

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1415

2001 HOUSE HUMAN SERVICES

HB 1415

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1415

House Human Services Committee

Conference Committee

Hearing Date January 29, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		4690 to end
Tape 1		X	0 to 2025
Tape 2	X		170 to 600
Committee Clerk Signature	<i>Corinne Easton</i>		

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Open hearing on HB 1415.

Rep. Disrud: Introduced Bill. As an advocate for children, I have the desire to provide the very best services for them. In order to accomplish this goal, I have worked with others to bring HB 1415 before you today.

Rep. Keiser: I appear before you today, not only as a Representative, but also as a Board Member of Charles Hall Youth Services. Southwest Key came into our state as a for-profit organization that sets up these kinds of services. When they came into the state they started pirating employees from other institutions in the state who were doing the same business, and paying these employees more money. That is to be expected and that's the market place at work.

However, that put a hardship on other facilities in the state. We went to the Department of Human Services and asked if there was a moratorium that would preclude this because we are not operating at a profit. We were informed there was not a moratorium. Southwest Key, with about one weeks notice at best, pulled up stakes. We went from about an 85% occupancy to about a 50% occupancy at Charles Hall. That is why we are in a financial difficulty. As a public policy, we need to protect those nonprofit organizations that are doing a good job in this state.

Vice Chairman Devlin: According to the Fiscal Note, there is a moratorium being placed now and this bill will extend that moratorium, but will this allow additional beds if needed?

Rep. Keiser: I can't respond to that but I can say that, as a Board Member, when we went to the Department of Human Services and said "don't do this", we were informed they had no choice. That was between legislative sessions so if there is a moratorium in place, I compliment them for that.

Vice Chairman Devlin: The language changed in the bill says we are going to change the effective date from June 2001 to June 2003. We are extending the moratorium that is already there.

Rep. Keiser: I am all for that if the extension is a current one.

Rep. Porter: Other than state funding, what other revenues does Charles Hall get into. Are they United Way or private donations?

Rep. Keiser: We're doing everything we can, including giving blood. Charles Hall has just hired a fund raiser. We do make applications to United Way. We also have capital fund drives in the community.

Rep. Porter: Do you know about the percentage that the state provides in comparison to the cost of actually doing the business?

Rep. Keiser: I'm not sure, perhaps there are other people here who could answer that.

Rep. Weisz: When did Southwest Key come into the state and when did they leave?

Rep. Keiser: About three years ago, and they left after two years.

Tim Eissinger: Chairman of the Residential Child Care Facility Association. My comments are given in support of HB 1415. We base our support on three factors: First, a facility and present level of care in North Dakota have proven our ability to address the residential needs of children in the state. Second, we endorse reducing lengths of stays and placing them in a least restrictive care as possible. Our third and final point is that our association strongly supports the ability of the Department of Human Services to conduct a needs assessment and increase capacity when indicated.

Rep. Pollert: You say the demand may be reduced in the future, and then you say the ability that they should be able to assess. If you say they are going to reduce, why should we allow them the opportunity to increase the capacity?

Tim Eissinger: The department still should have the ability to identify a group of individuals. It might mean a reallocation of bids across the state.

Vice Chairman Devlin: Are all the facilities in the state members of your association?

Tim Eissinger: Not all are represented in the RCCF Association. I believe there are three or four small facilities that are not.

Vice Chairman Devlin: What approximately are the percentages of the occupancy rate?

Tim Eissinger: The majority of the facilities are running approximately 90%.

Dave Marian: Member of Residential Care Association. Some of the things that happened with Southwest Key that we don't want to see happen again was that it was quite an impact, not only to the community, but most of all it was a strong kind of a kick for the kids that had to be placed

where it probably was not the best place for them to be, such as why are they going out of state?

We're committed to providing the best facility.

Paul Ronigan: Director of Children and Family Services, Department of Human Services. I lend my support to a moratorium continuing, but we request the department be granted the flexibility to increase bed capacity only in response to demonstrated needs. It was adopted to be put in the department's funding capacity this last biennium.

Rep. Porter: What bothers me is that we have a number of children in residential treatment facilities out of North Dakota, where we are reimbursing quite a bit more than what we would be willing to reimburse our own instate facilities. How many children are outside of the state and why can't they be placed in the state?

Paul Ronigan: It is that we can't find a placement for a child in North Dakota. We have to use out-of-state facilities. Anywhere from 32 to 38 children will typically be out of the state at any one particular time.

Rep. Porter: When you talk about the full out-of-state charges, can you give me a comparison to what that is in comparison to the \$350 per month your willing to pay an instate provider?

Paul Ronigan: Depends on which facilities and types of care required?

Rep. Klein: What is the number of residential beds currently instate?

Paul Ronigan: Approximately 290.

Chairman Price: When you do the instate, out-of-state comparison, can you give us the transportation cost?

Paul Ronigan: Yes, we will try to provide some transportation dollars for those costs.

Rep. Metcalf: You mentioned types of care - are some of the children placed out-of-state because you can't provide the type of care they need instate?

