

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2066

2007 SENATE HUMAN SERVICES

SB 2066

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2066

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-08-07

Recorder Job Number: 730

Committee Clerk Signature

Mary K Monson

Minutes:

Senator J. Lee, Chairman opened the hearing on SB 2066 relating to removing the expiration dates on the moratorium on expansion of residential treatment center for children bed capacity and the moratorium on residential child care facility or group home bed capacity. All members were present.

Senator J. Lee reported that there was a fiscal note but no fiscal impact.

Paul Ronningen (Director, Children and Family Services, Dept. of Human Services) See attached testimony #1 in support of SB 2066. There are fewer kids lingering in the custody of the Dept. It looks like the performance base contract with the AASK program is moving kids quicker to adoption.

Senator J. Lee asked Mr. Ronningen to explain what AASK and PATH placements are.

Mr. Ronningen explained that AASK is Adults Adopting Special Kids and they are the contractor to provide the adoption services for special needs kids in the state of ND. That's Catholic charities. PATH is a therapeutic foster care provider in the state of ND. There are 85% of special needs children adopted by their foster parents. What happens is that there is a much higher need for recruiting foster parents, since, when these adoptions occur, those

previously foster parents are now adoptive parents and don't step back into the foster parent role.

Senator Heckaman asked which facilities listed were drug treatment facilities in ND.

Mr. Ronningen said most of them have providers in the residence that provide alcohol and drug. He asked one of his staff members to address the question.

Susan Lorenz (Director at Pride Manchester Health) She said they serve children ages 5-13 in ND. They do accept children with drug and alcohol treatment at that young age, but the primary diagnosis needs to be an emotional disturbance.

Senator Heckaman asked if there was an immediate need for drug treatment for, say, a 15 yr. old, where would they go.

Ms. Lorenz replied that her population would be the pre-teen population from the standpoint of acute care sorts of things and maybe stabilization issues. She suggested that other providers could address that beyond the acute stabilization period.

Senator Heckaman stated that she was working with a student with immediate drug needs and not able to find a placement for them because of who accepts what type of payment.

Ms. Lorenz replied that in addition to the funding issue a complicating issue they face with very young population in ND is there are very few treatment programs that specialize with who are age 5-13 who might be huffing and into other drug and alcohol use.

Jim Vetter (Representing Dakota Boys and Girls Ranch Centers) said they have 12 beds that are designated for addiction services on the Minot campus. The other campuses don't have anything specifically for drug and alcohol, but they do access community services for drug and alcohol while placed in other treatment centers.

Senator J. Lee asked if it was reasonable to say that in most of those other facilities that they will be contracting with some outside source, or whatever counseling services are going to be needed.

Mr. Vetter responded that, depending on the level of care PRTF's, the child would be stabilized and then moved into a lower level of care and then they would contract with community services to provide drug and alcohol treatment and then still manage them in the group home care.

Carlotta McCleary (Executive Director, ND Federation of Families for Children's Mental Health) See attached testimony #2 in support of SB 2066.

Senator Dever asked how broadly her organization represents the young people that are involved in these programs.

Ms. McCleary said the NDFFCMH is a statewide parent run organization. They represent children with emotional, behavioral, or mental disorders.

Senator J. Lee asked Mr. Ronningen for clarification between the two moratoriums.

Mr. Ronningen explained that what was formerly Residential Treatment Center is now the PRTF's. That level of care provides a psychiatrist along with nursing staff to deal with multiple level of needs of those children and families. The RCCF doesn't require psychiatric consults. They do have nursing and is typically a less expensive service.

Senator Mathern (District 11) See written testimony #3 in a neutral position and the Prairie St. John's pamphlet.

Senator Dever asked what would need to be put in the bill to enable organizations to explore opportunities.

Senator Mathern responded that the following sentence could be added to Section 1. "The restrictions contained in this section do not apply to nor prohibit the department from licensing

additional bed capacity for a residential treatment center for children if the additional beds are designated for the care of children and adolescents who are residents of other states.”

He said that would just provide a provider like Prairie St. John's the option of coming up with a plan, financing mechanism, a formal request to the Dept. of Human Services for additional beds to be licensed in the state.

Senator J. Lee asked if it was correct that the payment for the majority of children who are served comes from Medicaid.

Mr. Ronningen said yes.

Senator J. Lee asked about private pay insurance.

Dan Ulmer (BCBSND) The mental health mandate was changed two sessions ago to expand the allowance for residential treatment. One of the issues was what they had to be a licensed bed.

There was no opposing testimony. The hearing on SB 2066 was closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2066

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-10-07

Recorder Job Number: 866, 884

Committee Clerk Signature

Mary K Monson

Minutes:

Job #866

Senator J. Lee, Chairman opened SB 2066 for discussion.

The committee discussed the usage of the term adolescence in the proposed amendment from Sen. Mathern. They wondered if it should be consistent with language in other bills. The definition of adolescent was also discussed with regards to age. Age 18 is the age they can opt out and age 21 would be the age the person could move to a different provider service.

Senator Dever asked if Sen. Mathern intended his amendment to apply to treatment centers and not to child care facilities.

There was discussion indicating that Section 1 was the appropriate place for the amendment.

Senator Dever asked, if a facility now has residents from out of state, can they seek to relicense those beds under this provision with a larger expansion than what he intended.

