

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2012

2007 SENATE APPROPRIATIONS

SB 2012

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012


Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/08/07

Recorder Job Number: 710

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2012 with roll call. He determined there was a quorum. The subcommittee includes Senators Fischer, Kilzer, Grindberg, Krauter, and Mathern.

Carol Olson, Executive Director, Department of Human Services (DHS), presented written testimony (1) in support of SB 2012. She discussed the some of the program achievements relating to Aging Services, Children and Family Services, Child Support Enforcement, Economic Assistance Policy, Disabilities Services, Mental Health and Substance Abuse, Medical Services, Regional Human Service Centers, ND State Hospital and ND Developmental Center.

Senator Robinson raised questions about the sex offender program, the major challenges during the next 2-4 years, and the seriousness of maintaining the younger population.

Senator Bowman what could be done about getting qualified people (social workers) to be mentors in the school systems in rural ND.

Senator Mathern asked about the long-term use of Jamestown Hospital becoming all corrections and another facility being used for the other patients.

Senator Grindberg asked that an organizational chart be provided to the Appropriations Committee as well as a reflection of the projected increases in the Governor's Budget. He also asked for additional comments on Part D.

Brenda Weisz, Chief Financial Officer, DHS, provided written testimony (2) on the 2007-09 budget discussing a line by line overview of the major budget changes, policy changes, and key points in developing the budget.

Senator Fischer asked where they come up with the FMP rates in 2009.

Senator Krauter asked what numbers were used to establish the budget as there are concerns about the numbers not matching.

Allen Knudson, Legislative Council Analyst, indicated the numbers were according to the last session and adjusted as what had happened since then.

Senator Holmberg asked that the subcommittee be provided with a chart as to what the total cost would be with wage increases of \$.80, \$1, and \$1.20 would cost.

Senator Wardner asked for clarification about the last binennium wage increases.

Several additional topics were raised, clarification of the 2005 monies that were carried over, the average salary for DD wages, whether there would be declining Medicare clawback costs each year until 2015 and whether the changes in population had been factored in, whether any federal match dollars had been lost when some responsibilities had been transferred from DHS to the Department of Health.

Senator Robinson requested a glossary of the terms and acronyms used by DHS be supplies to the Appropriations Committee.

Senator Krauter asked that the committee be provided with a listing of the contract services provided from the Department that are over \$25,000 and over a period of more then six months.

Clarification was requested on the eligible population for Healthy Steps program and the premium at the present time, the increase in federal funds when the general fund monies increased, whether there are success stories or is there only an increase in money.

A ten minute break was taken.

Brenda Weisz continued with testimony (3, 4) on the Administration and Support area, discussing the programs, the program changes, the overview of budget changes.

Senator Robinson asked about projections in retirement and new staff, the ability for retention and recruitment

Jennifer Witham, Director, Information and Technology Services, DHS, presented written testimony (5) and an overview of the Information Technology Services (IT), discussing programs, customer base, and budget changes overview.

Several questions were raised regarding the FTE's, the overall MMIS budget for FTE's, whether the FTE's are permanent, the relationship with ITD, whether there would be any savings in any area, and whether DHS would ever become paperless.

Blaine Nordwall, Director, Economic Assistance Policy Division of DHS, presented written testimony ((6) providing an overview of the budget for Economic Assistance. He reviewed the programs, caseload, major program changes and challenges and an overview of the budget changes elaborating on decreases in the operating budge for JOBS and PERM contracting expenses.

Questions were raised about the comparative analysis with other states in the region, whether there is tracking economic assistance relates to other issues being faced in the state, whether adjustments are being made in heating assistance, and what was done to account for the decrease in the operations budget. Additional questions included the child care assistance

provided for individuals with developmental disabilities, whether there would be additional discussion on all of the different sections of the bill, regarding the Russell Silver Syndrome.

Jim Flemming presented oral and written testimony (7) for **Mike Schwindt, Director, Child Support Enforcement Program**, providing an overview of the program. He discussed caseload (IV-D and non IV-D), customer base, major trends, issues and program changes in collections of fees, performance, and benefits, and an overview of the budget changes relating to salaries, operations, grants, revenues, and parental responsibility (PRIDE).

