establish the statewide independent living service delivery network and meet the needs of the 123,190 North Dakotans with disabilities.

Please consider including $650,000 per year in your budget to support Centers for Independent Living and help people of all ages and abilities to become a part of their communities and productive members of the State of North Dakota.

North Dakota Statewide Independent Living System

Quadrant 1
Independence
990 population 133,878

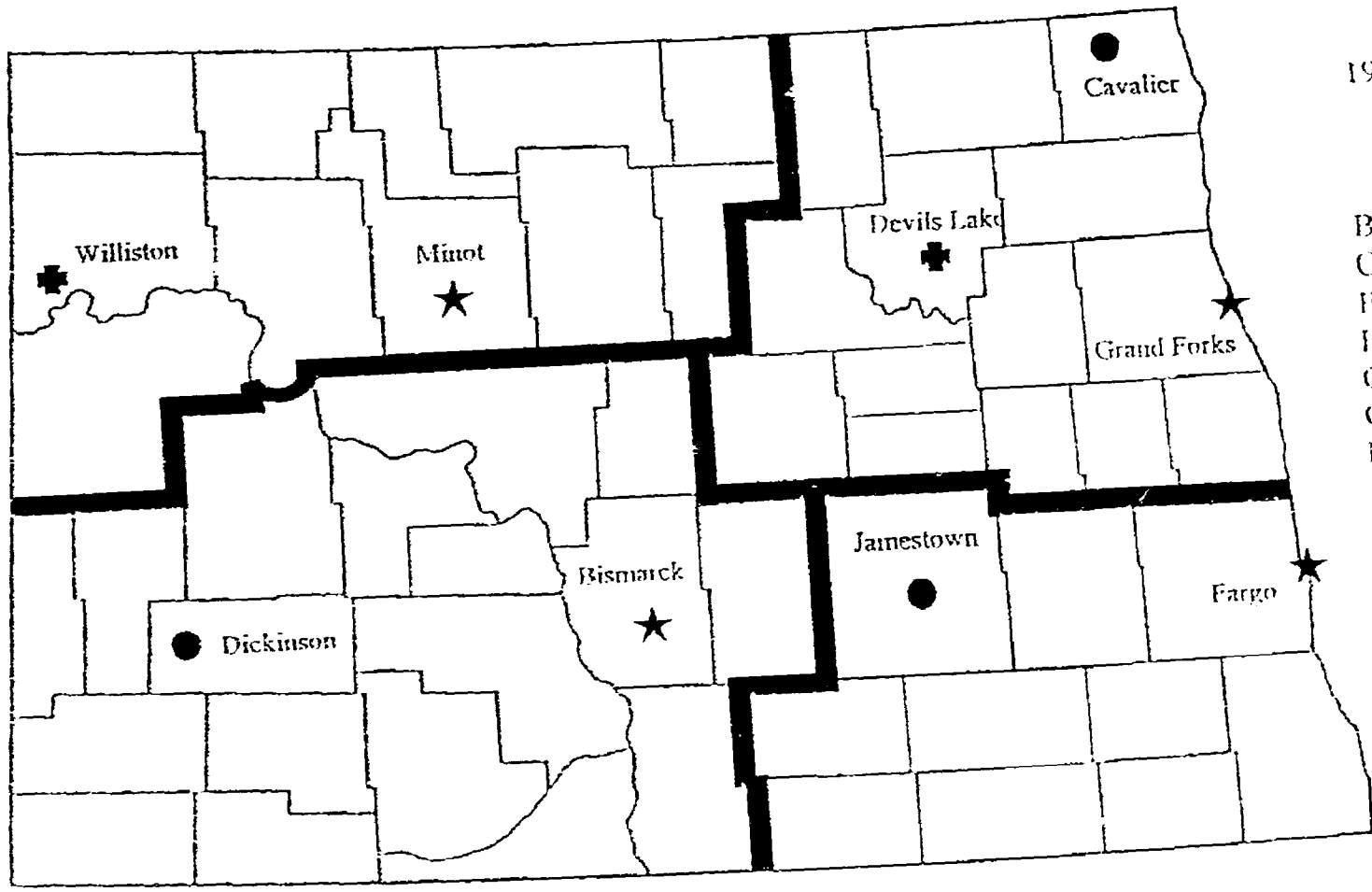
Counties Served:

ttinuea	Pierce
urke	Renville
ivide	Rolette
cHenry	Ward
cKenzie	Williams
ountrail	

Quadrant 4
Dakota
990 population 165,270

Counties Served:

dams	McLean
illings	Mercer
owman	Morton
urleigh	Oliver
ann	Sheridan
immons	Sioux
olden Valley	
rant	Slope
ettinger	Stark



★ IL Centers

● Branch Offices

✚ Proposed Branch Offices

Quadrant 2
Options
1990 population 155,115

Counties Served:

Benson	Pembina
Cavalier	Ramsey
Eddy	Steele
Foster	Towner
Grand Forks	Trail
Griggs	Walsh
Nelson	Wells

Quadrant 3
Freedom
1990 population 184,636

Counties Served:

Barnes	McIntosh
Cass	Ransom
Dickey	Richland
Lamoure	Sargent
Logan	Stutsman

August 7, 2000

Governor Edward Schafer
600 East Boulevard Avenue, Ground Floor
Bismarck, North Dakota 58505-0001

Dear Governor Schafer:

I am writing to you as president of the North Dakota Statewide Independent Living Council (SILC) to support placing monies for Independent Living in North Dakota's next state budget.

We have written the goal of bringing our levels of funding for Centers for Independent Living up to a minimum of $350,000 per Center into the State Plan for Independent Living. If the state would budget the difference between the funds each Center now has to bring it to the level of $350,000 per Center, North Dakota's citizens would benefit by seeing an increase of availability of services throughout the state.

Centers for Independent Living are well worth North Dakota's investment, both for people with disabilities who are younger and struggling to achieve an independent life and for our elderly parents who are struggling to maintain the independence and quality of life they so value.

Thank you for your support of Independent Living in North Dakota.

Sincerely,

Pat Danielson, SILC President

P.O. Box 6208 • Bismarck, North Dakota 58506

Consumer Case Studies

Consumer #1 Male who is legally blind and uses a white cane contacted CIL. He was having problems walking to and from his home due to the sidewalks needing repair.

Goal: To be able to use sidewalk to get to and from his home in a safe manner.

Process: Met with individual and defined the problems he was having. Discussed possible alternatives to alleviate problem sidewalks. Researched possible recourse. Discussed problem with City that informed us that the residents have the responsibility to keep their sidewalks in a safe condition and if they do not the City would repair them and charge the resident. Complaints were filed with city who stated they would contact owners and inform them of the need to update walks.

Accomplishment: Waiting for work to be completed on walks.

Consumer #2: Person who is blind called CIL looking for assistance with city bus. Person could not tell which stop to disembark from because stops are posted on a reader board at the front of the bus. Person asked CIL what they could do.

Goal: To know when to get off bus by having bus drivers announce stops verbally.

Process: Person who was blind met with CIL staff and set up a plan on how to advocate to request the City for an accommodation where they would verbally announce the stops. Individual with the disability and CIL staff person met with director of the City Bus and discussed problem City Bus agreed to have bus drivers announce stops.

Latter, when not all drivers were following procedures a survey was completed and presented to the Director to show the routes where the procedures were not followed.

Accomplishment: Currently all stops are announced and person can use the City Bus system.

Consumer #3: Person who is blind and was attending a University and asked assistance from CIL to help with needed medical care due to his brittle diabetes which had caused his blindness.

Goal: Consumer wanted better medical care so that he could better control his diabetes.