Another question posed by Senator Dever was if there are 12 beds and private pay is willing to pay more than what Medicaid pays, are those beds going to be unavailable to ND residents.

Senator J. Lee recessed committee work.

Job #884

Senator J. Lee resumed committee work on SB 2066 and asked Paul Ronningen from the Dept. of Human Services to answer some questions posed earlier and to clarify some points. She asked him if he had seen the proposed amendment from Sen. Mathern.

Mr. Ronningen said it would not affect the Dept. other than the licensing responsibilities they would incur by licensing one or more facilities that are based on occupancies coming from other states.

Senator J. Lee asked if they should include the phrase "and adolescents" in this amendment or will the definition of children cover both groups.

Mr. Ronningen said the previous bill was a housekeeping bill and thought they took the word adolescent out and referred to children. He didn't feel it would matter if it was left in.

Senator Warner asked if an existing home has 12 licensed beds (8 resident beds and 4 out of state beds) could they declare those 4 beds permanent out of state beds and add another 4 to their system without circumventing the procedures for doing that.

Mr Ronningen said that right now the facilities would have the opportunity to take out of state kids if they so choose. For the most part, all of their facilities are not taking out of state kids at this point. That opportunity to keep their occupancy rate high is there should ND kids not be available. He didn't see it as a real issue. The way this is written, additional beds could be licensed for kids coming from out of state. There is a provision in some of the Medicaid rules that a facility can't go over 16 beds or they lose Medicaid for this population.

Senator J. Lee asked if he thought there was a risk of focusing on serving out of state kids and cut back on the number of beds available for ND kids.

Mr. Ronningen replied that has been the opportunity up until now and it has not been an issue.

Senator Heckaman asked what the reason was for the amendment.

Mr. Ronningen answered that this amendment would allow Prairie to add their 40 bed facility, if they deemed the business analysis would support it.

If the amendment passes as written, Prairie would not be able to take in state kids.

Senator Warner asked if there is a distinction between the licensure (quality standard) and the certification (reimbursement standard). Can you be licensed without being authorized to receive it – compensation from Medicaid?

Mr. Ronningen explained that licensure is a base level recognition of the facility and accreditation is usually authorized by a national accreditation board. The Dept. of Human Services does the licensing. Then they would go to the national group for accreditation. It is two distinct processes.

Senator Warner Then is there a third process which authorizes them to provide treatment for payment by Medicaid?

Mr. Ronningen If they are licensed and if they are accredited, they are eligible to receive payment from Medicaid.

Senator Warner asked about the language, "licensing additional bed capacity" and if adding "new" would be beneficial language.

Mr. Ronningen said that it clarifies the intent of Sen. Mathern and also runs parallel with the current moratorium.

Senator J. Lee asked Mr. Ronningen for his opinion. Would he like to see the opportunity for out of state children to be served here or does he see the challenge with in state children in Fargo not able to be treated there.

Mr. Ronningen said the Sen. Mathern approach is from an economic development point of view, from a social work perspective, and keeping kids and families together.

Senator J. Lee referred to those children who are out state. The recollection is that they are out of state because they are dealing with issues that cannot be adequately addressed in ND or are out of state to be close to their family.

Mr. Ronningen said there are 51 kids out of state: approximately 18 are out of state because of sexually offending behavior, 13 because no bed was available at the point in time that they needed treatment or they were denied placement by current providers, 8 were extremely aggressive or assaultive, 7 had substance abuse or mental health issues, 2 were referred because the facility was in close proximity to family, 1 had a low IQ, 1 was referred for specific assessment and evaluation.

Senator Dever asked who refers these children.

Mr. Ronningen said the children who are going out of state are going through the Interstate Compact. They are all foster care kids and go through his division. They are from the county social service system, the division of juvenile services, or Carol's custody.

Senator Heckaman suggested that maybe there shouldn't be a moratorium.

Mr. Ronningen gave a little history on when Southwest Key came into the state and took over what used to be the Heartview Foundation building. They set up 40 beds which was a huge impact on the other providers. The Dept., as custodians, are dependent on having a stable provider group. There will still be kids that will continue to be going out of state because of their high needs.

Senator Warner moved to accept the Mathern amendment with the substitution of the word "new" for the word additional. Seconded by **Senator Heckaman**. Roll call vote 3-3-0. **Failed** for lack of a majority.

Senator J. Lee asked if there was a motion on the bill without an amendment.

Senator Dever moved a Do Pass on SB 2066. Seconded by **Senator Warner**.

Roll call vote. 6-0-0. **Passed**. Floor carrier is **Senator Dever**.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2066

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-16-07

Recorder Job Number: 1234

Committee Clerk Signature *Mary K Monson*

Minutes:

Senator J. Lee, Chairman, reopened SB 2066.

Senator Warner moved to reconsider SB 2066. Second by Senator Heckaman. Carried on a voice vote.

Senator Mathern reported that his amendment was redrafted to clarify putting the word "new" in. The Dept. sees that as a clarification that any licensing they would do would be for a new facility. But it would still apply only to the care of children that are outside the state.

Senator Warner asked about only referring to children.

Senator Mathern said that was no problem. In the field, there is a change to even eliminate the word "adolescent". Children has become the term to cover birth to 18 or 21.

Senator J. Lee asked what to tell the people who live close to the facility and have a child who needs this kind of treatment and they can't go their because they live in state. If they move to MN they could.

