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## **ACUTE PSYCHIATRIC TREATMENT COMMITTEE**

Tuesday, September 28, 2021  
Roughrider Room, State Capitol  
Bismarck, North Dakota

Representative Jon O. Nelson, Chairman, called the meeting to order at 9:30 a.m.

**Members present:** Representatives Jon O. Nelson, Emily O'Brien\*, Randy A. Schobinger, Michelle Strinden; Senators Dick Dever, Kathy Hogan, Tim Mathern

**Member absent:** Senator Kyle Davison

**Others present:** Representative Ruth Buffalo, Fargo  
See [Appendix A](#) for additional persons present.

*\*Attended remotely*

**It was moved by Senator Mathern, seconded by Senator Dever, and carried on a voice vote that the minutes of the July 29, 2021, meeting be approved as distributed.**

### **ACUTE PSYCHIATRIC HOSPITALIZATION AND RESIDENTIAL CARE**

#### **Selection of Consulting Services**

Mr. Levi Kinnischtzke, Senior Fiscal Analyst, Legislative Council, presented a memorandum entitled [Study of Acute Psychiatric Hospitalization and Residential Care - Summary of Proposals](#). He noted:

- Two consulting organizations, Renee Schulte Consulting, LLC, and Schafer Consulting, Inc., submitted proposals to the Legislative Council in response to the committee's request for proposal for consulting services related to acute psychiatric and residential care needs of the state.
- The deadline for consulting organizations to submit proposals was Friday, September 17, 2021.
- The memorandum provides a summary of the proposals.

#### **Renee Schulte Consulting, LLC**

Ms. Renee Schulte, Project Director and Senior Consultant, Renee Schulte Consulting, LLC, presented information ([Appendix B](#)) regarding a proposal submitted in response to the committee's request for consultant services related to acute psychiatric and residential care needs of the state. She noted:

- Renee Schulte Consulting, LLC, was started in 2012, is based in Iowa, and has performed work in Indiana, Iowa, Minnesota, and North Dakota to create strategic plans, legislation, and best practice guidance in regulation and rules. The organization has also performed government relations, strategy, and system consulting services for nonprofit and for-profit healthcare providers.
- If chosen by the committee, the approach of Renee Schulte Consulting, LLC, will be to provide information on the recommended number, types, specialties, and locations of beds in the state; evaluate opportunities for enhanced psychiatric service delivery by level of care in North Dakota, including definitions and Medicaid billing codes; interviewing public and private workforce providers to determine the viability of existing and added programs and beds; performing resource mapping of existing services in the state; and evaluating the potential for the expansion of beds and specialty programming.
- The proposed bid submitted by Renee Schulte Consulting, LLC, is \$247,000, which does not include the cost of developing conceptual drawings for a new State Hospital.

Mr. Jason Haglund, Senior Consultant, Renee Schulte Consulting, LLC, provided information regarding the proposal submitted by Renee Schulte Consulting, LLC. He noted a summary of the proposed project plan from Renee Schulte Consulting, LLC, is as follows:

- Interviewing stakeholders in the state, including public and private providers, as well as analyzing existing capacity and evaluating opportunities for scaled expansion and growth.
- Identifying providers and facilities providing psychiatry to provide information on the current scope and array of community-based, residential, subacute, and acute care addiction and mental healthcare options available in each local community and region.
- Obtaining a clear understanding of existing funding methodology, billing practices, and opportunities for diversionary and cost-effective nonhospital-based levels of care.
- Evaluating the capacity of public and private providers to enhance and expand existing programs, facilities, and levels of care to meet the evolving behavioral health needs of each community. In person, geographically coordinated roundtable discussions with leaders within the addiction, behavioral health, state, education, and other related entities will be held to understand and address barriers and opportunities facing service delivery and capacity at each level of care in the state.
- Creating architectural renderings and program design recommendations for a new State Hospital, if requested by the committee. An understanding of population, scope, upstream impact on bed utilization, and community-based infrastructure is needed for the design of facilities.
- Establishing a road map to guide future initiatives that will significantly impact the scale, scope, and specialty design of acute psychiatric and residential care facilities, the size needed, and the location of beds to maximize efficiency, specialty need, and workforce capacity.