Process: Staff met with individual and discussed medical alternatives. It was decided that the person would pursue a pancreas transplant. Staff found hospitals and staff specializing in transplants, which was given to the individual. The person followed up on the referrals and scheduled and completed transplant surgery.

Accomplishment: Person received transplant and now does not have diabetes or any of the complications resulting from it.

Consumer #4: 37-year-old female who had a series of strokes, while on active duty with the military.

Goal: To get out of the nursing home and live independently with her two daughters.

Process: A referral from the social service department of a nursing home was made to the CIL. The military payments were due to stop coming to the nursing home and the nursing

home wanted her to find another source of payment or to leave. The consumer desired to leave and to live independently with supports. The CIL assisted the consumer to submit the appropriate documentation and medical information to the area VA center and to the VA regional office to pay all the debt to the nursing home . With CIL help the consumer obtained a VA home loan to purchase her own home and funds to make it accessible. The CIL also assisted her in finding a contractor and providing information on accessibility to complete the home.

Accomplishment: The consumer is living independently in her own home with her daughters. The home has appropriate accommodations and supports to meet her needs. She is also receiving veteran's benefits.

Consumer #5: 59 year old male who has cerebral palsy and moved back to North Dakota at the request of his family.

Goal: To get out of the nursing home and work and live independently in his home community.

Process: A referral from the Protection and Advocacy Project was made to the CIL. The consumer did not want to live in a nursing home and was seeking services that would allow him the means to live in his own home. The CIL assisted him in obtaining personal assistance services, obtaining necessary equipment, completing paperwork for financial assistance and benefits and addressing transportation issues. The CIL is currently working with the consumer on putting together an effective resume and doing a job search. Although he is currently working in a supported work environment, he seeks to gain a competitive job in the community.

Accomplishment: The consumer is living independently in his own home with support services, which he directs as needed. His home has the necessary accommodations to meet his needs and he is receiving his own income.

Consumer #6: 17-year-old male who has a cognitive disability and is in his last year of high school.

Goal: To obtain a Driver's Permit

Process: The consumer and his father stopped into our CIL to learn more about our services as he had heard of the CIL through word of mouth. The consumer met with IL staff on a regular basis to receive individualized instruction on the North Dakota Over the Road Drivers Manual.

Accomplishment: The consumer took and passed the North Dakota written driver's test and has obtained his permit. He is currently learning his behind the wheel skills in order to obtain his drivers license.

Consumer #7: Young adult white male who has a birth defect.

Goal: To obtain employment.

Process: He found out about the CIL and asked for assistance. Staff told him about employment providers and referred him to a Placement Specialist there.

Accomplishment: He followed through with appointments and now has a job in marketing.

Consumer #8: Homeless Female in late 30's, who has a sleep disorder and possible carpel tunnel.

Goal: To obtain housing, benefits, and employment.

Process: Staff assisted her in finding an apartment. Staff advocated and provided support so that she could access benefits and get the support she needed from her Doctor. Staff referred her to Vocational Rehabilitation.

Accomplishment: She is now living in her own apartment and is successfully employed by a temp. agency.

Consumer#9: A homeless Male, African-American, in late 30's with Cerebral Palsy and Mental Illness and his family, wife and two young children.

Goal: Housing, benefits, and employment

Process: The CIL staff met the individual through a homeless shelter outreach program. Staff assisted family in applying for housing assistance and locating an apartment they could afford and use (Individual uses a wheelchair/crutches). Staff also assisted individual in applying for Social Security benefits and provided advocacy. Individual was referred to Vocational Rehabilitation and eventually obtained a job.

Accomplishment: Family obtained housing, started receiving Social Security benefits, and individual obtained employment.

Consumer #10: Woman with athetoid cerebral palsy who uses a wheelchair.

Goal: To obtain assistive technology which would enable her to communicate and obtain employment.

Process: The CIL staff assisted individual in researching funding options for the computer that was needed. Staff came across a grant opportunity and wrote one for the individual. The funding was successful and after four years of searching she received a lap top computer with a voice synthesizer.

Accomplishment: After only a week of using her new equipment, the individual was able to type sentences and created poems. Some of her poetry is published.

Consumer #11: 18-year old white male who was referred to the CIL by a Special Education Case Manager for an Independent Living skill assessment. His primary disability is a learning disability.

Goal: The consumer identified securing assistance with housing needs, benefits counseling and an independent living skills assessment as his working goals.

Accomplishment: This consumer is currently living in a two-bedroom apartment which he share with a roommate. He is working full-time as a maintenance person. He is currently receiving minimal assistance from Burleigh County Housing. The consumer feels that all goals have been achieved through this center.

Consumer #12: Twenty-something single mother with cerebral palsy from small-town in ND who lives independently in her community reported that her newborn baby was taken

from her by her father and step-mother. They told her that she is not capable of caring for the baby. She felt this was not right and didn't know where to turn for help.

Goal: For the birth mother to be reunited with her baby.

Process: The mother was given information about her rights as a person with a disability. She was offered encouragement to inform her father and stepmother about her wishes, instead of just passively going along with what they dictated to her. She was given information about community-based supports and services currently available to her, including advocacy agencies concerned with protecting the rights of individuals with disabilities. She was offered assistance with problem solving strategies and decision-making processes, and encouraged to ask for help when she wanted and needed it.

Accomplishment: After a few months, some transition planning and implementation, the mother and baby are reunited, living independently in their community with community-based supports in place as needed. Her father and step-mother are supportive of this arrangement. Several months later, the mother and baby moved to a larger town where the mother attends college.

Consumer #13: Consumer is an eighteen-year old white male who was referred to the CIL by a Special Education Case Manager for an Independent Living Skill Assessment. His primary disability is a learning disability.

Goal: Consumer identified securing assistance with housing needs, benefits counseling and an independent living skills assessment as his working goals.

Accomplishment: This consumer is currently living in a two bedroom apartment which he shares with a roommate. He is working full time as a maintenance person. He is currently receiving minimal assistance from Burleigh County Housing. The consumer feels that all goals have been achieved through this center.

Consumer #14: 52 year old man with cerebral palsy dropped off at a hospital by his father who stated to the medical staff "Find him a place to live, I can't take care of him."

Goal: To leave institutional setting and to find his own apartment and live independently.

Process: CIL became involved when the hospital called and stated they couldn't keep the person at the hospital. This call came in on a Wednesday. CIL staff met with the person and discussed options and found he wanted to live independently. Staff assisted person by helping him find housing, emergency funds, make necessary arrangements for apartment, find furniture, cooking utensils and move into apartment. By noon on Friday he was discharged and moved into his new apartment.

Accomplishment: The individual is living in his own apartment, cooking, cleaning, and doing the things he enjoys. The individual is managing his own financial affairs independently. The person feels and is in control of his own life.

Consumer #15: Thirty-something woman from small ND town, with a brain injury sustained in a car accident (hit by a drunk driver), expressed frustration with "everything". She lives with her parents, has frequent seizure activity.

Goal: Her expressed wishes include moving to her own apartment and educating others about the dangers of drinking and driving.

Process: She was given information about supports and services currently available in her community, along with discussion about other options. Her parents remained supportive of her decisions, with some apprehension regarding her safety, due to frequent seizure activity. She was also given information about public speaking, and we practiced and did some role-playing.

Accomplishment: The woman moved to her own apartment in a complex that is equipped with emergency call services. She remains in the same town as her parents. She has done several public speaking presentations on the dangers of drinking and driving. She has expressed that this is aiding her emotional healing process.