Senator Mathern said that is basically the situation we are in with many different services.

That is an issue and a disparity between what different states pay for. But the response, he would say is, even though there is that disparity, we really shouldn't curtail those entities from developing more services. It's a benefit to the region. He also talked about when Medicaid

was established it said that no institutions that care for only persons with mental illness can receive Medicaid reimbursement. Prairie St. John's does not receive any reimbursements for adults there who are on Medicaid, because of the federal law. That's related to the fear that every state will dump their state hospital patients on the Medicaid. If the Medicaid exclusion applies to residential care, Prairie St. John's, if it opened a residential treatment center would have to be open to providing Medicare patients even children at no reimbursement from anyplace.

He sees this amendment as giving an opportunity for a ND organization to see if it can figure out how to put together a business plan to address the needs of some people that need this service.

Senator J. Lee said this overlaps with the homeless issue.

Senator Mathern said it also relates to another issue, sending kids out of state who have some sort of diagnosis related to a sexual problem.

Senator Dever asked what the philosophy is behind the moratorium.

Senator J. Lee said money.

Senator Mathern said there are only 3 reasons. (1) The driving factor is the cost.

(2) Keeping the other five providers presently in place up and running. (3) Out of state organizations opening a facility and then not staying in business.

Discussion on the meaning of the amendment. It means beds for the new center. Prairie doesn't now have a residential treatment center for children like this. It would be identifying a residential treatment facility at Prairie. It might mean bricks and mortar in the future but not necessarily.

Senator Heckaman asked if they have projected a number for how many new beds they might need.

Senator Mathern replied that Prairie believes they need to have 40 beds to make it work, to hire the right personnel and to make it financially viable. They really haven't come up with a business plan yet. This is the first step in investing in doing a business plan.

Senator Pomeroy moved to accept the Mathern amendment dated 1-15-07.

Seconded by Senator Heckaman. Roll call vote 6-0-0. Passed.

Senator Erbele moved a **Do Pass as Amended**. Seconded by Senator Dever.

Roll call vote 6-0-0. **Passed**. Floor carrier is Senator Dever.

FISCAL NOTE
Requested by Legislative Council
01/22/2007

Amendment to: SB 2066

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.*

| | 2005-2007 Biennium | | 2007-2009 Biennium | | 2009-2011 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.*

| 2005-2007 Biennium | | | 2007-2009 Biennium | | | 2009-2011 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| | | | | | | | | |

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill removes the expiration dates on the moratorium on expansion of residential treatment center for children bed capacity and the moratorium on residential childcare facility or group home bed capacity. This amendment makes an exception to the moratorium for new residential treatment centers.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No fiscal impact as the state would only license the new facility to serve out of state children. The provider would bill the state that is financially responsible for that child.

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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|----------------------|-----------------|-----------------------|------------|
| Name: | Brenda M. Weisz | Agency: | DHS |
| Phone Number: | 328-2397 | Date Prepared: | 01/22/2007 |

FISCAL NOTE

Requested by Legislative Council
12/27/2006

Bill/Resolution No.: SB 2066

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.*

| | 2005-2007 Biennium | | 2007-2009 Biennium | | 2009-2011 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.*

| 2005-2007 Biennium | | | 2007-2009 Biennium | | | 2009-2011 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
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2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill removes the expiration dates on the moratorium on expansion of residential treatment center for children bed capacity and the moratorium on residential child care facility or group home bed capacity. There is no fiscal impact.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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|----------------------|-----------------|-----------------------|------------|
| Name: | Brenda M. Weisz | Agency: | DHS |
| Phone Number: | 328-2397 | Date Prepared: | 01/03/2007 |

PROPOSED AMENDMENT TO SENATE BILL NO. 2066

Page 1, line 13, after the period insert "The restrictions contained in this section do not apply to nor prohibit the department from licensing additional bed capacity for a new residential treatment center for children if the additional beds are designated for the care of children and adolescents who are residents of other states."

Prepared by Chris Rausch, 01-15-07

Updated from prior amendment (addition of word "new" at end of line 2)


1-17-07

PROPOSED AMENDMENTS TO SENATE BILL NO. 2066

Page 1, line 2, remove "removing the expiration dates on"

Page 1, line 13, after the period insert "This section does not apply to nor prohibit the department from licensing additional bed capacity for a new residential treatment center for children if the additional beds are designated for the care of children and adolescents who are residents of other states."

Renumber accordingly

Date: 1-16-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2066

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken accept Mather's Amendment 1-15-07

Motion Made By Sen. Pomeroy Seconded By Sen. Heckaman

| Senators | Yes | No | Senators | Yes | No |
|---------------------------------|-----|----|------------------------|-----|----|
| Senator Judy Lee, Chairman | ✓ | | Senator Joan Heckaman | ✓ | |
| Senator Robert Erbele, V. Chair | ✓ | | Senator Jim Pomeroy | ✓ | |
| Senator Dick Dever | ✓ | | Senator John M. Warner | ✓ | |
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Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

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

Date: 1-16-07

Roll Call Vote #: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2066

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Sen. Erbele Seconded By Sen. Dever

| Senators | Yes | No | Senators | Yes | No |
|---------------------------------|-----|----|------------------------|-----|----|
| Senator Judy Lee, Chairman | ✓ | | Senator Joan Heckaman | ✓ | |
| Senator Robert Erbele, V. Chair | ✓ | | Senator Jim Pomeroy | ✓ | |
| Senator Dick Dever | ✓ | | Senator John M. Warner | ✓ | |
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Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Dever

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

REPORT OF STANDING COMMITTEE

SB 2066: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2066 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "removing the expiration dates on"

Page 1, line 13, after the period insert "This section does not apply to nor prohibit the department from licensing additional bed capacity for a new residential treatment center for children if the additional beds are designated for the care of children and adolescents who are residents of other states."

