

June 1997

MENTAL HEALTH AND FOSTER CARE SERVICES - BACKGROUND MEMORANDUM

Senate Concurrent Resolution No. 4001 (attached as an appendix) directs the Legislative Council to monitor mental health and foster care services, including changes in the role of the State Hospital, psychosocial rehabilitation centers, and clubhouse projects; the effect of welfare reform on the delivery of mental health and foster care services; methods used to place children in the custody of the Division of Juvenile Services; methods used to place children in residential child care facilities and residential treatment centers; methods of setting and levels of reimbursements for residential child care facilities and residential treatment centers; and items of legislative intent regarding mental health and foster care services.

The resolution was recommended by the 1995-96 interim Budget Committee on Government Services which monitored services for persons with mental illness and chemical dependency. The committee recommended continuing the mental health services monitoring and added the monitoring of foster care services due to the rising costs of services for children placed out of state in the foster care program and because residential child care facilities and residential treatment centers expressed concern regarding the level of reimbursement rates for their services.

PREVIOUS LEGISLATIVE COUNCIL STUDIES 1995-96 Interim

The 1995-96 interim Budget Committee on Government Services monitored the continued development of the continuum of services for persons with mental illness and chemical dependency, changes in the role of the State Hospital, and expanded community services, including psychosocial rehabilitation centers and clubhouse projects. The committee reviewed programs and enhancements to existing programs identified by each regional human service center which may be needed to provide a comprehensive system of services to seriously mentally ill and chemically dependent individuals in need of services in each region. The programs and program enhancements identified totaled \$8.3 million, \$6.4 million of which is from the general fund.

The committee reviewed services and programs of psychosocial rehabilitation centers and clubhouse projects, expressed its support of the psychosocial rehabilitation centers and clubhouse projects, and encouraged the Legislative Assembly to consider further expansion of these programs. In addition, the committee recommended Senate Concurrent Resolution No. 4001 directing this study.

The committee also reviewed services to children with serious emotional disturbances pursuant to Senate Concurrent Resolution No. 4058. As part of this study, the committee reviewed out-of-home treatment services and learned that the cost of services for children placed out of state in the foster care program increased from \$603,000 in fiscal year 1994 to \$1.1 million in fiscal year 1995. In addition, the committee heard reports from residential child care facilities regarding services provided and service reimbursements from the Department of Human Services. The committee learned that foster parents, residential child care facilities, and residential treatment centers in North Dakota did not receive a rate increase for the 1996 fiscal year. Although the Department of Human Services 1995-97 budget request included a rate increase for these facilities, during the last days of the 1995 legislative session 1995-97 foster care reprojections made by the Department of Human Services excluded funding for the rate increase; therefore, funding for a rate increase was not appropriated by the Legislative Assembly. The Department of Human Services identified sufficient funds from other areas within the Children and Family Services Division budget of the department as well as from additional reimbursements by the federal government to provide rate adjustments for the room and board payment for group homes, residential child care facilities, and residential treatment centers effective April 1, 1996, based on the facilities latest audit and expenditure report. The adjustments also included a 2.9 percent inflationary increase. In addition, the committee learned that effective March 1, 1996, the Department of Human Services increased the maximum service rate for these facilities from \$200 to \$250 per month per child.

Concern was expressed regarding the methodology used by the Department of Human

Services to provide rate adjustments for facilities. The committee learned that because reimbursement rates are based on previous fiscal year cost reports and because of delays in audits conducted by the Provider Audit Section of the Department of Human Services, rate adjustments that facilities received on July 1, 1996, were for costs of operations that occurred 22 months to 32 months earlier. As a result of these findings, the committee recommended the foster care monitoring portion of this study.

The Budget Committee on Government Services also studied how out-of-home mental health services to children with serious emotional disorders may be delivered throughout the state without requiring parents to relinquish custody. The committee recommended House Bill No. 1036, which was amended and approved by the 1997 Legislative Assembly. The bill provides that the Department of Human Services establish a statewide program to provide out-of-home treatment services for a child with a serious emotional disorder that is Medicaid-eligible and allow the parents of the child to retain legal custody of the child while these services are received.