#9A

Testimony on the North Dakota Department of Human Services budget
January 15, 2001
By Nate Aalgaard, Executive Director, Freedom Resource Center for Independent Living

My comments concern the Governor's recommended $579,803 appropriation for Independent Living. The Centers for Independent Living (CILs) met with Governor Schafer in August and presented him with a budget request of $650,000 per year. This request is consistent with the Statewide Independent Living Council state plan, which calls for funding levels of $400,000 for each of the state's four CILs in order to achieve statewide coverage. The goals for funding have remained the same since 1992. The CILs are currently able to serve about half the counties in the state with at least some level of the core services: information and referral, independent living skills training, advocacy and peer mentoring.

The CILs, the Statewide Independent Living Council and the State Rehabilitation Council are all working together to achieve maximum independence and productivity for North Dakotans with disabilities. One of the keys to making this happen is to achieve adequate funding for both the Vocational Rehabilitation and Independent Living programs. In addition to the situation for Independent Living, the Vocational Rehabilitation program had to get an emergency appropriation in order to continue employment services through June of 2001. That program also had to utilize the $279,803 in general funds from Independent Living to draw down more federal funds.

Why does Independent Living need additional funding?

- Centers for Independent Living are a cost-effective way to provide services to persons of any age, with any type of disability. With the state appropriation of $279,803, CILs reached over 6,000 people. Their consumers had a goal achievement rate of over 85 percent.
- Nation-wide, people with significant disabilities have an unemployment rate of around 70 percent. The Vocational Rehabilitation and Independent Living programs in the state are working to change that situation by providing counseling, information, support and other services necessary for employment and independence.

The CILs have pursued other funding options throughout their history. One of the most successful ventures has been the Telecommunications Equipment Distribution Program (TEDP). Through a contract with the state, the CILs distribute amplified telephones, TTYs and related items so that persons who are deaf or hard-of-hearing can access the telephone system. The CILs are providing this service for less than half the cost per person as the previous contractor, while also providing in-home training and follow-up support. Also, about five times as many people throughout the state have been served. TEDP has been a financial help to the CILs, and has reduced some of the isolation that many people face.

In conclusion, Centers for Independent Living are a cost-effective service delivery system for North Dakotans with disabilities. Centers are managed and staffed by over 50 percent people with disabilities who know first hand what barriers people face and how to overcome them. Please look favorably on the request for additional funding for CILs.

TELECOMMUNICTION EQUIPMENT DISTRIBUTION PROGRAM STATISTICS

	July 1997 – Dec. 2000 Centers for Independent Living		July 1996 – June 1997 Communications Services for the Deaf	
	Total	Ave. Per Month	Total	Ave. Per Month
Information and Referrals	8060	191	393	44
Presentations	137	3	*	*
People Served	1304	31	50	6
Pieces of equipment distributed	1475	35	*	*
Months of service	43		9	
Cost per person	410.35		996.00	

*Data is not available

In a follow-up study of persons receiving telecommunication equipment from Centers people were asked if they were able to communicate effectively in which 86% replied positively.

We've Moved! Our new address is:

Howard A. Smith
101 21st St. S Trlr 18
Fargo, ND 58103-1442

To: Freedom Resource Center

From Howard A. Smith

Dear Vicky & Robert;

thank you for coming & help! my TTY is a life saver & it has changed my life in that I can now talk with people & not have all that stress. (wich can bring on a Meniers episode) trying to understand what is said and not doing understanding. What was so nice you didn't use the phone to help me with the discorty you came right & helped me with hands on the T.T.Y. I'm 71 years old now but I still have a lot to say & the T.T.Y. helps. my conversations with the V.A., County, Doctors, the state are all shorter so there is no mistaken what was said. I could go on about the great way you two people treat us old farts but enough! thank you.

Howard S

APR 09 1999

Belcourt
4/7/99

To The Independence Inc.

I would like to express my thanks to your Company for being able to acquire a Telephone that I am able to use.

I am unable to hear on an ordinary Phone. My sight is also not good and the large numbers for dialing are also an asset.

Because of the new phone for my hearing impairment. I am able to communicate with my family who live in Oregon.

One again I must tell you I thank you for your help.

Sincerely,
Mary Porter

P.S. I am also able to call for my own prescriptions + appointments.

4-11-99

"To Whom It May Concern",

I really enjoy my special telephone installed on 9-17-97 Mary Robinson come and showed me how to use it especially when I get phone calls from the east & West Coast I could not hear because I'am totally deaf on my right side side (ear) hearing aid can't help me had head surgery and my hearing was lost because of the tumor.

I love the telephone that rings real loud, red light and amplifier I just love it.

Thank you

Mrs. Irene Etter
705 4th Ave N.W.
Mandan, N.D. 58554
701-663-5513

Turtle Mountain Community College
Vocational Rehabilitation Project
P.O. Box 110
Belcourt, North Dakota 58316

April 1, 1999

TEDP
Independence, Inc.
212 16th Ave. S.W.
Minot, ND 58701

To Whom It May Concern:

I would like to personally thank you for the use of the TTY machine for use in working with Deaf/hard of hearing clients and community members. It is through efforts and assistance with programs like Independence that make lives of people with disabilities more productive. Again thanks and keep up the good job !

Sincerely,

Willie Davis
Vocational Rehabilitation Counselor/Disabilities Community Advocate

APR 15 1999

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
SOUTHEAST HUMAN SERVICE CENTER
Vocational Rehabilitation
2624 9TH AVE SW FARGO, ND 58103-2350
(701) 298-4500 TDD 298-4450 FAX 298-4400

Carol K. Olson
Executive Director
N. D. Department of Human Services
State Capitol, Bismarck, ND 58505

Douglas V. Sailer
Regional Director

Terrence W. Lien
Vocational Rehabilitation
Regional Administrator

April 13, 1999

Mr. Nate Aalgaard
Freedom Resource Center for IL
3505 Th St So
Moorhead, MN 56560

Dear Mr. Aalgaard:

It is my understanding that your agency is currently applying for a continuation of a grant which would provide services and communication devices for persons who are deaf or in otherwise in need of these things.

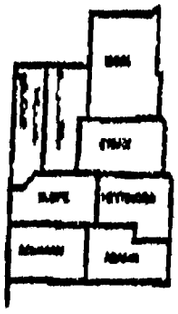
As you know, we have worked closely with you in the past on these projects and, on the bases of how well you have done, would whole-heartedly recommend that you continue. Not only have you proven to be very pro-active in the distribution of this equipment, you have also provided the needed training and follow-up.

Sincerely,

Terrence Lien

Terrence Lien, Regional Administrator
Fargo Office, Vocational Rehabilitation

WOMEN'S WAY
a breast and cervical cancer early detection program



COUNTY OFFICES

Adams County
Public Health Nurse
607 3rd Ave. N.
Hettinger, ND 58639
567-2720

Billings County
Public Health Nurse
70 1st St. S.E.
Beach, ND 58621
872-4333

Bowman County
Public Health Nurse
203 6th Ave. S.W.
Bowman, ND 58623
523-3144

Dunn County
Public Health Nurse
810 Central St.
Killdeer, ND 58640
764-5813

Golden Valley County
Public Health Nurse
70 1st St. S.E.
Beach, ND 58621
872-4333

Hettinger County
Public Health Nurse
308 Mikenzie Ave.
Mott, ND 58646
824-3018

Slope County
Public Health Nurse
203 6th Ave. S.W.
Bowman, ND 58623
523-3144

Stark County
Public Health Nurse
2859 3rd Ave. W.
Dickinson, ND 58601
483-0171

WIC
2859 3rd Ave. W.
Dickinson, ND 58601
483-1642

Women's Way
2859 3rd Ave. W.
Dickinson, ND 58601
483-0171
1-800-14WOMEN

April 21, 1999

To Whom It May Concern:

I would like to highly recommend that the grant monies given to the ND Independent Center for assistance devices be continued. Not all that long ago my father, who is 97 years old and very independent with a severe hearing loss, needed a phone that he could hear ringing, as well hear the person calling. I am happy to report, for my family, that a phone was provided through the center here in Dickinson. My family now regularly communicates with our father by phone because he can now hear the phone ring and is able to visit with each of us for long periods of time on this phone. What a wonderful service this phone is. Jane facilitated the procedure for procuring the phone with the greatest of ease. I personally heard about the service through a public presentation Jane made.