In response to questions from committee members, Mr. Haglund noted Renee Schulte Consulting, LLC:

- Intends to conduct interviews with private providers to determine the number of acute psychiatric hospitalization beds needed in the state, why private hospitals have chosen not to offer acute psychiatric hospitalization services, and if the barriers to offering those services are financial, risk, or space-based.
- Intends to obtain acute psychiatric hospitalization and behavioral health utilization data from private providers and the Department of Human Services (DHS) for Medicaid and non-Medicaid patients, and will attempt to quantify the number of uninsured patients that need these services.
- Does not intend to recreate recent behavioral health studies completed in North Dakota but will use information from previous studies to provide new information and solutions for problems and concerns related to the committee's current study.

#### **Schafer Consulting, Inc.**

Mr. Neil Shapiro, Senior Consultant, Schafer Consulting, Inc., presented information ([Appendix C](#)) regarding a proposal ([Appendix D](#)) and a sample report ([Appendix E](#)) submitted in response to the committee's request for consultant services related to acute psychiatric and residential care needs of the state. He noted:

- Schafer Consulting, Inc., was started in 1993, has offices in Pennsylvania, Maryland, and Florida, and has completed projects for state and local government behavioral health and human service departments and hospital systems, community mental health centers, psychiatric product lines of regional medical centers, children and youth organizations, provider networks, private practices, multistate human service systems, group practices, Indian tribes, foundations, and associations.
- The proposed bid submitted by Schafer Consulting, Inc. is \$393,000, which does not include the cost of developing conceptual drawings for a new State Hospital.

Mr. Steve Schafer, Senior Consultant, Schafer Consulting, Inc., presented information regarding a proposal submitted in response to the committee's request for consultant services related to acute psychiatric and residential care needs of the state. He noted a summary of the proposed project plan from Schafer Consulting, Inc., is as follows:

- Begin work on November 1, 2021.
- Send a request for information and key contact list to the Legislative Council and Acute Psychiatric Treatment Committee.
- Obtain state and local level behavioral health utilization data from the Legislative Council and the committee, DHS, and the North Dakota Hospital Association, and obtain other state specific data.

- Use population data and projections, statistical and predictive analytics, and geocoding to derive key findings from national and state databases.
- Request help from the committee in identifying key stakeholders and contact information for an online survey for the study, i.e., an "Acute and Residential Psychiatric Treatment Needs Survey."
- Examine utilization from behavioral health treatment services for adults and adolescents, including acute hospital inpatient treatment for mental health and substance abuse and residential step-down mental health and substance use treatment.
- Prepare a draft survey in collaboration with the committee, disseminate and conduct the survey, and aggregate and analyze an online survey of key stakeholders regarding the project. The survey will include the perceived number of acute care beds needed in the state; the responder's geographical area; appropriate locations in the state; input and feedback of private providers, including contract requirements, treatment requirements, and outcome measures; and the use of existing public facilities and the need for new public facilities.
- Relate and include survey findings in a draft study report.
- Create conceptual drawings for a new State Hospital, if requested by the committee. Drawings will depend on the psychiatric populations and clinic services or specialties the new State Hospital will serve.
- Prepare a draft report for the committee and adjust the report based on committee input.
- Present a final written report focused on each requirement included in the request for proposal by April 1, 2022.

In response to a question from a committee member, Mr. Shapiro noted Schafer Consulting, Inc., uses national databases and similar resources to evaluate the demand for acute psychiatric hospitalization and behavioral health services in rural areas of the country.

**It was moved by Senator Dever, seconded by Senator Hogan, and carried on a roll call vote that the committee recommend the Chairman of the Legislative Management contract with Renee Schulte Consulting, LLC, to provide consultant services related to acute psychiatric and residential care needs of the state.** Representatives Nelson, O'Brien, and Schobinger and Senators Dever, Hogan, and Mathern voted "aye." Representative Strinden voted "nay."