Questions were raised about the fees charged and why there is a difference on fees for IV-D and non IV-D, what percentage of the kids are covered for medical support with current programs, and what the incentive monies are for the work force.

The hearing closed at 11:30 am.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB2012

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01-09-07 am

1-09-07

Recorder Job Number: 768

Committee Clerk Signature

Alice Delzer

Minutes:

Chairman Holmberg opened the session at 8:30 am, January 9, 2007 in the Harvest Room.

Tom Wallner, Executive Director of the ND State Council on Developmental Disabilities

(DD) distributed written testimony (1) pertaining to DD Council's budget request. Testimony

was given concerning the federal government involvement, grants, and statistics concerning

the number of individuals under the umbrella of care, staff salaries, retiree benefits and

operating costs. The committee was informed that the Council has been 100% funded by the

federal government. A brochure (2) explaining ND State Council on DD was distributed.

Linda Wright, Director of the Aging Services Division of DHS distributed written testimony

(3) providing an overview of the Aging Services Division budget. She explained all of the

programs their division offers to the aging, submitted charts to verify her testimony prepared by

the Information Center at NDSU, the population of aging residents of ND is continuing to grow

and there are federal guidelines that must be met by the Aging Services Division. Our intent is

to apply for funding from the federal government to establish Aging and Disability Resource

Centers (ADRC). She shared there is an increase in operating expenses, training costs,

providers needing more funds, salary needs and retiree benefit needs. She also shared about

the Qualified Training Nurses Program, which is provided by contract with the Lake Region

1-a/b

State College to provide that training, assistance to people applying for Medicare Part D, and other benefits provided by the Division to the aging.

Questions were asked regarding salaries of their staff and retiree benefits.

Brenda Weiss gave testimony regarding state government's policy concerning benefits for retirees.

Nancy McKenzie, Director of the Regional Human Service Centers (HSCs) for the Department of Human Services (DHS) presented written testimony (4) containing several charts and gave testimony giving an overview of statewide service trends and programmatic direction in the 8 regional centers. She stated that demand for services has exceeded our ability to complete our responsibility.

Discussion followed regarding the contract with Merit Care stating that they have provided care even after the contract was expired. They are making good efforts to improve their emergency care, use of the walk-in clinic, referrals to the correctional system regarding substance abuse. Services are needed for both mental and substance abuse patients.

Senator Bowman asked what kind of success is there with the treatment of substance abuse patients.

Nancy McKenzie explained that some do benefit from treatment, but there needs to be ongoing care with longer periods of rehab for several people in the system, and some never do respond to treatment.

Discussion followed regarding FTE and the fact more employees are needed to meet the need. Questions arose concerning Drug Court.

Discussion followed regarding the need for another center, whether the fact that some directors have dual responsibilities, and concern that there is an overload of work for these directors. The committee was assured by **Carol Olson** that the directors are handling the

work load and have excellent staff to assist them. Questions arose if there is a long wait time for services, if there is enough staff to handle the work load, and discussion on the Matrix program.

Alex Schweitzer, Superintendent of the ND State Hospital and Developmental Center of DHS presented written testimony (5A) (5B) and provided an overview of the State Hospital and Developmental Center. He shared the need for more beds in the sex offender unit, which is an all male unit, security and safety procedures need improving, monitoring parolees, salary costs, operating expenses, mental health care specialists and nursing and medical staffing.

Senator Robinson requested figures on the daily care in the sexual offenders unit.

Senator Bowman requested information regarding the Court's involvement, is the time there considered jail time and does anyone ever get released from the sexual offenders unit.

Questions were also raised concerning the James River Agency and the State Hospital working together. The committee was assured it was a good working relationship.

Don Redman gave overview of budget.

Ken Schultz, Finance Officer expounded further on the needs at the State Hospital.

Brenda Weiss explained in more detail about the shortfalls of the current budget.

Questions were raised about the locations of the different inmates, where the nursing housing is, whether Mr. Schweitzer is involved in any way with the new prison building project, if the State Hospital is full to capacity, concerns about the staffing in Grafton, and the state wide referral system.