1993-94 Interim

The 1993-94 interim Budget Committee on Government Services monitored the development of a continuum of services for persons with serious mental illness or chemical dependency, including changes in the role of the State Hospital and expanded community services. The committee recommended House Concurrent Resolution No. 3002 which directed the Legislative Council to monitor the continued development of a continuum of services for the mentally and chemically dependent during the 1995-96 interim. The committee received reports from the Department of Human Services on its review of the clubhouse project in Minot to determine the effectiveness of the program.

The Department of Human Services contracted with Dr. Gary Bond of Purdue University, Indianapolis, Indiana, to conduct the clubhouse project review which included an evaluation of the clubhouse project in Minot and a comparative evaluation of the programs operated at Mountainbrooke, formerly Friendship Place, and Progress Community Center, which are psychosocial rehabilitation centers in Grand Forks and Jamestown, respectively.

The consultant's review included evaluating clients at the Harmony Center and North Central Human Service Center in Minot, Mountainbrooke and the Northeast Human Service Center in Grand Forks, and Progress Community Center and the South Central Human Service Center in Jamestown. The

consultant's recommendations resulting from the clubhouse project review include:

1. The clubhouse programs in Minot and Grand Forks should be continued for sufficient time to allow for a fair test of adequate implementation of the clubhouse model in North Dakota.
2. Each local psychosocial rehabilitation center and human service center, in consultation with staff from the Division of Mental Health Services, should establish performance standards for evaluating the success of the clubhouse.
3. The clubhouse model should not be expanded beyond Minot and Grand Forks until the model has proven itself in North Dakota.
4. Budgeting for the psychosocial rehabilitation centers should be tied closely to program objectives. The psychosocial rehabilitation center model should be continued in North Dakota.
5. The psychosocial rehabilitation centers should examine their policies about how actively they seek out new members and if all clients feel equally welcome. Human service centers should examine their referral policies to psychosocial rehabilitation centers.
6. Psychosocial rehabilitation centers should consider expanding the role of clients as paid staff members.
7. The Harmony Center should request a site visit from Fountain House to enhance the center's attainment of clubhouse standards.
8. Harmony Center should develop systematic ways to help members keep community jobs.
9. The Division of Mental Health Services and the psychosocial rehabilitation centers should continue efforts to collect, analyze, and report program evaluation data on an ongoing basis.
10. The Division of Mental Health Services should continue to explore other employment models, especially those that avoid prevocational work units.
11. The Division of Mental Health Services should facilitate ways to increase the cooperation between the psychosocial rehabilitation centers and the regional human service centers.

The committee recommended that the Legislative Assembly continue the clubhouse programs at Minot and Grand Forks for sufficient time to allow for a fair test of the adequate implementation of the clubhouse model in North Dakota and provide proper and adequate funding for the two clubhouse programs and the eight psychosocial rehabilitation centers.

The 1993-94 interim Budget Committee on Youth Services studied children's services in North Dakota.

The study reviewed all services for children in North Dakota and made a number of recommendations affecting children's programs. The recommendations relating to foster care services were included in Senate Bill No. 2044. Provisions of the bill would have required the Department of Human Services to provide a children and family unit in each regional human service center to provide early intervention services to children and families identified as having protection, safety, and other concerns to help avoid institutional and out-of-home services for these children and families. The bill would have provided that service priority be given to children and families being served by county social services or the Division of Juvenile Services. The bill would have required the Department of Human Services to provide diagnostic crisis beds for children needing mental health, substance abuse, and sexual abuse treatment services. The bill would have required counties to provide intensive in-home family preservation services and to pay 10 percent of the cost of the services and that the Department of Human Services provide technical assistance to Indian tribes to establish intensive in-home family preservation services on each reservation. The bill would have required the Department of Human Services to provide out-of-home treatment services for severely emotionally disturbed children without requiring the parents to relinquish custody. The bill as passed by the Legislative Assembly provided that the Department of Human Services establish, in up to three human service regions, a program to provide out-of-home treatment services to children with serious emotional disorders without requiring parents to relinquish custody.

1991-92 Interim

The 1991-92 interim Budget Committee on Government Services monitored the development of a continuum of services for the mentally ill and chemically dependent and the effect expanded community services have on the role of the State Hospital. The committee expressed its support for a proposed program that enabled individuals with the dual diagnosis of severe mental illness and chemical dependency to live in individual apartments while individualized support services are provided to them by the regional human service centers. The committee also expressed its support for proposed meetings between the Department of Human Services and private alcohol and drug abuse treatment providers to develop and organize a public/private partnership for providing alcohol and drug abuse treatment services in the state. The committee recommended Senate Concurrent Resolution No. 4002 providing that a Legislative Council

committee monitor services provided to the mentally ill. In addition, the committee recommended House Bill No. 1024, approved by the 1993 Legislative Assembly, which removes the restriction that court-ordered treatment services related to repeat DUI offenders be only to inpatient facilities and allows treatment at any licensed addiction treatment program. This allows the State Hospital to develop a residential rehabilitation unit to provide long-term residential treatment services to chronic alcoholics.