Thank you for restoring and keeping the line of communication open for our family.

Sincerely,
Kay Privratsky
Kay Privratsky, RN
Family member of Frank A. Kudrna

April 22, 1999

Dakota Center for Independent Living
Attn: Jayne Gustafson
2893 Third Ave West
Dickinson N.D. 58621

Dear Ms. Gustafson

I understand the grant for equipment is coming around again, and that your centers would like to distribute the equipment again.

It was my experience that your centers did a professional job the last time you distributed the equipment. My father and I were recipients of telephones and they have worked very well, and the process was simple and not cumbersome.

I would support the idea, that Centers for Independent Living be permitted to administer their portion of the grant again.

Please consider this a letter of support, and feel free to use in any grant application or request.

Sincerely

Maurice W. Hardy
Box 425
Beach, N.D. 58621

Heart River Hearing Aid Practice
1051 3rd Ave. W.
Dickinson, ND 58601
(701)227-0728 (800)585-0728

To whom it may concern:

I would like to thank the Center for Independent Living and the providers of the grant that has enabled so many of my hearing impaired patients to be able to use the phone. I can't adequately describe how enriching it is to maintain these communication skills that are so vital to everyday life. Many of my patients are shut in and use the telephone as their primary means of communication with their families and the services they require.

I am hopeful that the TEDP grant will continue.

Sincerely,

KBCallahan

Kim B. Callahan
Audiologist/ Teacher of the Hearing Impaired
4-22-99

Devils Lake N.D.
april 20- 1999

Dear Sirs: I am hard of hearing. on Dec 8-1998. options resource center in East Grand Forks N.D. gave me a phone on loan to use. Clarity W 1000. the Clarity phone makes calls clear by Increasing the volume of high frequency sound the kind of sound people with partial hearing loss usually miss. I am 72 years old to me that telephone is really ~~wonderful~~ wonderful. I have Bell tone hearing aids its to bad they caundn't do the same thing.

thank yous
Clifford Rader
1806 lincoln ave,
Devils Lake
N. Dak.
701- 662- 2762

TEDP

Post-it® Fax Note 7671	Date 4-21-99
To Hattie Campbell	From Options
Co./Dept.	Co. Revel
Phone #	Phone #
Fax # 369-1986	Fax # 365-4618

4-21-99

To whom it may concern:
I'm writing this letter for Hattie Campbell due to her injury is unable to write.
Hattie states that the phone works great for her. She states it is easy to see the buttons and she can hear better. She would like to see this program (TEDP) continue so others can benefit. I truly would like to see funding continue.
Sincerely,
Hattie Campbell

April 22, 1999

Dear Revel;

I would like the program for the hearing impaired to continue, as most of us can't hear over the phone.

I am using a TTY from Options. It is very useful to me. I can call for information and services. Before I got the TTY I had other people make the calls for me. It is nice not having to bother them anymore.

Thank you very much for helping me with this.

Sincerely,

Catherine Sagert

Garland & Margaret Sagen
310-1st St. So.
Devils Lake ND 58301

Options Resource Center for D.
Attn.: Jay Johnson TEDP
318 3rd St. NW
EGF, MN 56721

Dear Jay,

LaRae Gustafsen stopped by this AM with a Clarity Model W-1000 assistant hearing phone for me. I have had several calls to try out this phone and wanted to write you and tell you how valuable this phone is to me. I do have a problem hearing the old phone ring when any other noise are in the room such as the TV, radio or just been in the next room from the phone, with this new Clarity phone I can set the ring loud and am able to hear the ring if not the blinking red light catches my eye, also when listening on the old phone with no volume adjustment I was not able to understand many voices, especially women's voices, now I can increase the volume to a point that is comfortable and so far I have been able to understand all voices

Thank you for these services.

I'll take good care of this phone.

Sincerely Garland Sagen

Garland Sagen

04/16/99 - 12:00 PM - Phone # 701-442-2818 - Fax 701-442-7111 - Email sagenine@cellularnet.com
Cellular Phone # 701-740-8686

1-15-01

#10

President|Dave Johnson Secretary|Joan Fitzgerald Treasurer|Boyde Severance
Peggy Johnson
Sergeant at Arms

RECEIVED JUL 0 1 2000

June 5th 2000

Yvonne Smith
DHS 600 E Blvd.
Bismarck, ND 58505-0250

Dear Yvonne,

My name is Harold Michels. I live at Accessible Space Inc. in Minot. A.S.I. Is a building made to serve People with disabilities.

I have a contract with A.S.I. For a personal care attendant. The staff has to do everything for me cooking, cleaning and taking care of my personal needs.

It is hard to keep staff because of low pay and no benefits.
The Staff just gets trained for my needs. than they have to leave and get a job that pays enough to live on
I have talked to some of the staff about this. They say I would like to stay but I can't afford to.

Thanks for your time and consideration.

Harold Michels

Magic City Self Advocate
500 University Avenue W.
Memorial Hall Suite 407
Minot, ND 58707
Fax 858-3483 Phone 858-3356 or 800-233-1737ext. 3356

1-15-01
Tape 2 side A

Public Comment

#14

Human Resource Budget Committee:

My name is Deanna Bakken from Fargo. I recently became a Board Member of Freedom Resource Center for Independent Living. I strongly believe in the Independent Living Philosophy Which is basically, letting the *person* with the disability make as many of the decisions regarding **their** lives. What a novel idea! Afterall, there aren't people telling you where to live, where you can work or how to spend your money. So, why shouldn't people with disabilities make as many of these decisions as we can. Regardless of what disability we may have, we are *PEOPLE* first and foremost. So whatever dignities you afforded simply for being human should be offered to people with disabilities.

However, in order for Freedom to adequately serve the people in southeast North Dakota who could benefit from their services more money is needed. Think of this money as an investment, when people **know** all their options they tend to make wiser decisions.

Thank you for your time and consideration.

Deanna Bakken
4311 15th Ave SW #202
Fargo, ND 58103
277-3058

1-15-01 Tape 2 - side A #12

Public Comment:

1/15/01 01

North Dakota House Committee on Budget

The Benefits of CIL's

Five years ago I had some surgery on my back for a congenital spinal problem. Shortly after the surgery while in ICU something went wrong. Whatever happened it left me paralyzed from the armpits down. It was not anyone's fault, and there was no lawsuit that generated large monetary settlements. HMO insurance paid for 3 weeks of rehabilitation for me. I was then discharged home with the basic skills to survive. I struggled with the activities of daily living even though I received some homemaker services from the county. I lost my job of 23 years because I could not return to work in the time schedule that the employer set. I was 46 years old, with a 17-year-old son in High School, a mortgage payment, car payment, etc. I nearly exhausted my entire life savings trying to purchase the goods and services to live. I needed the wisdom, information and services of a CIL.