Teresa Larsen, Executive Director for the Protection & Advocacy Project provided written testimony (6) and gave testimony regarding the Developmental Center and the transition of residents to community placements. **Senator Fischer** adjourned the meeting.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations

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Hearing Date: 01/09/07

Recorder Job Number 824

Committee Clerk Signature

Jane Pink

Minutes:

Chairman Holmberg opened the hearing on medical services and long term care of SB 2012 on 1/9/07 at 1:30 pm.

Maggie Anderson, Director, Medical Services, presented written testimony (1) providing an overview of the traditional Medicaid and the state children's health insurance programs as well as administrative costs of the Medical Services Division. She further discussed the programs, caseload, program trends and major program changes, an overview of the budget changes, Medicare Part D recertification, grants stabilization for grants utilization of inpatient and outpatient services, physician services prescription services and healthy steps.

Senator Robinson requested further information about the relationship between the Department of Health and the DHS.

Senator Fischer questioned the Healthy Steps enrollment and whether Healthy Steps has been tracked after rolling over kids because of Vision 6 (eligibility system).

Ms. Anderson indicated in July 2005 the healthy steps eligibility was rolled into the vision system. Don't believe we can break out that information as programs work hand in hand.

Senator Robinson asked that prescription drug retention fund be clarified.

Senator Mathern asked for clarification on the medicare managed care program numbers.

Senator Grindberg requested the percentage of increase in inpatient and outpatient services and the percentage of growth of physician services be detailed.

Senator Fischer increase totally to

Chairman Holmberg asked for more information about the dental and Indian Health Services and is the program driven by lack of providers or clients.

Senator Krebsbach asked if there is a reduction or elimination of changes in the numbers.

Senator Krauter asked for the reason in the decreases.

Bruce Levi, Director, ND Medical Association and ND Medical Management Association, provided written testimony (2) expressing concerns regarding payments being substantially less than the actual cost of services. He discussed the Milliman study and stressed concerns about the low reimbursement rates.

Mike Schwab, Executive Director, The ARC, Bismarck, and representing the ARC of Cass County, presented written testimony (3) expressing concerns about SB 2395 funding not being included in the DHS budget. He was specifically requesting enough funding to implement the law to cover children with extraordinary medical needs.

Arnold A. Thomas, President, ND Healthcare Association, presented written testimony (4) describing their goals with respect to the portion of the Medicaid budget that affects medical service providers. The budget has a shortfall of funds needed; he asked for an increased adjustment to more closely align with the minimum direct costs.

Bruce Murry, Atty, ND Protection and Advocacy Project (P&A), provided written testimony (5) asking that SB 2012 be amended to fund the waiver for children's extraordinary health care needs and increase funding for home and community based services for people with brain injuries.

Senator Mathern questioned bills being passed without funds being allocated.

Senator Krauter indicated the OAR contains both the buy in and the Medicaid waiver for children with extraordinary health care needs.

Senator Grindberg requested clarification on testimony from Mr. Levy mentioned the Millimen report and the additional funding to get to acceptable levels and whether that was included. The response was no.

Maggie Anderson, Director, Medical Services for DHS, provided written testimony (6) regarding the long-term care continuum budget. She discussed the programs, program trends, and an overview of the budget changes. She then discussed some of the specific requests.

Senator Robinson questioned page 9 about disabled clients and where they are located.

Senator Krauter questioned the DHS feeling as to why there is a decrease in usage.

Senator Grindberg asked for comments on the change in caseload and whether changes happened because of demographics.

Jack MacDonald, ARC of ND, testified that on people dealing with disability allowance he would like to have a monthly increase.

Bruce Murry, ND P&A, testified that the percentage of long-term care continuum for home and community based services was at 6 % and now is 5%. He also offered recognition to the DHS for their work on the ventilator dependent waiver.

Shelly Peterson, President, ND Long-term Care Association, presented written testimony (7) in support of SB 2012. She discussed ND nursing facilities, property limits, and submitted an amendment to SB 2012, addressing the impact of property limitations to nursing facilities.