1989-90 Interim

The 1989-90 interim Budget Committee on Human Services reviewed the implementation of additional community services for the chronically mentally ill and chemically dependent and the effect the services have on future services to be provided by the State Hospital. The committee recognized that adequate community services for the mentally ill and chemically dependent have not been developed; however, the committee supports the provision and continued development of community services as an alternative to admission to the State Hospital to the extent appropriate. The committee recommended House Concurrent Resolution No. 3001 providing that a Legislative Council committee monitor services provided to the mentally ill.

1987-88 Interim

The 1987-88 interim Budget Committee on Human Services studied the future role and function of the State Hospital. The committee contracted with consultants of the National Conference of State Legislatures Mental Health Project to provide an analysis of North Dakota's mental health system and recommendations on possible improvements to the system.

The following is a summary of the consultant's recommendations:

1. Different plans need to be developed for the various types of clients at the State Hospital, including forensic, adolescent, chemically dependent, and chronically mentally ill.
2. Separate plans should be developed for urban and for rural areas.
3. Plan development should include institutional input as well as discussions with family members and clients.
4. The plans should be client-focused rather than program-focused to ensure that services are developed to meet client needs.
5. A system should be developed to disburse funds in a fair manner.
6. A pilot program strategy should be used to demonstrate integrated, comprehensive systems of care at the local level, including a

review of the cost, effectiveness, and satisfaction of the programming.

7. A complete client assessment should be done of clients at the State Hospital and in the community.
8. An assessment of services currently existing to meet the needs of the clients must be completed to avoid duplication and to target the resources appropriately. However, as community services are improved, it can be expected that the demand for services will increase. Currently, approximately 3,000 chronically mentally ill persons are being served in North Dakota. Based on the experience of other states, it can be expected that there are an additional 3,000 to 6,000 mentally ill persons in communities who are currently not receiving service.
9. Plan development must address costs over at least a four-year period.
10. A determination should be made of what services are to be provided, where the services are to be available, and what is currently in place. The state may need to provide fiscal incentives to get the clients to the services, which may include prospective payments that provide community programs a fixed amount per client and allow them to keep any excess over actual cost. Reimbursement or capitation should be coupled with quality assurance mechanisms to ensure that clients are not underserved.
11. The plan for the State Hospital should address what will be done with existing staff, buildings, and land as the population is reduced at the State Hospital.
12. Legislators need to review the plan and be actively involved in monitoring the implementation of the plan.

The committee recommended House Concurrent Resolution No. 3001 which provided for a Legislative Council study to review the implementation of additional community services for the chronically mentally ill and chemically dependent and the effect the services have on the future of services to be provided by the State Hospital. The committee also recommended House Concurrent Resolution No. 3002, which urged the department to use pilot projects in developing community services. In addition, the committee recommended House Bill No. 1038, passed by the 1989 Legislative Assembly, providing for the voluntary commitment of mentally ill and chemically dependent individuals to the regional human service centers rather than the State Hospital. The bill, along with the development of regional intervention services at the regional human service

centers, was expected to reduce the number of inappropriate admissions to the State Hospital.

LEGISLATION PASSED BY THE 1997 LEGISLATIVE ASSEMBLY House Bill No. 1012

House Bill No. 1012 provides the appropriation for the Department of Human Services, including the Mental Health Division, Children and Family Services Division, State Hospital, and regional human service centers.

The bill includes a section of legislative intent providing that while the Legislative Assembly is allowing human service centers and the State Hospital more funding flexibility by providing funds in the form of block grants during the 1997-99 biennium, the human service centers and State Hospital are expected to:

1. Continue to utilize standards, guidelines, practices, and core services in effect on March 1, 1997, for providing human services pursuant to Section 50-06-05.3(2).
2. Continue to strive toward improving the quality of services and monitor and strive to achieve successful client outcomes.
3. Maximize available federal or other funds to provide services and service enhancements in consultation with the central office.
4. Utilize innovative and effective methods of service delivery in order to achieve cost savings or to enhance the level of services provided to clients.