What could I have used then, and what do I continue to need now, as a person with a disability? The first thing I needed was access to an organization that had comprehensive knowledge about disabilities and who specialized in working with persons with disability. CIL's do this. I needed an organization that knew about agencies and programs available to those with disabilities and their families. CIL's do this. I needed to be able to speak to someone that KNEW what I was going through. CIL's do this. I needed to be able to speak with someone that could help teach me what I needed to know in my activities of daily living. CIL's do this. I needed someone to be an advocate for me when I wasn't able to do this for myself. CIL's do this. I needed to learn how I could go back to work, earn a living, be a taxpayer. CIL's do this. I needed a place I could go whereby I was respected and valued as a person. CIL's do this. CIL's do these things through their core services of Information and Referral, Independent Living Skills training, Peer Mentoring and Advocacy. They do this and more. They do systems and community advocacy and Community Education help bring about change in our society. But one of the most important things CIL's do is to empower people to make their own decisions in managing their own lives.

Today as an Independent Living Specialist I work EVERY DAY with disabled people in North Dakota going through similar life changes. People that have the same needs as I. I can say from personal experience that CIL's are great investments of our money. Today I work regularly with persons in the Fargo area in regards to Work Incentives through Social Security. These people become taxpayers again. I work regularly with persons to maintain their independent living in their own apartments and homes, by helping to access and coordinate services. These persons have physical disabilities such as heart disease, but also mental illness and developmental disability. By accessing and coordinating services it keeps these folks from either becoming homeless or going to long term care facilities. I think we know about the cost differences between long term care facilities and maintaining someone in their home. Daily I speak with persons in a Peer Mentor capacity and with family members. In doing so we give them the support they need to cope and to grow. Almost everyday I go into people's homes, nursing homes/convalescent homes, homeless shelters and rehabilitation units in North Dakota to assist people with disabilities to make Quality of Life decisions. We don't decide for them, they make the decisions and we support those decisions.

CIL's are unique in what they do and are excellent returns for our investment. I strongly urge you to support CIL's during your budget process.

Robert W. Smith, Independent Living Specialist
Freedom Resource Center for Independent Living, Inc. - CIL
PO Box 1795
Fargo, ND 58107-1795

1-15-01

#31

January 15, 2001

Chairman: Mr. Ken Svedjan
Honorable Committee Members
Re: HB 1012, Human Services

My name is LaRae Gustafson and I'm from Reynolds, ND. I have worked for Option's Independent Living Center in East Grand Forks for eleven years. My job title is Outreach Coordinator.

So what keeps me at an Independent Living Center? Once you develop a passion for the Independent Living Philosophy, you just can't turn back. It just makes too much sense. You might say that it's got clutches right on my heart and I can't turn away from it. I have witnessed over and over how many people with disabilities have been empowered and their lives changed by our services.

For Example: A 27-year-old young man with a traumatic brain injury requested our services. He had gone through rehab, released out of Dakota Alpha in Mandan and was living at home with his parents. His snowmobile accident left him with left side weakness, a head injury, cognitive problems and unable to speak. He uses a talker to speak. His name is Jack.

After meeting with Jack , he told me he really wanted to get his license back, he wanted to drive again. That's where we started, we believe in consumer control of their own lives. The consumer tells us what they want and we listen. Jack studied hard for his permit with our skills training help; he obtained his license again. Then he wanted to move out of his parent's home, this too was obtained. I provided skills in budgeting, how to find an apartment, how to buy groceries and how to cook. I also conducted home and community safety skills. I also introduced County Social Services and HUD Housing.

Then Jack told me that he's lonesome, he would like some friends. We provided peer-visiting to meet other people with similar disabilities. At this time we noticed that a lot of young consumers were expressing the same thing. They had all recently moved from their parent's home to living independently. What they were lacking were friends. At IL Centers, we listen to consumers, and when many are telling us the same things, we do something about it. So, we started a recreation leisure group for people

Jack's age. Now Jack has made friends and is planning social activities all on his own.

I invited Jack along on this trip to Bismarck. He typed back on his talker. "I would like too but I just got a job!" He had the biggest grin on his face. His new part time job is driving other people with disabilities to work. Voc-Rehab was very active in securing Jack's job. Consumer control was letting Jack obtain his license first and just see how it paid off! Jack's life has come full circle again, that's what IL Center's are all about. Providing services to people with disabilities to get their lives back on course. This is just one example of our services. We start where the consumer is at. We empower them to get their lives back on track again and emphasis independence not dependence.

I do a lot of traveling with my job. I supervise all direct service which means I travel to all outreach offices. Believe me, I would have plenty to do with just administrative duties. But, our budget won't permit that. Besides supervisory duties, I cover five of the eight counties we serve in ND. I cover Nelson, Grand Forks, Trail, Steele and Griggs Counties. We have a branch office in Cavalier. Revel Sapa operates that office and covers Walsh, Pembina and Cavalier Counties. This totals 9000 square miles.

Now you might be asking how could only two people cover eight rural counties. The answer is that we can't. If we had more staff, we could help more people with disabilities in the rural areas. Travel is difficult for people with disabilities, that's why we travel to their home to deliver services. We do this as efficiently as possible, spending all day on the road traveling to several towns in a day.

Centers for Independent Living work hard to provide services for the needs of our consumers and to make a difference in their lives. We work side by side with Voc-Rehab. Our services go hand in hand. We work together to provide the most efficient service possible and often travel together too.

Please feel free to contact me for further impute at 218-773-6100 or 1-800-726-3692.Thank you for the opportunity to testify.

Respectively yours,

LaRae Gustafson

LaRae Gustafson, LSW

January 15, 2001

Chairman: Mr. Ken Svedjan
Honorable Committee Members
Re: HB 1012 Human Service

We are here to testify on behalf of Option's Independent Living Center in East Grand Forks. Our names are Carolyn and Dale Benzinger and we live in Hillsboro, ND. We both have disabilities. Carolyn has post-polio and Dale has heart problems. We requested Option's services and our lives have changed immensely because of their services.

Option's assisted us to obtain Social Security Disability benefits and explained how the process works. Option's introduced us to the pharmacy indigent programs to receive our medications. These programs save us $250 monthly in medications costs. They have also assisted us to obtain the credit disability insurance for our car, since Dale was no longer able to work. They have provided us with durable equipment to make mobility easier for Carolyn.

We have given many referrals to Option's from Hillsboro and Mayville area. We have witnessed our friends receive vision services, personal support, information about specific disabilities, access to services, equipment usage through loan program, homemaker services, keeping people out of nursing homes by setting up services in homes and teaching consumers how to manage personal care attendants and obtaining free medications.

Option's has started a cross-disability support group in Hillsboro. We bring people together to discuss disability issues, learn about Americans with Disabilities Act, sponsor various speakers on issues desired by members.

Option's services are free of charge. They travel to us to meet in our homes. They are our friends. They sincerely care about our lives and will bend over backwards to assist us with what ever needs we have. Our worker at Option's travels within the eight counties. If IL Centers had more staff; they could help more people with disabilities. Their territories would not have to be so big if they had more staff.

We support Independent Living Centers 100%. Their consumer focus is always on track to the needs of people with disabilities. They will provide more efficient services with more monies available.

Thank you for the opportunity to testify.

Respectively,
Carolyn and Dale Benzinger

Dale L. Benzinger

Carolyn J. Benzinger

Honorable Amy Kliniske
State Representative
600 E. Boulevard Ave.
Bismarck, ND 58505

January 18, 2001

Dear Representative Kliniske,

I am writing to ask you to please pass the Governor's Budget line items for Independent Living as written on House Bill 1012.

Options is the Independent Living Center in Grand Forks which I use, and I am concerned if Options doesn't get funding there would be a problem. I am a 25 year old male with bipolar disorder that needs Options, because Options has services that I cannot get anywhere else. I come to Options when I'm down and depressed and when I need someone to talk to. I always get a smile and feel better after I'm done visiting with them.

Also Options started a Recreation group back in 1999 in which people with disabilities ages 18-30 get together and plan activities. We have gone to activities in the community like bowling, movies, get-togethers at peoples' houses. We do things that friends can do. I love this group because I get to do things with people that have similar disabilities, and when I am not able to do things when I am alone at home. I don't have many friends in the community that understand my disability and therefore may not want to do activities with me.