Senator Robinson questioned the average salary of CNA's. The information will be provided.

Senator Mathern questioned the property limitations.

The hearing adjourned.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/10/07

Recorder Job Number: 841

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2012 at 8:30 am on 01/10/07 with roll call.

Paul Ronnigen, Director of Children and Family Services (CFS), presented written testimony (1) and discussed an overview of his department. He discussed the programs, including child protective services, family preservation services, foster care services, adoption services, early childhood services and refugees. He then went on to discuss the caseloads in each division, the trends/issues/accomplishments/ major program changes before going into the overview of the budget. With his written testimony, he attached the major grants for CFS as well as the foster care budget trends.

Chairman Holmberg requested they provide additional data on the refugees service, where the services have been provided and the costs breakdown. In addition, he asked if planned permanent living arrangement follows kids through emancipation.

Mr. Ronnigan indicated there is no emancipation in North Dakota.

Senator Bowman raised questions about Cass County having the largest number of children having parental rights terminated. Has there been a study to see what causes these problems to happen and are we missing the boat as to why children are removed from the home.

Mr. Ronnigan indicated there are many programs available for early detection.

Senator Fischer asked that additional information be provided on interstate compacts and how they work. There is a transition child care compact with this and I would like more information. The Cass County director is here, what is the reason they want out other than money. How much would it cost if the state took it over.

Mr. Ronnigen responded that money is just one issue, the other is the demands from the federal government. It has not been worked out if the state would take it over, we have worked out reimbursement at 100 percent.

Senator Mathern indicated that in light of kinship care is there data to determine if those kids do as well or better than kids in foster care.

Mr. Ronnigen indicated no formal study had been done in ND.

Senator Robinson what has been experienced with meth babies and what are the numbers. He also asked if this picture is statewide and is it pretty consistent with native American communities as well.

Mr. Ronnigen indicated there has been a definite impact with meth involvement on foster care with natives as well as others.

JoAnne Hoesel, Division Director, Department of Human Services presented written testimony (2) and provided an overview of the Division of Mental Health and Substance Abuse Services. She discussed programs, service system efforts, trends and issues, an overview of the budget changes, operating expenses and grants. She stressed that North Dakota is at the top of the list for alcohol and binge drinking regardless of age. She discussed the Matrix Model, a 16-week, non-residential, psychosocial approach to treatments for drugs and meth and the IDDT, Integrated Dual Disorder Treatment attachments.

Senator Robinson asked that the value and return on investment for meth treatment be commented on.

Ms. Hoesel indicated this information will be provided to the legislative committee.

Senator Mathern asked if it was possible that there would no longer be a need for the state hospital and whether that was being considered.

Ms. Hoesel indicated many entities come to play in that decision.

Senator Robinson thanked everyone for helping to bring together the meth treatment bill, SB 2323. He indicated he had had a number of messages during recent months about this program.

Chairman Holmberg called for a short break.

Vice Chairman Grindberg called the hearing back to order beginning with the mental health section.

Janell Regimbal presented written testimony (7) on behalf of the Healthy Families Advisory Committee of Lutheran Social Services of ND. She asked for consideration and legislative support to amend the DHS budget to allow for additional funds for Healthy Families which ultimately works to prevent child abuse. The Healthy Families program is a home visitation program for newborns and their parents and helps to prevent child abuse. Ms. Regimbal discussed a few stories of severely abused children, the cost of child maltreatment, the amount of funds requested providing a proposed budget. She had attachments to her testimony on the total annual cost of child abuse and neglect in the USA, statements about existing programs, reducing child maltreatment, promoting self-sufficiency, ensuring health child development, ensuring children are ready to learn and a list of the advisory committee for Region IV.

Senator Bowman indicated if this was a statewide program with intervention at the beginning rather than later, that would definitely show up in the social service budgets, especially at county levels. Is there enough data to back up what you are saying so we can look at that. The response was yes.

Senator Wardner indicated that NDSU has a parent program like this and is Region IV aware of that program.

She responded yes they are aware.

Senator Mathern asked about the history of the prevention program as there have been prevention programs in the past, they decline and now they are back again.