Paul Ronigan: Yes, right now even if we do a needs assessment and we develop other options for kids, there will still be some kids that we will not have the numbers in a particular category for a facility to gear up and provide that care economically in North Dakota.

Rep. Metcalf: What action is being done to get these kids back in the state?

Paul Ronigan: We have started analyzing the different categories. We have had major health crisis in my division. We have been experiencing staff shortage, but are looking at picking up the study.

Rose Stoller: Executive Director, North Dakota Mental Health Association. Mental health problems can occur to children of any socioeconomic background. In fact are not just poor kids. Our association is in support of HB 1415 and request a DO PASS.

Vice Chairman Devlin: Closed hearing on HB 1415.

#### **COMMITTEE WORK:**

Vice Chairman Devlin: Let's go back to HB 1415. What are your thoughts?

Rep. Weisz: I move we DO PASS.

Rep. Cleary: Second.

Vice Chairman Devlin: Discussion.

Rep. Porter: I'm still concerned with our money going to out-of-state facilities. The department needs to try to keep these children in the state. Shipping our most troubled youth out-of-state and paying a higher rate isn't the answer. I would like to see the numbers that they come down with and still find something to either present as a study or to tack on to another piece of legislation.

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House Human Services Committee  
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Hearing Date January 29, 2001

Rep. Metcalf: If we can economically get a facility here in North Dakota, I think the department is responsible to look at that. This bill will give them the authority to develop the beds that are necessary. I support this bill.

Rep. Cleary: I think most of these children have been in facilities in the state but we don't have facilities equipped to handle them here. That is why they are sent out-of-state. We would have to do a lot of upgrading.

Vice Chairman Deylin: Further discussion? Seeing no further discussion the clerk will read the roll for a **DO PASS**.

**13 YES   0 NO   1 ABSENT   CARRIED BY REP. TIEMAN**



**FISCAL NOTE**  
 Requested by Legislative Council  
 01/23/2001

Bill/Resolution No.: HB 1415

Amendment to:

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill extends the ending date of the moratorium on the expansion of bed capacity in residential treatment centers for children and residential childcare facilities until June 30, 2003. These costs must be paid for regardless of whether the child is placed within or outside the state. Since the moratorium already exists, there is no fiscal impact on the State or the Department of Human Services.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

<b>Name:</b>	Brenda M. Welsz	<b>Agency:</b>	Department of Human Services
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Phone Number: 328-2307

Date Prepared: 01/26/2001

Date: 1-29-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1415

House Human Services Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS

Motion Made By Rep. Weisz Seconded By Rep. Cleary

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman			Rep. Audrey Cleary	✓	
Rep. William Devlin, V, Chairman	✓		Rep. Ralph Metcalf	✓	
Rep. Mark Dosch	✓		Rep. Carol Niemeier	✓	
Rep. Pat Galvin	✓		Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Weisz	✓				

Total (Yes) 13 No \_\_\_\_\_

Absent 1

Floor Assignment Rep. Tieman

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
January 30, 2001 1:26 p.m.

Module No: HR-16-1922  
Carrier: Tleman  
Insert LC: , Title: .

**REPORT OF STANDING COMMITTEE**

**HB 1415: Human Services Committee (Rep. Price, Chairman) recommends DO PASS**  
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1415 was placed on the  
Eleventh order on the calendar.

2001 SENATE HUMAN SERVICES

HB 1415

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1415

Senate Human Services Committee

Conference Committee

Hearing Date March 7, 2001

Tape Number	Side A	Side B	Meter #
1	X		32.1
Committee Clerk Signature	<i>Carol Holodyschuk</i>		

Minutes:

The hearing was opened on HB 1415.

REPRESENTATIVE RACHEL DISRUD, sponsor, introduced the bill. It makes sense that we don't overbuild facilities, but take care of young people in quality. Presented an amendment.

DIANE SZERDERA, Home on the Range, supports bill. (Written testimony) presented same amendment. SENATOR KILZER: What percentage of residents are out of state? MS.

SZERDERA: 10% are Montana residents. 90% in both Sentinel Butte and Fargo are ND residents.

PAUL RONNIGEN, Dept. Of Human Services, support bill with amendments.

No neutral or opposition testimony.

SENATOR MATHERN moved amendments 10563.0101. SENATOR ERBELE seconded the motion. Roll call vote carried 5-0-1. The vote will be held open for SENATOR LEE.

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Senate Human Services Committee

Bill/Resolution Number HB 1415

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SENATOR MATHERN moved a DO PASS AS AMENDED. SENATOR POLOVETZ seconded it. Roll call vote carried 5-0-1. The vote will be held open for SENATOR FEE. SENATOR MATHERN will carry the bill.

10563.0101  
Title.

Prepared by the Legislative Council staff for  
Representative Disrud  
March 6, 2001

PROPOSED AMENDMENTS TO HOUSE BILI. NO. 1415

Page 1, line 3, after "facillity" insert "or group home"

Page 1, line 17, after "facillity" insert "or group home?"

Page 1, line 20, after "facillity" insert "or a group home"

Renumber accordingly