Renumber accordingly

2007 HOUSE HUMAN SERVICES

SB 2066

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2066

House Human Services Committee

Check here for Conference Committee

Hearing Date: February 21, 2007

Recorder Job Number: 3574 & 3576

Committee Clerk Signature

Judith Dehock

Minutes:

Chairman Price: We will open the hearing on SB 2066.

Paul Ronningen, Director, Children and Family Services with the Department of Human Services: See attached testimony with other attachments, and proposed amendment.

Representative Porter: We always have the discussion on the numbers outside of the state. Did you provide that data in here?

Mr. Ronningen: Currently in December we have 51 youth out of state. 18 of those are for sexual offending behavior, 13 were placed out of state because there were no beds available, or denied placement in the state of ND. 8 are placed out of state because of assault and aggressive, 7 because of substance abuse and mental issues, 2 of the facilities was in closer proximity for the family in ND than a bed that might have been available in western ND1 because of low IQ, and 1 for assessment and evaluation.

Representative Porter: On the 13 that were denied placement, could we close that loop wall so that the facilities basically could not cherry pick?

Mr. Ronningen: The facilities are asked to evaluate the youth as far as there ability to provide for the youth. Those children because of no bed availability may in fact have been referred

during a period of time all the facilities were full. Once placed out of state the treatment time is 6 months to a year.

Representative Conrad: The pre adoptive homes, are those the homes that are planning to adopt them in placement or are there foster care waiting for adoption?

Mr. Ronningen: The pre adoptive homes are typically homes that are in the process of adopting these children. About 85 % of our children are currently being adopted by foster parents. We are doing a much more extensive search for extended families that you see in our foster care placements are changing dramatically over time. Things are easier with the technology today.

Carlotta McCleary, Executive Director for the ND Federation of Families for Children's

Mental Health: See attached testimony.

Representative Conrad: Is bed competition with services?

Ms. McCleary: I do think we don't have enough of the community base services to do prevent placement. We had an increase in our community base services.

Chairman Price: Do you support looking at the new psychiatric residential treatment for sexual offenders?

Ms McCleary: Yes, we would support adding more services to our state which would allow more children to remain in the state of ND.

Representative Porter: I have a question for Mr. Ronningen, The occupancy rate across the state, where are we? I would also like to see is even based on cutting the state in half and part of the problem is also close to families that we are seeing 100% occupancy in Grand Forks that is causing placements into Minnesota where we are paying higher rate. I would be interested in the regional look.

Mr. Ronningen: I believe we are in the low 90's.

Representative Potter: I would like to ask Ms McCleary if she could expand a little further on you said additional funding to support partnership program, voluntary out of home treatment program. What do those programs do?

Ms McCleary: Voluntary treatment programs allow parents to help their child place in an out of the home placement without having to relinquish custody of their child. This is critical for families. That program is available to families whose children get Medicaid also. The partnership program is a program that is wrapping around the services for children bring together all the different groups of agencies that are involved in that child.

Chairman Price: Anyone else to testify for SB 2066? Any opposition, hearing none we will close SB 2066.

Chairman Price: Committee let's take out SB 2066 for action. We have the proposed amendments from Mr. Ronningen on page 3 of his testimony.

Representative Kaldor moves the amendments, seconded by **Representative Conrad**.

There was a unanimous verbal vote. **Representative Hofstad** moves a do pass as amended, seconded by **Representative Kaldor**. Chairman Price asks for questions and discussion.

Hearing none the vote was taken with 12 yeas, 0 nays and 0 absent. **Representative Conrad** will carry the bill to the floor.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2066

House Human Services Committee

Check here for Conference Committee

Hearing Date: February 27, 2007

Recorder Job Number: 4017

Committee Clerk Signature

Judy Schock

Minutes:

Chairman Price: Committee take out SB 2066 Representative Conrad has questions on the bill.

Representative Conrad: When I was asked to carry this to the floor, I was studying it very carefully and there is a section there on line 13-16 that I didn't remember us discussing. I see it as an economic development program. I am having a hard time carrying this bill because I don't know that I agree with it. I am not sure I want to stand in the way of it but I am not sure I am agreeing with it.

Chairman Price: They are not looking to take ND kids at all. They wouldn't be able to take them based on Medicaid. Another thing they are looking at 40 beds, where as they can only have 16 to be a residential treatment center in ND. They are looking to build here or in Moorhead.

Representative Kaldor: Once the department licenses them as a psychiatric residential treatment facility for children. Lets say a treatment center closes some place else will they than have the ability to absorb the beds that the facility closed or are they precluded because they are licensing more those 16 beds?

Chairman Price: We would be looking at private pay for these kids going elsewhere. Who would like to carry the bill to the floor?

Representative Weise: I will take the bill to the floor.