### **Behavioral Health Services and Needs**

Mr. Kinnischtzke presented a memorandum entitled [Section 1115 Waiver Implementation of Select States](#). He noted:

- As of September 2021, 49 states, as well as the District of Columbia and Puerto Rico, have applied for at least one Medicaid Section 1115 waiver, resulting in a total of 153 waiver applications. Of these states, 36 states have had a waiver application approved by the Secretary of the United States Department of Health and Human Services that is currently active.
- Connecticut and Ohio had waiver applications denied. The remaining states have submitted applications that are in pending, expired, or withdrawn status.
- North Dakota has not submitted a Section 1115 waiver application.

### **Mental Health Advocacy Network**

Ms. Carlotta McCleary, Spokesperson, Mental Health Advocacy Network, presented information ([Appendix F](#)) regarding acute psychiatric hospital, residential care, and behavioral health services and programs available and any recommendations of additional services and needs in the state. She noted:

- Mental Health Advocacy Network (MHAN) supports the construction of a new State Hospital and the Section 1915(i) Medicaid state plan amendment.
- MHAN does not support DHS applying for an institution of mental disease (IMD) Medicaid exclusion waiver.

### **Mandan, Hidatsa, and Arikara Nation**

Dr. Joy Froelich, Executive Director, Mr. Tracy Burr, Recovery Consultant, and Mr. Justin Baker, Point of Contact Supervisor, Mandan, Hidatsa, and Arikara Nation Recovery Services and Good Road Recovery Center, presented information ([Appendix G](#)) regarding addiction and substance use disorder treatment services and programs available and any recommendations of additional behavioral health services and needs in the state, including members of the Mandan, Hidatsa, and Arikara (MHA) Nation. Dr. Froelich noted:

- MHA Nation Recovery Services provides services to enrolled members of the Three Affiliated Tribes of the Fort Berthold Reservation.
- Good Road Recovery Center is MHA Nation's 16-bed licensed treatment facility located in Bismarck which provides residential treatment and sober living services.
- MHA Nation also operates the Parshall Recovery Center in Parshall and the Circle of Life in New Town.
- MHA Nation supports DHS applying for an IMD Medicaid exclusion waiver.
- The average number of MHA Nation enrolled members in substance use treatment each month has decreased from 122 to 90 members since the opening of Good Road Recovery Center.

In response to a question from a committee member, Dr. Froelich noted DHS does not intend to apply for an IMD Medicaid exclusion waiver.

### Comments by Interested Persons

Mr. Ty Hegland, President and Chief Executive Officer, ShareHouse, Fargo, presented information ([Appendix H](#)) regarding the committee's study of acute psychiatric and residential care needs of the state. He suggested the committee consider how to transform reimbursement for behavioral health services to best utilize funding available, how to provide quality behavioral health services, and how to ensure there is an adequate workforce to meet the goals of providers and the Legislative Assembly.

## IMPLEMENTATION OF EXPANDED BEHAVIORAL HEALTH SERVICES

### Human Services Research Institute Report Update

Ms. Bevin Croft, Research Associate, Human Services Research Institute, presented information ([Appendix I](#)) regarding an update of the implementation of the recommendations from the Human Services Research Institute (HSRI) report. She noted:

- The Behavioral Health Planning Council, which is an advisory council appointed by the Governor, consists of 10 subcommittees implementing the HSRI report recommendations. The Behavioral Health Planning Council advises all project activities, including plan development, communication with the public, and the approval of strategic plans.
- The HSRI recommendation implementation strategic plan included 138 potential strategic goals that were narrowed to 28 finalized strategic goals. The development of the strategic plan considered the results of a public survey conducted by HSRI which included responses from 570 individuals throughout the state.
- The 28 strategic goals are combined into 13 aims to summarize the recommendations in the HSRI report. Progress on the 13 aims ranges from 0 to 100 percent complete through July 2021.
- The four phases of implementing the recommendations are strategic planning, prioritization and refinement, initiation, and monitoring and sustaining the recommendations. As of September 2021, the implementation of recommendations is in the monitoring and sustaining phase.
- HSRI is forming a behavioral health workforce group to research and address behavioral health workforce concerns in the state.