So having Options here is a big part of my life, and if I didn't have it, I don't know where I would be today.

Options started helping me back in 1992 when I was in High School and the staff helped me when I had problems at home. Options helped me get out of the house successfully and live on my own in 1994. I have been on my own with their help. I have paid bills and lived without major problems.

Today when I need someone to talk to Options is the first organization that I turn to. They help right away, no matter what. No other organization in the Grand Cities has been able to do that.

Without Options I wouldn't be able to cope very well with my anxiety and bipolar disorder. Please pass this bill and don't cut funding for Independent Living because this has made so much difference in my life.

Thank you very much.

Respectfully,

Philip McCullough-Martsolf
824 S. 25th Street, # 36
Grand Forks, ND 58201

Honorable Amy Kliniske
State Representative
600 E. Boulevard Ave.
Bismarck, ND 58505

January 18, 2001

Dear Representative Kliniske,

I am writing to ask you to please pass the Governor's Budget line items for Independent Living as written on House Bill 1012.

I am a 20-year-old female. I have been living independently for a year now and Options has helped me to do that.

My Options caseworkers have always been there to give me just what I needed. I have some major problems coping with different things and they have been trying to help me get the services I need. When I first started coming to Options, I joined the recreation group. I met other people with similar problems, and people with different problems that met similar obstacles. Joining this group and learning from it gave me the confidence I needed to believe in myself and hurtle those obstacles.

My Options caseworkers always knew how to word things so that I could understand. They know my rights and can help me with things I never would have known without their help. When there was no one else to turn to, Options was there. When I wanted to accomplish things without turning to anyone, they gave me the confidence to do so.

Since I have been living on my own, I have had problems with relationships, friends, making new friends, and employment issues. Options has helped me with all of these things and so much more. Someday I hope to live completely independently for example, I hope to get off of Welfare and even live without the help of Options. Until I reach that point I hope to have the people at Options stand behind me. I know Options can do that for me and many other people, but in order to do that they need this bill passed.

Thank you very much.

Respectfully,

Emily Bolinger
824 S. 25th Street, # 36
Grand Forks, ND 58201

Honorable Amy Kliniske
State Representative
600 E. Boulevard Ave.
Bismarck, ND 58505

January 19, 2001

Dear Representative Kliniske,

I am writing to ask you to please pass the governors budget line items for Independent Living as written on the House Bill 1012.

I am a 23-year-old young adult with a disability. I have been living independently in the community of Grand Forks for about two and a half years. Options have been there for me through out this time, which has helped me to maintain my independence.

Options have provided assistance to me to help maintain my personal goals. When there have been services in the community that I needed Options has assisted me in applying for them. I also participate in the Recreation and Leisure group for young adults with disabilities. Through this group I have learned some leadership skills, gained friendships, and learned socializing skills. This has been a great group that I have been a part of.

I have also learned to ride the bus system through Options services. This has allowed me to be less dependent on people for transportation because I can now plan my own transportation routes.

Options have helped me to be aware of my responsibilities in life. I feel that I have grown up and matured through their positive influence. In the future it is important that Options remain strong in my community so that I can use them as a resource as well as other people with disabilities. I would greatly appreciate it if House Bill 1012 was passed.

Thank you for you time,

Sincerely,

Todd Oksendahl

Todd Oksendahl
824 So 25th St Apt 10
Grand Forks, ND 58201

HB 1012

Options Choices Rights

VOL XII No 1 Options: Resource Center for Independent Living Winter 2000-2001

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CONTACT "Options" at 313 3rd Street Northwest
East Grand Forks, MN for copy 56721

Home Care Deserves as Much Support as Nursing Home Care

Editorial
Grand Forks Herald, Monday, January 22, 2001

During the week prior to Christmas there was a great deal written about nursing homes and the problems they are facing. The articles were matter of fact about the need for increased funds for nursing homes and spent more copy space on ways to pay for nursing home care, taxes vs. private insurance, rather than alternatives that are often less expensive than nursing home care. *continued on page 5*

North Dakota Independent Living Centers saved ND $933,471.00 because 77 individuals were moved out or kept from going into an institutional setting in the 1999-2000 biennium.

Global Perspectives on Independent Living: Second International Summit Conference was held in beautiful Honolulu, Hawaii, December 4-6, 2000. This conference was a unique opportunity for networking, education, and leadership development among leaders of the disability movement from around the world. With a financial stipend from Independent Living Research and Utilization (ILRU), I was given the privilege of attending this international conference.

The conference had over 120 participants from 14 countries with Japan having the largest representation. Japan has quite a few Centers for Independent Living and an Association of Independent Living Centers. It was a new experience to have earpieces *continued on page 2*

Mike Auberger, co-founder of ADAPT, (center) talks with conference participants about Personal Assistance Services. Max Starkoff, Director of Paraquad in St. Louis, MO, towers over Mike who is seated to his left.

Jay Johnson

1-21-01

#18

Grand Forks Herald, Sunday, January 21, 2001

MATTERS AT HAND

Democracy comes alive at GF legislative forum

Mike Jacobs
HERALD COLUMNIST

Just when you think you can't stand any more of a legislative forum, when the legislators themselves have exhausted their supply of information, when representatives of various employee groups have finished their requests for higher pay, when the school superintendent has polished off his proposals for the state's system of funding education, when the latest attempted joke falls flat, just when your eyes glaze over for the tenth time, then comes the spark that enlivens democracy.

It happened Saturday morning when Virginia Pantzer overcame her nervousness and stood up to tell area legislators how important she believes their support for independent-living centers has become.

Pantzer called herself a "novice" at lobbying legislators, and she apologized for not knowing she should have joined a line of people waiting to press their issues before the legislators. Then she delivered an eloquent, heartfelt, even passionate plea for her cause.

She was the second of three women who spoke about the independent living centers. Petra Clemens led off, and Virginia Benzinger followed. These two were equally as articulate as Pantzer. They told about their experience, and the experience of their families, with organizations such as Mountainbrook and Options in Grand Forks.

Legislators were clearly impressed. State Sen. Linda Christenson, a speech teacher, said that passion was the essential element of a good speech. Sen. Mike Polovitz, a first-termer, wondered out loud if he could learn from such novices as these.

Perhaps most important of all, state Rep. Ken Svedjan clearly heard their appeal. Svedjan was the target of the testimony. He chairs the human resources section of the House Appropriations Committee. Money for the independent-living centers is in an omnibus bill that funds human resources programs in the state.

Svedjan acknowledged the power of the women's testimony and said he'd take their concerns to Bismarck. They made sure he would, by handing him printed material.

So in a moment, democracy was made to work. A connection was established between people and their elected representatives. This never fails to impress me. It is the magic that keeps me coming back to politics, and to legislative affairs. Time after time, I see this sort of thing occur. Time after time, people are heard when they speak from their hearts.

Coincidentally, George W. Bush was speaking at about the same time as these women, 11 a.m. Saturday. The president spoke about compassion and its importance to democracy. That was the message to legislators in Grand Forks, too.

So in a moment, democracy was made to work. A connection was established between people and their elected representatives.

This never fails to impress me. It is the magic that keeps me coming back to politics, and to legislative affairs. Time after time, I see this sort of thing occur. Time after time, people are heard when they speak from their hearts.

Of course, the other issues discussed Saturday morning were important, and some of the speakers brought passion to their talks, too. There was some anger, quite a bit of frustration and a fair amount of resignation, especially about salaries.

The key difference, it seems, is that people presenting these arguments represented interest groups, and their testimony was expected. That doesn't make it any less valuable — but it does make it a little less magical.