Date: 2/21
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES S.B. 2066 Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken move Amendments

Motion Made By Rep. Kaldor Seconded By Rep. Conrad

| Representatives | Yes | No | Representatives | Yes | No |
|--------------------------------|-----|----|------------------|-----|----|
| Clara Sue Price - Chairman | | | Kari L Conrad | | |
| Vonnie Pietsch - Vice Chairman | | | Lee Kaldor | | |
| Chuck Damschen | | | Louise Potter | | |
| Patrick R. Hatlestad | | | Jasper Schneider | | |
| Curt Hofstad | | | | | |
| Todd Porter | | | | | |
| Gerry Uglen | | | | | |
| Robin Weisz | | | | | |
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Total (Yes) 12 "Click here to type Yes Vote" No 0 "Click here to type No Vote"

Absent 0

Floor Assignment Rep. _____

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

Date: 2/21
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES S.B. 2066 Committee

Check here for Conference Committee

Legislative Council Amendment Number 1

Action Taken As Pass as Amended

Motion Made By Rep. Hofstad Seconded By Rep. Kaldor

| Representatives | Yes | No | Representatives | Yes | No |
|--------------------------------|-----|----|------------------|-----|----|
| Clara Sue Price - Chairman | ✓ | | Kari L Conrad | ✓ | |
| Vonnie Pietsch - Vice Chairman | ✓ | | Lee Kaldor | ✓ | |
| Chuck Damschen | ✓ | | Louise Potter | ✓ | |
| Patrick R. Hatlestad | ✓ | | Jasper Schneider | ✓ | |
| Curt Hofstad | ✓ | | | | |
| Todd Porter | ✓ | | | | |
| Gerry Uglen | ✓ | | | | |
| Robin Weisz | ✓ | | | | |
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Total (Yes) 12 "Click here to type Yes Vote" No 0 "Click here to type No Vote"

Absent 0

Floor Assignment Rep. Conrad

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

REPORT OF STANDING COMMITTEE

SB 2066, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2066 was placed on the Sixth order on the calendar.

Page 1, line 14, after "new" insert "psychiatric"

Page 1, line 15, replace "center" with "facility"

Renumber accordingly

2007 TESTIMONY

SB 2066

Testimony
Senate Bill 2066 – Department of Human Services
Senate Human Services Committee
Senator Lee, Chairman
January 8, 2007

Chairman Lee and members of the Senate Human Services Committee, my name is Paul Ronningen, Director, Children and Family Services with the Department of Human Services. I am here today to present testimony regarding Senate Bill 2066. The Department supports the passage of this bill.

This bill was introduced to eliminate the sunset clause on the moratorium placed on the expansion of residential bed capacity, which was set at the number of beds licensed as of June 30, 2003. Thus, the moratoria would continue and would not be re-examined during the 2009 Legislative Session unless some issue was identified. (See Attachment A for a listing of the current Psychiatric Residential Treatment Facilities (PRTF), formerly know as Residential Treatment Centers and Attachment B for a listing of the current Residential Child Care Facilities (RCCF) and their licensed bed capacity.)

The moratoriums were originally passed by the 2001 Legislative Assembly. The moratoria were primarily due to the facility in Mandan, Southwest Keys, who operated in North Dakota from 11/10/97 through 6/30/2000 and provided 40 RCCF and RTC beds. They vacated these beds with a month's notice and left agencies, families and children scrambling for alternative service locations.

In order to address the service needs of some youth who are leaving the state for residential treatment services, the North Dakota Department of

Human Services has issued a RFP (Request for Proposals) for treatment services for adolescent sexual offenders. The deadline for responding to this request is February 28, 2007. As of November 2006, there are 51 youth in residential treatment services.

I have also attached a chart titled Child Welfare Data Snapshot (Attachment C), which illustrates the trend line for foster care placements in the state of North Dakota. The chart shows that foster care placements have increased overall by 11.7% since FFY (Federal Fiscal Year) 2000. However, the percentage of youth placed in residential care has dropped by 11.6% while the number of children placed with their extended families has gone up by 140.1%.

This concludes my formal presentation.

ATTACHMENT A

| Residential Treatment Centers Number of Beds Available | | |
|-------------------------------------------------------------------|----------------------|-----------------------|
| | As of 6/30/03 | As of 12/31/04 |
| Ruth Meiers RTC, Grand Forks, ND | 12 | 12 |
| Dakota Boys Ranch RTC, Minot, ND | 16 | 16 |
| Luther Hall RTC, Fargo, ND | 16 | 16 |
| Pride – Manchester RTC, Bismarck, ND | 8 | 8 |
| Dakota Boys Ranch RTC, Fargo, ND | 16 | 16 |
| Western Plains RTC, Bismarck, ND | 16 | 16 |
| Total RTC Beds | 84 | 84 |

ATTACHMENT B

| Residential Child Care Facilities Number of Beds Available | | |
|-----------------------------------------------------------------------|----------------------|-----------------------|
| | As of 6/30/03 | As of 12/31/04 |
| Home on the Range, Sentinel Butte, ND | 79 | 79 |
| Red River Victory Ranch, Fargo, ND | 8 | 0 * |
| Harmony House, Devils Lake, ND | 7 | 7 |
| Dakota Boys Ranch – RCCF, Minot, ND | 39 | 39 |
| DBR Minot Community Youth Home | 12 | 12 |
| Dakota Boys Ranch, Fargo Youth Home | 10 | 10 |
| New Outlooks, Devils Lake, ND | 10 | 10 |
| Prairie Learning Center, Raleigh, ND | 50 | 50 |
| Eckert Youth Homes, Williston, ND | 16 | 16 |
| Charles Hall Youth Services, Bismarck, ND | 27 | 27 |
| Safe Home – Prairie Harvest Foundation, Grand Forks, ND | 8 | 8 |
| Oppen Home, Minot, ND | 6 | 7 |
| Centre, Inc., Grand Forks, ND | 8 | 8 |
| Dakota Boys Ranch, Fargo Safe Home | 8 | 8 |
| Total Group/Residential Beds | 288 | 281 |