Ms. Regimbal indicated her opinion is that funds were hard to come by.

Linda Reinicke, Child Care Resource and Referral Program Director in western ND for Lutheran Social Services presented written testimony (8), describing the services and outlining the impact a proposed funding cut will have on their ability to provide services. She discussed the background and impending budget cuts. She also provided a child care data chart.

Senator Christman asked how the data was derived.

Corinne Hofmann, Director, Policy and Operations for Protection and Advocacy Project (P&A), provided written testimony (9) and commented on and supports the Mental Health Services in ND.

Michelle Dressler Johnson, Director, a local Early Childhood Learning Center, provided written testimony and testified in support of the DHS budget.

Yvonne Smith, Director, Disability Services Division (DSD) of DHS, provided written testimony and provided an overview of programs and services on DSD. She discussed the programs of developmental disabilities, vocational rehabilitation and disability determination.

Senator Krebsbach asked how the DD screening was determined and who determined it.

Ms. Smith indicated a chart would be provided showing referral sources. She further discussed the major trends and issues, and an overview of the budget changes.

Senator Robinson asked about the area universities that provided recertification courses and was told there are no in-state universities.

Chairman Holmberg asked if the in-state universities are aware of the need for recertification courses.

Chairman Holmberg thanked DHS for their presentations as they were very well organized.

Carol Olson, Executive Director, DHS, presented written testimony (12, 13) thanking the Appropriations Committee for giving DHS the opportunity to testify on the budget highlights. She indicated if there were questions the staff would be available to respond.

Chairman Holmberg closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

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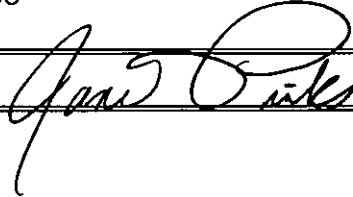
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/10/07

Recorder Job Number: 888

Committee Clerk Signature



Minutes:

Chairman Holmberg welcomed members of the Joint Committee to the hearing on SB 2012. **John W. Johnson**, representing **Options Independent Living Centers, Grand Forks**, indicated he would talk about independent living and introduced **Nathan Aalgaard, Executive Director, Freedom Resource, Fargo** and **Royce Schultze, Director, Dakota Independent Living Center**. The fourth Center, Mr. Steven Repnow, Independence Inc., Minot, could not be present.

Mr. Aalgaard presented an overview of the services. He indicated the requested amount was put in the budget request but not funded. With the funding, Independent Living Centers services would be able to expand statewide by enabling disabled become independent. He further discussed their program, the handout distributed (1), the maps indicating where services are currently in operation.

Mr. Johnson continued his testimony indicating the services are free of charge, they are a private, non-profits who exist throughout the United States and are available to any disability any age group, birth to death. He discussed where the needs are to get the service statewide.

Senator Bowman commended the group for their effort. He asked if this would be a continuing appropriation to run forever.

The response was yes, but there would be a savings in other areas within the state.

Senator Robinson asked for further information on how many clients are in the areas currently served.

Senator Seymour asked how this was started in Cavalier.

Chairman Holmberg indicated this request is on the DHS budget.

Larry Barnhardt, Director, Stark County Social Service, testified on behalf of the County Social Service Directors Association. He represented Kathy Hogan, Director, Cass County Social Services, presenting her written testimony (2). The testimony was in support of the DHS budget and indicated all aspects of the budget impacts the counties but he specifically highlighted the areas of Children and Family Services, Home and Community Based Services, Economic Assistance and Child Support. The specific funding areas by priority are listed in Appendix A, the budget areas in appendix B, the specific public policy concerns in Appendix C and a summary of long term care continuum with funding sources in Appendix D. He then asked the committee to include additional funding for reimbursement to counties.

Chairman Holmberg clarified whether the testimony was in support of the MMIS budget. The response was yes.

Senator Mathern asked if there was additional cost to the counties with the MMIS and if it was feasible for the counties to coordinate all of the systems the county uses. The response was no and don't know.

Senator Krauter asked to clarify the difference between home and community based services.