This magic keeps democracy alive.

It occurs at unexpected times and places, including these apparently routine get-togethers.

In fact, it is the importance of these get-togethers. They make it possible for citizens to meet their government and to press their points of view.

That's an important contribution to democracy, and we all ought to be grateful to the sponsors of these hometown meetings. In this case, that means the Grand Forks Chamber of Commerce.

Chamber representatives were not prepared for the turnout Saturday morning. They ran out of cookies and then they ran out of coffee.

Next time, there will be more of both of those — and probably there will be more of the magic that happens when democracy comes alive.

Jacobs is editor of the Herald.

MAILBAG

Home care deserves as much support as nursing home care

EAST GRAND FORKS — During the week before Christmas, there was a great deal written about nursing homes and the problems they are facing. The articles were matter of fact about the need for increased funds for nursing homes and spent more copy space on ways to pay for nursing home care (such as taxes vs. private insurance) rather than alternatives that often are less expensive than nursing home care.

Alternatives that would let people stay at home and bring services to them have not been discussed. These are services such as attendant care, adult day care, housing assistance and meals on wheels, as well as equipment such as alert systems, timers on stoves, prompts to take medications, grab bars and other items that would help people.

One article said that a nursing home lost $36,000 a year for every unfilled bed. That much money would buy a great many home-based services and equipment items. If the funding for community-based services were as available as it is for institutional care.

In North Dakota, 11 times as much is spent on nursing home services than on home- and community-based services.

We need to rethink our service system. Our current system has increased nursing home reimbursements by 79 percent from 1990 to 1999, even though the population of people who are elderly has only increased by 1.4 percent. This translates to a budget in excess of $115 million.

There are now more and more services and pieces of adaptive equipment designed to reduce the risks associated with staying at home alone. Where these are utilized, we are seeing a reduction in usage rates of nursing home services, increased quality of life and cost savings.

In three states where longitudinal studies were conducted as reported by the American Association of Retired Persons, the states saved from 9 percent to 23 percent and reduced nursing home growth, based on projections, by 18 percent to 39 percent.

Everyone wants their mother or father, grandmother or grandfather to be safe, and it is comforting to know that they are in a place that always has help around in case they fall or need medical attention. There are inherent risks involved with living at home as you age — but does the this risk outweigh the loss of freedom experienced when one is placed in a nursing home?

We cannot protect our loved ones to such an extent we take way the "living" part of life. We must design a service system where we can pay people to assist the frail elderly within their homes. We must design a service system where inability to remember to take medication or physical barriers of the home are not the causes of nursing home placement.

Randy Sorensen

Cheryl Johnson 1-24-01 19

Legislative Committee Hearing
HB 1012
January 24, 2001

To the Legislative Committee Members, Co-workers and friends;

I am here before you on behalf of the Independent Living Center of Minot. As an employee of Independence, CIL I would like to encourage you here today to allocate increased funding to Independent Living Centers across North Dakota.

Everyday I work with consumers who, if it weren't for the services provided by our centers, would not today be living to their fullest potential. Our centers have been able to assist individuals with disabilities to enrich their lives and live in their communities as independently as their neighbors, co-workers, friends and families. With an increasing consumer base, it becomes increasingly evident that funds are insufficient to meet all the needs of consumers in providing services necessary to becoming independent. Centers are forced to forgo expansion of programs, adding additional programs, and supplying necessary teaching materials. Many centers are extremely understaffed and unable to provide all of the time necessary to adequately serve each consumer sufficiently. Some centers must work within a budget that is insufficient to provide additional staffing, much less increases for the small staff they already have. They are forced to develop their own skill

1-27-01

building materials because their budget is too limited to provide materials necessary to build programs for use with their consumers.

The center I am employed with was the last center to open their doors to our community 6 years ago and without increased funding will be the first center forced to close its doors and leave our consumers out in the cold. Future potential consumers will not have the opportunity to grow to their fullest potential and become an independent, self-reliant member of their community. Please don't force us to have to shut the doors of opportunity in the faces of our consumers due to the lack of funds. All people have a right to live independent full lives, but without the funding to supply the assistance to those knocking at our doors, they will not have the opportunity to take advantage of services that would otherwise assist them to become all that they can be. Fully-abled individuals.

Thank you for your time and consideration on this concern.

Cheryl Johnson
Peer Supporter/Independent Living Skills Specialist

Independence Center for Independent Living

Minot, ND

HB 1012

CENTERS FOR INDEPENDENT LIVING
FACT SHEET

What is a Center for Independent Living (CIL)? A CIL is a non-profit corporation providing community based services that assists people with disabilities to live more independently. CIL's are mandated to be managed and staffed by a majority of people with disabilities. Centers assist people **with all types of disabilities**

How do CIL's assist people? The foundation of CIL services is the peer relationship, defined as, people with disabilities assisting other people with disabilities as role models, mentors, and counselors. Each center is unique because it offers services based upon the particular needs of its community. At the same time, centers are alike in that they all offer core services, free of charge: **information and referral, peer counseling, individual and systems advocacy, and independent living skills training.**

How many CILs are in North Dakota? Four CILs are providing services to persons with disabilities. The Dakota CIL located at Bismarck; the Freedom Resource Center at Fargo; Independence CIL at Minot; and Options Interstate Resource CIL at Grand Fords, ND. There are 340 centers for independent living in the United States, with more than 224 satellite locations. A center's service area may be one county or a dozen. According to the Rural Institute on Disabilities, 60% (1,911) of our nation's counties receive service from a CIL.

How many satellite offices are there in ND? The Dakota CIL operates a satellite office at Dickinson, ND and Freedom Resource CIL operates a satellite office in Jamestown ND. Both satellite offices provide outreach and services to the very rural parts of our state.

INSTITUTIONAL CARE COSTS SAVED BY NORTH DAKOTA CENTERS FOR INDEPENDENT LIVING

Part of the mission of Centers for Independent Living is to assist persons with disabilities in either leaving or preventing their placement in institutions. This effort by the four centers in North Dakota has saved the state $933,471.00. This savings is the difference between what it costs for individuals to live independently and the increased cost that North Dakota would have spent on institutionalized care.

The figure was computed using the average nursing home rate, adjusted for room and board, and the average cost of personal care attendant (PCA) service for the 77 individuals either moved out or kept from going into an institutional setting during the 1999-2000 Biennium.

$ 110.00	AVERAGE NURSING HOME COST PER DAY
x 30%	ADJUSTMENT FOR ROOM AND BOARD
$ 77.00	ADJUSTED COST PER DAY FOR NURSING HOME CARE
$ 77.00	ADJUSTED NURSING HOME RATE
x 365	DAYS OF THE YEAR
$ 28,105.00	COST PER YEAR FOR NURSING HOME CARE

$ 28,105.00	COST PER YEAR FOR NURSING HOME CARE
12,123.00	AVERAGE COST PER YEAR FOR PCA SERVICES
$ 15,982.00	COST SAVINGS
x 77	PEOPLE WITH DISABILITIES
$ 933,471.00	**TOTAL BIENNIUM SAVINGS**

1-24-01

#21

LEGISLATIVE COMMITTEE HEARING
HB 1012
January 24, 2001

To Legislative Committee Members, Co-workers, and friends;

As Interim Director of Independence, Center for Independent Living Center in Minot, I am here today to express my concern regarding IL funding for the four Independent Living Centers in North Dakota.

Independence, CIL serves the Northwest Quadrant of the state, which includes 11 counties. Due to lack of funding, Independence is unable to provide adequate services to all 11 counties, currently serving only the Minot and Williston areas.