In addition, human service centers are to provide appropriate community services to continue the trend of fewer State Hospital and Developmental Center admissions in order to serve clients, to the extent possible, in a least restrictive environment.

A section of the bill provides that each human service center shall report its services provided during the 1997-99 biennium on a cost per service basis in a form designated by the executive director of the Department of Human Services. The department shall analyze the data collected and develop, for the 1999-2001 biennium, a standardized reimbursement system for the human service centers based on service costs and any supplemental payment costs to be incorporated in the department's 1999-2001 biennium budget request.

The bill includes a section providing that the Department of Human Services report to the Budget Section by June 30, 1998, regarding human service centers, State Hospital, and Developmental Center block grant accountability. The report is to include information regarding employee turnover and vacancies, human service center budget status and

cash flow, clinical services including persons served, changes in client demand for services, waiting lists, impact of deinstitutionalization, external purchase of services, regional needs assessment and planning, and development of an evaluation and outcome report.

Senate Bill No. 2016

Senate Bill No. 2016 (the Department of Corrections and Rehabilitation appropriations bill) includes funding for the purchase and renovation of State Hospital buildings for use as a medium security prison on the State Hospital grounds. The Legislative Assembly provided \$1,295,000, \$1,165,500 of which is federal funds and \$129,500 of which is from the general fund for the purchase of three buildings and \$3,240,300, \$2,896,270 of which is federal funds and \$344,030 of which is from the general fund for renovating the buildings. The buildings being purchased from the State Hospital are the forensic

unit building, the ET (extended treatment) building, and the gymnasium.

Senate Bill No. 2147

Senate Bill No. 2147 provides that a facility providing foster care services obtain fingerprint information from individuals employed by the facility and any adults living in the facility that are not under its care. The bill requires the Department of Human Services to seek a criminal history record check on these individuals before licensing or approving a facility for providing foster care services.

MENTAL HEALTH SERVICES FUNDING

The schedule below presents a historical comparison of legislative appropriations for mental health services programs of the Department of Human Services:

	Total State Hospital and Mental Health Services Programs			
	Biennium			
	1991-93	1993-95	1995-97	1997-99
Total all funds	\$74,805,653	\$76,703,525	\$87,381,879	⁵
Less estimated income	23,388,992	28,104,086	38,718,328	⁵
Total general fund	\$51,416,661	\$48,599,439	\$48,663,551	⁵

	State Hospital			
	Biennium			
	1991-93	1993-95	1995-97	1997-99
Total all funds	\$53,976,393	\$50,838,353 ¹	\$52,697,738	\$56,520,007
Less estimated income	14,377,516	15,795,954	16,280,379	18,626,024
Total general fund	\$39,598,877	\$35,042,399 ¹	\$36,417,359	\$37,893,983
State Hospital staff	717.2	659.2	628.6	622.6
State Hospital residents	272	224	224	225

	Mental Health Services Programs			
	Biennium			
	1991-93	1993-95	1995-97	1997-99
Mental Health Division	\$3,760,322	\$2,437,473	\$13,997,736 ^{2,3}	\$3,790,655 ⁴
Human service centers	17,068,938	23,427,699	20,686,405 ²	⁵
Total all funds	\$20,829,260	\$25,865,172	\$34,684,141	\$3,790,655 ⁵
Less estimated Income	9,011,476	12,308,132	22,437,949 ³	2,509,247 ⁵
Total general fund	\$11,817,784	\$13,557,040	\$12,246,192	\$1,281,408 ⁵

¹ Includes \$1,880,000 of the \$2 million appropriated from the general fund in a State Hospital downsizing funding pool for the 1993-95 biennium. The remaining \$120,000 was retained as part of the Department of Human Services targeted savings.

² The 1995 Legislative Assembly transferred funding for partial care (\$1,448,939), work activity (\$502,394), and psychosocial rehabilitation centers and clubhouse programs (\$1,347,230) from the human service centers to the Mental Health Division totaling \$3,298,563 for the 1995-97 biennium.

³ The funding for the Mental Health Division includes \$8.8 million of federal funds relating to a five-year, \$16.8 million federal mental health partnership grant that the department received from the Center for Mental Health Services to develop, in the Bismarck, Fargo, and Minot regions, a complete system of care for children and adolescents with behavioral and emotional disorders and mental illness.