* Red River Victory Ranch, Fargo, ND closed 7/1/03

Child Welfare Data Snapshot
Children and Family Services, ND Department of Human Services
2006

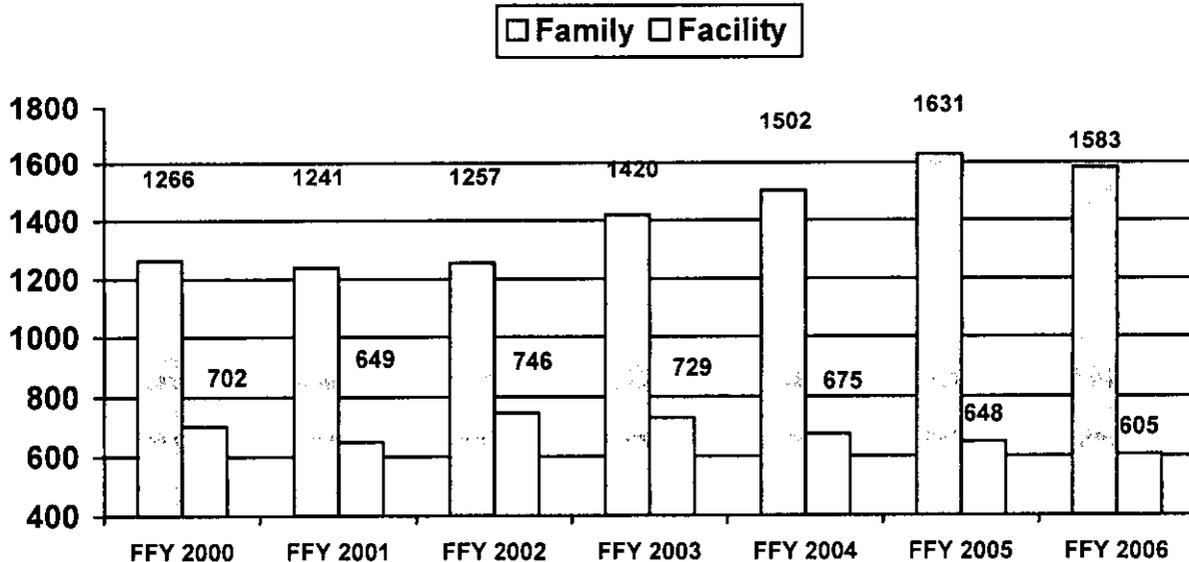
Children in Foster Care by Placement Type - FFY 2000-2006

| Placement Type | FFY 2000 | FFY 2001 | FFY 2002 | FFY 2003 | FFY 2004 | FFY 2005 | FFY 2006 | % (2006) | Change 2000-2006 |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|------------------|
| Pre-Adoptive Home | 154 | 166 | 157 | 160 | 207 | 228 | 252 | 11.4% | +63.6% |
| Relative Placement | 237 | 240 | 276 | 328 | 383 | 507 | 569 | 25.8% | +140.1% |
| Family Foster Care | 875 | 835 | 824 | 932 | 912 | 896 | 762 | 34.5% | -12.9% |
| Group Home | 125 | 109 | 127 | 125 | 120 | 96 | 95 | 4.3% | -24.0% |
| Facility (RTC & RCCF) | 577 | 540 | 619 | 604 | 555 | 552 | 510 | 23.1% | -11.6% |
| Incomplete Information | 10 | 39 | 18 | 34 | 28 | 35 | 21 | 1.0% | |
| Total | 1978 | 1929 | 2021 | 2183 | 2205 | 2314 | 2209 | 100.00% | +11.7% |
| Children aging out of Foster Care | 43 | 45 | 56 | 66 | 60 | 65 | 56 | | |

SOURCE: Annual AFCARS files submitted to the Administration for Children and Families.

| | |
|------------------------|---------------------|
| Family Type Placements | Facility Placements |
|------------------------|---------------------|

Trends in Family Foster Care* and Group Home/Facility Placements 2000-2006



* Family Foster Care includes family foster homes, relative placements and pre-adoptive placements, PATH placements, and tribal affidavit foster home placements.

Current Foster Care Numbers (as of 12/14/2006):

- 1331 children in foster care (includes tribal IV-E cases, DJS youth placed in foster care, and pre-adoptive placements);
- 439 of these children are Native American (33% of daily snapshot); and
- Approximately 30% of these 439 children are in Tribal custody.
- As of November 2006, 51 youth were in out-of-state placements (institutional). During 2006, the number varied from a low of 44 to a high of 59.
- We currently have 849 licensed foster homes (includes family homes, PATH homes and tribal affidavit homes).