Linda Johnson Wurtz, Assoc. State Director for Advocacy of AARP, presented written testimony (3) requesting changes to the proposed budget by redirecting unused long-term dollars to enhance home and community based services and request reimbursement to QSP's

at \$13 per hour. Included with the written testimony is a schedule care reports, a schedule of long term funding sources and a leaflet on Age with Independence.

Senator Seymore indicated other states offer this service and asked why ND is not doing this. The response was because it wasn't funded.

Senator Mathern asked to have QSP clarified.

Susan Rae Helgeland, Executive Director, Mental Health Association, presented written testimony (4) in support of the DHS budget and mental health needs. She voiced support of the regional psychology rehabilitation centers.

Senator Robinson sent his greetings to Myrt Armstrong on behalf of the Appropriations Committee.

Carlotta McCleary, Executive Director, ND Federation of Families for Children's Mental Health (NDFFCMH), presented written testimony (5) in support of SB 2012. She indicated that NDFFCMH is a parent run organization focusing on the needs of children with emotional behavior and mental disorders. She urged the legislature to enhance the program.

Senator Christman asked about where the studies came from that indicated one in five children having a mental disorder. She indicated this was from the AG report.

Senator Mathern asked what the difference was of services five years ago compared to today for parents with children suffering mental disorders.

Senator Wardner asked what the fiscal incentive was for school and if IEP's could be elaborated on.

Senator Krebsbach asked to have 6-co-occurring Axis I diagnosis clarified.

Chairman Holmberg closed the hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/17/07

Recorder Job Number: 1306

Committee Clerk Signature



Minutes:

Senator Fischer opened the subcommittee hearing on SB 2012 on Wednesday, January 17, 2007, at 1:00 pm. He indicated that those who had not testified should be testifying with only one or two per community and to please keep it short because we want to be able to hear as many people as possible in 1 ½ hours.

Calvin Rolfson, Attorney, representing the Anne Carlson School for Children, introduced Sue Offutt, PhD, Associate Director for Operations, UND Center for rural Health , Dan Howell who will be testifying and Dr. Myra Quanrud.

Sue Offutt, PhD, Director for Operations, UDN Center for Rural Health, distributed written testimony (1) providing information regarding the Anne Carlson Center for Children (ACCC), testifying on behalf of the ACCC Board. She indicated that the board has had the belief that no child in need would be turned away, however, the board is now becoming concerned that they can't continue on that premise through time because of reimbursements received. She requested support on two optional adjustment requests.

Dan Howell, Chief Executive Officer, ACCC, Jamestown, ND, submitted written testimony (2, 3, 4, and a binder) in support of SB 2012, presenting background information about ACCC and the fact that they care for 54 of the most medically fragile and behaviorally challenged

students. He presented a map showing where the children come from, by county, discussed reimbursements, the cost of the child per day, and two specific optional adjustment requests.

Dr. Myra Quanrud, pediatrician, Medical Director, Anne Carlsen Center for Children, presented written testimony (5) and testified in support of SB 2012. She presented specific case histories and the progress made by those children, the Oregon Criteria and tabs 4, 5, and 8 in the handout.

Andi Johnson, Director of Operations, Sharehouse, Director, Robinson Recovery Center, presented written testimony (6) in support of SB 2012, discussing the Recovery Center, the different levels of care, and funding for the project. She further discussed the attachments to her testimony.

Questions raised included, can you present a review of what has been done financially over the past 18-24 months, what is spent for 24 months for 22 beds, if you feel a probation officer would be able to put more pressure on the patients to behave, if you use leverage coercion in treatment, discuss the Otto Bremer funding source fund raising source and the Sharehouse funding source and expansion projects.

Raxane Romanick, citizen, Bismarck, working in the capacity of working with parents of children with special needs, presented written testimony (7) neutrally discussing SB 2012. She specifically asked for increases in the overall funding sources for in-home supports.

Senator Mathern asked about transfers of infant development services and monies being reimbursed sufficient to cover the cost.

Evonne Smith , DHS, testified in response to financial questions raised.

Vicki Peterson, citizen, Bismarck, presented written testimony (8) but could not be present for oral testimony.