⁴ Includes \$1.8 million relating to the federal mental health partnership grant.

⁵ The 1997 Legislative Assembly appropriated funding to the human service centers using a block grant concept; therefore, the amounts allocated for mental health services at each center have not yet been determined by the department. The 1997 Legislative Assembly included legislative intent in House Bill No. 1012 providing that the human service centers continue to provide the core services in effect on March 1, 1997, for the 1997-99 biennium and to provide appropriate community services to continue the trend of fewer State Hospital admissions in order to serve clients, to the extent possible, in a least restrictive environment.

STATE HOSPITAL ADMISSIONS

Fiscal Year	Admissions
1990	2,304
1991	1,791
1992	1,677
1993	1,614
1994	1,610
1995	1,620
1996	1,679

HUMAN SERVICE CENTER CLIENTS

The schedule below presents a historical comparison of the number of persons with serious mental illness or serious emotional disorders served at the regional human service centers:

Regional Human Service Center	1991-93	1993-95	Estimated 1995-97	Estimated 1997-99
Adults				
Northwest	317	324	333	367
North Central	400	441	574	633
Lake Region	184	210	238	262
Northeast	529	702	1,064	1,173
Southeast	800	913	1,088	1,200
South Central	488	518	505	557
West Central	459	520	599	660
Badlands	246	311	427	471
Total	3,423	3,939	4,828	5,323
Children				
Northwest		376	397	413
North Central		369	578	601
Lake Region		399	416	433
Northeast		260	360	374
Southeast		239	382	398
South Central		460	505	526
West Central		415	523	544
Badlands		332	312	324
Total		2,850	3,473	3,613

PSYCHOSOCIAL REHABILITATION CENTERS AND CLUBHOUSE PROJECTS

Each regional human service center operates a psychosocial rehabilitation center through contracts with private, nonprofit organizations. The purpose of the psychosocial rehabilitation centers is to provide companionship and offer recreational activities for individuals with serious mental illness. The schedule below presents the 1995-97 funding level provided for psychosocial rehabilitation centers:

Region	
Northwest	\$119,598
North Central	275,000 ¹
Lake Region	115,000
Northeast	275,000 ¹
Southeast	123,945

South Central	143,687
West Central	145,000
Badlands	150,000
Total	\$1,347,230

¹ Includes \$150,000 for a clubhouse project.

Clubhouse projects provide individuals with serious mental illness the opportunity to work in an accepting and supporting atmosphere to rebuild self-confidence, work, and social skills. The individual selects a work unit in which the person will work with other members and staff. Potential work units of clubhouse projects are the maintenance unit, clerical unit, resource unit, business unit, restaurant/snack bar unit, and others. An individual can progress from a work unit to transitional employment in which the individual may work approximately 20 hours per week for up to six months, to supportive employment, and

finally to full-time employment, if appropriate. In North Dakota, the clubhouse project began during the 1991-93 biennium. The 1991 Legislative Assembly appropriated \$150,000 from the general fund to begin a clubhouse demonstration project in Minot on October 1, 1991. The clubhouse project in Minot was developed as a program of the Harmony Center (the north central psychosocial rehabilitation center) and provides prevocational skills training for individuals with serious mental illness. The clubhouse project trains individuals through a work environment in kitchen and clerical skills to prepare them for employment. The 1993 Legislative Assembly in House Bill No. 1002 appropriated \$150,000 from the general fund to continue the clubhouse project for the 1993-95 biennium in Minot and appropriated \$75,000 from the general fund to begin a clubhouse project in Grand Forks during the second year of the 1993-95 biennium. The Grand Forks clubhouse project was developed as a program of Mountainbrooke, the psychosocial rehabilitation center in Grand Forks. For the 1995-97 biennium,

the Legislative Assembly provided \$150,000 from the general fund for the north central region clubhouse project and \$150,000 from the general fund for the northeast region clubhouse project. For the 1997-99 biennium, the Legislative Assembly appropriated funding to the human service centers in the form of block grants; therefore, a specific amount was not appropriated for the psychosocial rehabilitation centers and clubhouse projects. Based on provisions of House Bill No. 1012, which provide that the human service centers are expected to continue to utilize standards, guidelines, practices, and core services in effect on March 1, 1997, funding for psychosocial rehabilitation centers and clubhouse projects should continue at a level similar to the 1995-97 biennium.