Child Abuse and Neglect (FFY 2005 data):

- 7649 assessments (3956 of these were "full" assessments); and
- 792 of the 3956 were determined to be "Services Required" cases. This includes 1461 victims of child abuse and neglect.

Adoption:

- There were 111 finalized adoptions in FFY 2006; and
- 85% percent of those were adoptions involving foster parents.
- To illustrate the adoption trend: In 2000 we had 45 finalized adoptions, 80.5% were adoptions by foster parents. This represents an increase of 147% in the number of finalized adoptions between 2000 – 2006.

Permanency Outcomes:

- Currently, 35 subsidized guardianships are in place (with eleven pending).
- As of September 2006 there were 121 children in the custody of the Department of Human Services. These children had one of the following three permanency goals; Adoption, Guardianship, or Planned Permanent Living Arrangement.

TESTIMONY: SENATE BILL 2066
SENATE HUMAN SERVICES COMMITTEE

JUDY LEE, CHAIRWOMAN

January 10, 2005

Chairman Lee and members of the Committee: my name is Carlotta McCleary. I am the Executive Director for the ND Federation of Families for Children's Mental Health (NDFFCMH). The Federation of Families is a parent run organization that focuses on the needs of children with emotional, behavioral and mental disorders and their families. On behalf of the Federation, I am here to testify in support of SB2066.

The NDFFCMH supports maintaining the moratorium on expansion of residential treatment center for children bed capacity and the moratorium on residential child care facility or group home bed capacity. The NDFFCMH believes children and 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 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.

Currently, children and their families are having a difficult time accessing home and community-based services. Also, there is a lack of resources for successful and timely transitions from both in state and out-of state institutional care. Some examples of the gaps due to insufficient resources are shortages in adequate family, therapeutic and adoptive foster care homes. ND communities experience a lack of diversion, outreach/services and less restrictive home and community-based options to promote successful and timely transitions from Psychiatric Residential Treatment Facilities.

In October 23 youth were receiving psychiatric residential services in out-of-state placements. The NDFFCMH would like to see additional funding to support Partnerships Program, additional funding to support Voluntary Out-of-Home Treatment Program, additional funding for training families, private, public, child serving agencies, and additional funding for training staff to meet the needs of children and adolescents with mental health, substance abuse, or sexual abuse treatment needs and other identified gaps in services by the Mental Health Planning Council and the Stakeholder meetings conducted by the DHS. The NDFFCMH would like to see an increase in meeting the identified gaps prior to adding additional bed capacity in our state.

Thank you

SENATE BILL 2066

January 8, 2007

Madam Chairman Judy Lee and members of the Senate Human Service Committee,

My name is Tim Mathern, Senator of District 11 in Fargo. In addition to my duties on Appropriations, I serve on the Bush Foundation Board and work at Prairie St. John's in Fargo. I have a degree in social work and formerly served on this committee. In these roles I learn about the needs of persons and families dealing with mental illness. Along with this written testimony I have attached Prairie's brochure.

Prairie St. John's is a Catholic Healthcare Organization that provides a continuum of psychiatric and chemical dependency services to persons of all ages. Prairie is the major provider of psychiatric and chemical dependency services for children and adolescents in the state and currently has eight child and adolescent fellowship trained psychiatrists on staff with five board certified. Prairie is accredited by the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) and certified by the Centers for Medicare and Medicaid Services (CMS). Prairie is located in Fargo. It serves a large catchment area that includes Minnesota and northeastern South Dakota. At this time Prairie is assessing its presence in North Dakota and Minnesota and evaluating potential for increased services in these states.

Prairie St. John's believes that provision of services in a complete continuum of care should be the goal of a psychiatric service provider. In this way, services can be provided at the least restrictive, but most efficacious, level of care for each patient. Parents and guardians routinely ask that their children be allowed to stay in the Prairie system when residential treatment is indicated. Prairie has not been able to meet these requests to provide a residential level of care to child and adolescent patients in North Dakota because of the moratorium in place for residential treatment.

Prairie also believes that increasing quality of service for any of its services involves recruiting top notch treatment specialists. Often these specialists are only available if there are sufficient numbers of patients. This is an "economy of scale issue" for the employer and a "caseload size of a certain size and type" issue for getting the highly trained people to stay here or to move to North Dakota. In light of the moratorium, which has various reasons for being put in place including budget limitations placed on the department for residential psychiatric services for North Dakota children, Prairie considered other ways of expanding services to increase quality and meet expressed needs for residential treatment. These were to offer services to;

1. Privately insured North Dakotans – particularly those who are already receiving services through Prairie St. John's;
2. Minnesota children and adolescents – Clay County, MN has indicated that they have a need for more residential placement options for their children and adolescents;

3. CHAMPUS/TRICARE enrollees – with the current war in the Middle East, and the emotional/behavioral problems that can exacerbate in young people, this large government healthcare provider continues to look for options for residential treatment for children and adolescents. Fargo's National Guard facilities would provide ease of transportation for these patients and their families.
4. Alaska Medicaid enrollees – Alaska is currently sending children and adolescents as far away as Hawaii, Texas and South Carolina for Residential Treatment due to a lack of services in their state.

These options also require additional licensed psychiatric residential treatment beds, again not available because of the moratorium in North Dakota. A request for additional beds has been made but the Department of Human Services notes the moratorium as one reason for not granting a license for such beds.