Staff of Independence has found great pleasure in serving consumers in every possible capacity to ensure their needs be fully met. However, with funding at present levels, we cannot hope to promote adequate programming for our consumers. Even at present levels of accomplishment, funding restrictions forestall our ability to operate programs at present resource levels, therefore shortchanging those persons we are meant to represent. Funds are greatly needed to develop and maintain consumer programs and to increase our attempts to serve all our present and new consumers completely.

Independence was the last Independent Living Center to open its doors in October of 1995, and therefore will be the first to close if funding is cut or not adequately appropriated, which would deny consumers the right to independent status in their community. Please consider this request to restore and increase the funding needed to provide services to individuals with disabilities so they may have control of their own lives.

Thank you for your time and consideration on this important issue.

Colleen Kubler
Interim Executive Director
Independence, Center for Independent Living
900 N Broadway, Suite 302
Minot, ND 58703

#22

Legislative Committee Hearing
HB 1012
January 24, 2001

Dear Committee Members, Staff and Consumers of State Branches of Independent Living Centers and Friends;

I welcome this opportunity to present before the committee my personal views as a consumer regarding House Bill 1012 concerning monetary appropriations for Independent Living Centers for the state of n Dakota. Concerning the many well-documented uses to which previous funding allotments have been dedicated, I feel a need exists for not only a continuance of present funding, but a serious need exists for an increase in funding without which, not only could new advances in programs and services required by consumers not be accommodated, but present activities might need to be scaled back and this would be a detrimental loss and deprivation of important services required by the consumers. In order that consumers meet their full potential as individuals in our society, they need all of the resources made available to them that can bring total fulfillment, personal enrichment, competence, self-confidence, and ability to do the things all able bodied citizens enjoy and often take for granted. Your consideration of the importance of the allocation of an increase in already existing funds is of inestimable value to consumers in making possible the availability of services at a level concurrent with educational services received by non-disabled community members through other service providers or educational institutions easily accessible to them and which such providers or institutions are suitably adept at providing skill building services and educational resources to the non-disabled community. With our centers for Independent Living maintaining an ever-increasing consumer base, increased funding requirements are desperately needed. With costs continuously rising, the acceleration of need increases proportionately. We cannot disallow the rights of our consumers, evade the issues, avoid the provision of necessary services, and allow the misappropriation of funds necessary to enhance the full development of our consumers as employees in our work force nor disavail them of their right to receive training in skills of personal life management or the development of social skills requisite in maintaining an existence adequate to that of the level maintained by non-disabled individuals. With appropriate funding, these needs can be met and programs not only maintained but improvements be made in those programs. Without adequate financial opportunities to meet consumer needs, the

opportunity for each and every individual consumer to learn, to grow and to develop, and to live fully as whole and complete individuals in society equal to lives lived by other non-disabled consumers will be a devastating loss. It is my wish that you are able to do something about this increase, will not let this desecration occur to limit the lives and opportunities of our differently abled community of consumers for we have as much to offer our world as do our non-disabled brothers and sisters in our world. I pray you will do all that it is in your power and hearts to possibly do to accomplish these most eminently worthy goals for the achievement of success by and for all disabled and non-disabled persons in our communities.

Thank you,

Darlene Harkness

Independence Inc. Centers are a great agency.

I became a consumer in 1995.

I found out about Indepence through the "Mayors' Committee of Employment of People with Disabilities.

I had just moved to Minot and had some problems and the director at that time helped me

successfully solve them.

I was endigent and needed medicines.

Social workers at Inde-pendence helped-contacting pharmaceutical Co's for free medications. The Social worker was just great. in advacacy

They even assisted me in cleaning up my credit report.

The social interaction and one on one outings

are very rewarding.

When I moved to Minot I knew no one and my social skills were in need of improvement.

Although I can live independantly and always could — I have seen what the folks at Independence do for those who don't know how to cook,

for themselves, do laundry, clean house, or learning how to drive and obtaining a permit.

They have a computer instruction program that I was able to take advantage of.

I enjoy it very much as I became knowledgable of the new technology — especially the internet and being assigned my

own e-mail.

I have the opportunity to volunteer sometimes using some of my skills and giving me a sense of usefulness.

A fringe benefit is the friendships I have developed.

The Peer Support has been a valuable tool in my life.

Therefore, I would

like to see the increase of funding for this very much needed agency.

Linda Boyd

HB 1012

March 6, 2001

Chairman: Senator Dave Nething
Honorable Committee Members

Re: HB 1012 Human Service Budget – Independent Living Centers

My name is Judy Moen and I became employed at the Options Independent Living Center this past September. Our funds are very tight so I volunteered to bring a few consumers to this public testimony because I have relatives in Bismarck where we can stay overnight.

My son, Aaron, lost the majority of his vision after a premature birth. He is now fifteen and into the transition part of his education, getting ready to explore his opportunities for employment. Options staff are trained to help families and schools work through any difficulties in a child's (IEP) Individual Education Plan. They assist the family by making sure the student with a disability has the opportunity to make decisions that affect his or her life and is limited only in the same way as a student without a disability.

Before I started at Options I was working with low-income families and the biggest problem I found was not the consumers we worked with but the agencies controlling their lives. As we utilized the various programs and processes with our multiple barrier consumers, self-determination and personal responsibility became my number one priority to teach everyone—consumers and agencies.

Independent living teaches self-determination and personal responsibility. Independent living teaches individuals how to deal with their barriers and how to over-come them. We want people with disabilities to live just like everyone else-having the opportunity to make their own decisions that affect their life—consumer controlled. Consumer choice gives people the opportunity to pursue employment, recreational activities, housing, and transportation of their own choosing.

I took a $10,000 a year salary cut to work at Options but I did that because I sincerely believe in the Independent Living philosophy. Please restore the $300,000 in funding that the Governor recommended. Let everyone have the opportunity to be the best they can be.

Sincerely,

Judy Moen

Judy Moen

HB 1012

March 6, 2001

Chairman: Mr. Dave Nething
Honorable Committee Members
Re: Human Service Budget: Independent Living Centers

My name is David Espinoza and I've lived in the Grand Forks, ND area my whole life. I am here to testify on behalf of Option's Independent Living Center.

I was born with cerebral palsy. My doctor didn't think I would ever walk or talk. Everyone also discouraged me and doubted my abilities but I was determined for something better.

When I was 24 years old, I heard about Option's. They were the first people to encourage me and stressed independence not dependence. They assisted me to live on my own for the first time, this was very important to me. Option's staff encouraged me in all aspects of life to better myself. I learned that with a few simple adaptations, I could do anything. Option's helped by listening to me and never laughing at my life goals. Instead they did all they could to help me reach my goals.

I have been married for seven years; I now live in a townhouse. I now have my driver's license. Option's was there to show me what my rights were. I did not think I could ever be married. They also assisted in getting my drivers license. Option's staff has a "can do" attitude that always encourages me no matter what problem I have. They will always be there for me no matter what happens.

I am not only a consumer of Option's services, but have served on their board of directors for the past three years. I am a peer-visitor for Option's, helping other people with cerebral palsy. I now shovel snow for four businesses and clean two office buildings. I felt all my life goals were accomplished, and Option's said "not just yet!" They then advocated sending me to a leadership conference in Grand Rapids, MN for a whole week. Their attitude is that I can still achieve more goals and have a lot of potential.

Please help by restoring the $300,000 in funding that the Governor recommended and keep people with disabilities living independently! Option's services have changed my life!
I tell everyone I can about them. Independent living just makes common sense.

Sincerely,

David Espinoza

David Espinoza

HB 1012

NORTH DAKOTA INDEPENDENT LIVING PROGRAM

Proposed
Biennial Budget
Request

2001-2003

With the exception of following page this testimony was the same as given on 1-15-01