FOSTER CARE SERVICES FUNDING

The schedule below presents the Department of Human Services estimates of foster care services costs for the 1995-97 biennium and the 1997-99 biennium

1995-97 Estimated Costs

	General Fund	Federal Funds	Other Funds	Total
Room and Board				
Family foster care homes - All in state	\$ 2,462,106	\$ 3,590,994	\$ 685,451	\$ 6,738,551
Therapeutic foster care homes - Room and board amounts reflected under family foster care homes				
Residential child care facilities:				
In state	\$ 4,107,783	\$ 6,282,112	\$1,340,182	\$11,730,077
Out of state	608,561	930,683	198,546	1,737,790
Total	\$ 4,716,344	\$ 7,212,795	\$1,538,728	\$13,467,867
Residential treatment centers - Room and board amounts reflected under residential child care facilities				
Total room and board	\$ 7,178,450	\$10,803,789	\$2,224,179	\$20,206,418
Treatment and Service Payments				
Family foster care homes - Not applicable				
Therapeutic foster care homes - All in state	\$ 1,289,176	\$ 3,052,018	\$ 127,353	\$ 4,468,547
Residential child care facilities - All in state	507,552	676,735	169,183	1,353,470
Residential treatment centers - In state and out of state	1,054,005	2,634,118	159,042	3,847,165
Total treatment services	\$ 2,850,733	\$ 6,362,871	\$ 455,578	\$ 9,669,182
Other Services				
Shelter care	\$ 50,000	\$ 50,000		\$ 100,000
Independent living	114,515	241,898		356,413
Total other services	\$ 164,515	\$ 291,898	\$ 0	\$ 456,413
Total Department of Human Services foster care related expenses	\$10,193,698	\$17,458,558	\$2,679,757	\$30,332,013

1997-99 Estimated Costs

	General Fund	Federal Funds	Other Funds	Total
Room and Board - In State				
Family foster care homes	\$ 3,123,026	\$ 3,626,639	\$ 854,414	\$ 7,604,079
Therapeutic foster care homes - Room and board amounts reflected under family foster care homes				
Residential child care facilities - In state	3,971,657	9,181,460	3,039,844	16,192,961
Residential treatment centers - Room and board amounts reflected under residential child care facilities				
Total room and board	<u>\$ 7,094,683</u>	<u>\$12,808,099</u>	<u>\$3,894,258</u>	<u>\$23,797,040</u>
Treatment and Service Payments - In State				
Family foster care homes - Not applicable				
Therapeutic foster care homes	\$ 1,364,961	\$ 3,669,466	\$ 205,957	\$ 5,240,384
Residential child care facilities	401,360	1,079,161	60,561	1,541,082
Residential treatment centers	<u>1,082,384</u>	<u>2,618,000</u>	<u>38,363</u>	<u>3,738,747</u>
Total treatment services	<u>\$ 2,848,705</u>	<u>\$ 7,366,627</u>	<u>\$ 304,881</u>	<u>\$10,520,213</u>
Combined Room and Board and Treatment and Service Payments - Out of State Facilities	<u>\$ 1,268,212</u>	<u>\$ 2,937,878</u>	<u>\$ 929,08</u>	<u>\$ 5,135,176</u>
Other Services				
Shelter care	\$ 125,000			\$ 125,000
Independent living	<u>114,515</u>	<u>\$ 163,432</u>		<u>277,947</u>
Total other services	<u>\$ 239,515</u>	<u>\$ 163,432</u>	<u>\$ 0</u>	<u>\$ 402,947</u>
Total Department of Human Services foster care related expenses	\$11,451,115	\$23,276,036	\$5,128,225	\$39,855,376

The schedule below presents the average number of children placed in out-of-state facilities for treatment services since 1987 and the cost of the services.

Fiscal Year	Average Number of Children Per Month	Average Cost Per Month	Unduplicated Number of Children	Annual Cost
1996	37	\$147,319	67	\$1,767,828
1995	34	\$ 92,081	70	\$1,104,974
1994	29	\$ 50,241	61	\$ 602,888
1993	26	\$ 47,338	48	\$ 520,713
1992	14	\$ 24,447	33	\$ 293,359
1991	12	\$ 33,523	32	\$ 402,276
1990	37	\$ 88,000	46	\$1,056,004
1989	39	\$113,962	63	\$1,367,546
1988	38	\$103,605	56	\$1,243,259
1987	34	\$ 90,251	49	\$1,083,018

CHILD PLACEMENTS

Child custody transfers are the decision of North Dakota courts. Custody is transferred from a child's parents to either county social services, the Department of Human Services, or the Division of Juvenile Services. County social services can place a child directly in a family foster care home; however, a more restrictive placement of a child under the custody of county social services must be reviewed

and approved by the regional permanency planning team.