There is another aspect to the development of a world class child and adolescent residential treatment program. It would have a positive economic benefit to the state through employment of North Dakotans, increased taxes paid due to revenue generated by this program, and persons coming to the area for care and visitation. If Prairie St. John's was a North Dakota company making widgets now wanting to expand to make widgets for other states while staying in North Dakota, they would be heralded as a value adding employer developing high paying jobs! But in the case of providing mental health services our state prevents the development by a law.

Members of the Senate Human Services Committee, thank you for your time in this important matter of meeting the needs of our citizens and listening to this specific situation. I have discussed this with the Department of Human Services and encouraged them to do likewise with the present providers of residential psychiatric care in North Dakota. If you still believe there is a need for a moratorium and plan to encourage the full Senate to support this bill I respectfully request that you first amend this bill to broaden the possibilities of increasing the quality of services in our state by giving North Dakota organizations room to explore new ways to expand services. I have also asked DHS for wording of an amendment that would be acceptable.

Thank you.

PROPOSED AMENDMENT TO SENATE BILL NO. 2066

Page 1, line 13, after the period insert "The restrictions contained in this section do not apply to nor prohibit the department from licensing additional bed capacity for a residential treatment center for children if the additional beds are designated for the care of children and adolescents who are residents of other states."

Mathern, Tim

From: Paul M. Ronningen [soronp@nd.gov]
Sent: Thursday, January 11, 2007 7:44 AM
To: Mathern, Tim
Subject: SB 2066: Moratorium Bill

Senator Mathern:

Thank you meeting with me this afternoon to discuss SB 2066. Per our conversation, the Department does not oppose the amendment that you originally offered. Clearly, the Department would not be paying for the care of children and adolescents who are residents of other states. Our only responsibility would be the licensing and monitoring of any facility that would choose to locate in North Dakota. Based on our conversation, the word "new" was inserted into the amendment and thus now reads:

The restrictions contained in this section do not apply to nor prohibit the department from licensing additional bed capacity for a new psychiatric residential treatment facility for children if the additional beds are designated for the care of children and adolescents who are residents of other states.

Adding the word "new" adds further clarification to the amendment, which the Department supports.

Again, if you would like to meet with the committee and me for further discussion, I would welcome the opportunity. My comments to the committee appear to have been misconstrued as opposition to the amendment, which was not my intent.

Thank you

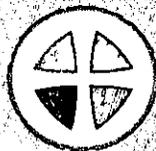
Paul Ronningen, Director
Children and Family Services

SB2066

Fargo, ND
Minnetonka, MN

We Can Help We Can Help

adolescents adults



PRAIRIE ST. JOHN'S

Inpatient

Partial Hospital

Residential

Intensive Outpatient

Clinic

Offering Hope and Healing
to Those Suffering from Psychiatric Conditions and Addictions

Contact Prairie St. Johns for copy

Testimony
Senate Bill 2066 – Department of Human Services
House Human Services Committee
Representative Price, Chairman
February 21, 2007

Chairman Price and members of the House Human Services Committee, my name is Paul Ronningen, Director, Children and Family Services with the Department of Human Services. I am here today to present testimony regarding Senate Bill 2066. The Department supports the passage of this bill.

This bill was introduced to eliminate the sunset clause on the moratorium as found on lines 8 and 19. The moratorium was placed on the expansion of residential bed capacity, which was set at the number of beds licensed as of June 30, 2003. (See Attachment A for a listing of the current Psychiatric Residential Treatment Facilities (PRTF), formerly know as Residential Treatment Centers and Attachment B for a listing of the current Residential Child Care Facilities (RCCF) and their licensed bed capacity.)

The moratoriums were originally passed by the 2001 Legislative Assembly. The moratorium were primarily due to the facility in Mandan, Southwest Keys, who operated in North Dakota from 11/10/97 through 6/30/2000 and provided 40 RCCF and RTC beds. They vacated these beds with a month's notice and left agencies, families and children scrambling for alternative service locations.

In order to address the service needs of some youth who are leaving the state for residential treatment services, the North Dakota Department of Human Services has issued a RFP (Request for Proposals) for treatment

services for adolescent sexual offenders. The deadline for responding to this request is February 28, 2007. As of November 2006, there are 51 youth in residential treatment services.

The Senate also added new language on lines 13-16, which allows for the development of new psychiatric residential treatment facility beds for adolescents who are residents of other states. PRTF beds added under this new language would not impact the Department's budget. I am proposing an amendment to this section, which will use the new title for these facilities, psychiatric residential treatment facility as opposed to residential treatment facility (See Attachment C).

I have also attached a chart titled Child Welfare Data Snapshot (Attachment D), which illustrates the trend line for foster care placements in the state of North Dakota. The chart shows that foster care placements have increased overall by 11.7% since FFY (Federal Fiscal Year) 2000. However, the percentage of youth placed in residential care has dropped by 11.6% while the number of children placed with their extended families has gone up by 140.1%.

This concludes my formal testimony. I would be happy to answer any questions you might have. Thank you.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2066

Page 1, line 14, after "new" insert "psychiatric"

Page 1, line 15, replace "center" with "facility"

Renumber accordingly

*4 Attachments
A + B were
same as those
given to Senate
on January 8, 2007*

TESTIMONY: SENATE BILL 2066
HOUSE HUMAN SERVICES COMMITTEE
REPRESENTATIVE PRICE, CHAIRWOMAN

February 21, 2007

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