The Division of Juvenile Services may directly place a child at the Youth Correctional Center; however, any other placements of the Division of Juvenile Services must be reviewed and approved by the regional permanency planning team.

Members on regional permanency planning teams vary depending on each child's history and

circumstances but may include a county social services social worker, Division of Juvenile Services caseworker, regional supervisor of county social services, Juvenile Court representative, school district representative, special education district representative, treatment services personnel, parents, foster family, and representatives of facilities the child may have been placed in.

FOSTER CARE FACILITIES AND REIMBURSEMENT RATES

The foster care program places children in the following types of care:

1. Foster care families - A family providing for the child's care. Children placed with a foster care family are generally younger and have been deprived, neglected, or abused.
2. Therapeutic foster care - A family providing for the child's care. Children placed with a therapeutic foster care family generally have been diagnosed with a psychiatric disorder and often times are in transition from a residential treatment center placement.
3. Residential child care facilities and group homes - Children placed in these types of facilities are generally adolescents who have been deprived or abused, involved in a parent/child conflict, or have character disorders.
4. Residential treatment centers - Children placed in these types of facilities are generally adolescents who have been diagnosed with psychiatric disorders.

The licensed group homes, residential child care facilities, and residential treatment centers in North Dakota include:

Group/Residential Child Care Facilities

Charles Hall Youth Services	Bismarck
Eckert Youth Homes	Williston
Harmony House Group Home	Devils Lake
Home on the Range	Sentinel Butte
Lake Oahe Group Home	Fort Yates
Little Flower Freedom Center	Minnewaukan
Prairie Learning Center	Raleigh
The Dakota Center	Fargo
The Dakota Center RCCF	Minot
The Dakota Center - Transitional Living (TL)	Minot

Residential Treatment Centers

Luther Hall	Fargo
Manchester House	Bismarck
Rivers Edge RTC	Fargo
Ruth Meiers Adolescent Center	Grand Forks

The Dakota Center RTC Minot
 Foster care reimbursement rates for foster care families and facilities are listed below:

Reimbursement Rates Per Child		
	Maintenance Rate	Service Rates Effective July 1, 1997
Family foster care • Up to 4 years old • 5-12 years old • 13 years old and over	\$301/month \$341/month \$446/month	N/A
Therapeutic foster care	\$591/month	Actual costs - Billed to Medicaid program
Group and residential child care facilities	\$2,027/month average rate in May 1997	\$300/month maximum - Billed to Medicaid program
Residential treatment centers	\$1,721/month average rate in May 1997 ¹	Actual costs - Billed to Medicaid program

¹ This is only the foster care portion of the payment. Certain staff and other costs of residential treatment centers are eligible for Medicaid reimbursement. These amounts are not shown here.

PROPOSED STUDY PLAN

The committee may wish to proceed with this study as follows:

1. Receive information from representatives of the State Hospital and the Department of Human Services on the status of programs at the State Hospital and regional human service centers for persons with serious mental illness, funding allocations and services provided under the block grant funding concept approved by the Legislative Assembly, and the effect of welfare reform on the delivery of mental health services.
2. Receive information from representatives of the Department of Human Services on the status of foster care services, children placed out of the state for treatment services, methods used to place children in foster care facilities, and methods of setting and levels of reimbursement rates for foster care facilities.
3. Receive information from juvenile court representatives regarding determining factors in child custody transfers relating to foster care or juvenile services.

4. Receive information from representatives of the Division of Juvenile Services regarding methods used to determine the placement of children in out-of-home facilities.
5. Tour the State Hospital, selected regional human service centers, and related programs, including foster care facilities.
6. Receive testimony from interested persons, including the Mental Health Association, private hospitals, foster care facilities, and other private service providers and organizations.
7. Review the Department of Human Services and the State Hospital funding requests relating to mental health and foster care programs for the 1999-2001 biennium.

ATTACH:1