Ms. Pamela Sagness, Director, Behavioral Health Division, Department of Human Services, presented an update ([Appendix J](#)) of the implementation of the recommendations from the HSRI report, including how the 2019-21 biennium \$300,000 general fund appropriation was spent and the plan to spend the 2021-23 biennium \$250,000 general fund appropriation. She noted progress on implementation of the recommendations from the HSRI report have been delayed due to the Coronavirus (COVID-19) pandemic.

### Behavioral Health Bed Management System

Dr. Rosalie Etherington, Chief Clinics Officer and State Hospital Superintendent, Department of Human Services, presented information ([Appendix K](#)) regarding the cost, benefit, and need of implementing a behavioral health bed management system and the status of the system's implementation ([Appendix L](#)). She noted:

- Section 27 of House Bill No. 1012 (2021) provides DHS must establish and maintain a behavioral health bed management system to improve utilization of behavioral health bed capacity. The section requires public and private providers of residential or inpatient behavioral health services to participate in and report daily to DHS the information and documentation necessary to maintain the behavioral health bed management system in the form and manner prescribed by DHS.
- 25 states have either implemented or are implementing a behavioral health bed management system.

- The average cost of the behavioral health bed management system software is \$150,000 and annual maintenance costs average \$60,000 to \$70,000, depending on the complexity of the system.
- Research of behavioral health bed management systems by DHS and project planning analysis by the Information Technology Department have been completed. The next steps to implement the system include holding stakeholder meetings, establishing system requirements, and writing a request for proposal to contract with a vendor to implement the system.
- The behavioral health bed management system will include a web-based electronic database, identify the number of available beds and the types of available beds, include data from public and private entities, be available to crisis and emergency personnel, and may be accessible to the public.
- Limitations of the behavioral health bed management system include manual data entry of how many beds are available, which could result in human-error and inconsistent updating, and the system does not guarantee admission to an available bed.
- Some providers have concerns the behavioral health bed management system will result in increased pressure to accept patients and the system will create unnecessary steps for admission.

In response to questions from committee members, Dr. Etherington noted:

- The behavioral health bed management system would ideally be a fully automated system, however, some providers may not have the ability to connect to an automated system, which may require the system to allow manual data input.
- DHS and the State Department of Health are discussing the possibility of integrating the behavioral health bed management system with the emergency bed management system, which has been used during the COVID-19 pandemic.

### **BEHAVIORAL HEALTH NEEDS OF INCARCERATED ADULTS**

Ms. Rachelle Juntunen, Warden, Dakota Women's Correctional Rehabilitation Center, Southwest Multi-County Correction Center, presented information regarding behavioral health services available to incarcerated adults, any additional services needed, and infrastructure needs to facilitate behavioral health services. She noted:

- The need for behavioral health services has increased in western North Dakota but available services have decreased, resulting in jails becoming the holding facilities for mentally ill individuals due to the lack of private sector providers.
- Some individuals are accepted for transfer to the State Hospital but are quickly returned with instructions to seek services from the private sector in the community.
- Stabilization beds are needed in western North Dakota to provide individuals appropriate behavioral health and long-term psychiatric services and to prevent individuals from cycling in and out of jails.

Captain Andrew Frobig, Jail Administrator, Cass County Sheriff's office, presented information ([Appendix M](#)) regarding behavioral health services available to incarcerated adults, any additional services needed, and infrastructure needs to facilitate behavioral health services. He noted:

- Behavioral health demand has significantly increased, the behavioral health system lacks sufficient resources, and outcomes are worsening for individuals needing behavioral health services in the Fargo area, despite Fargo being the area of the state with the most behavioral health resources available.
- The Cass County Sheriff's office contracts with an independent psychiatrist for supplemental care, but the time needed to treat the increasing number of individuals needing services exceeds the psychiatrist's time available, resulting in patients waiting for psychiatric care or medications for up to 8 weeks.
- Capacity concerns at the State Hospital have resulted in delays in receiving psychiatric treatment services for inmates.
- Data and information for continued care services is gathered in different systems, which is not always available to each organization or agency reviewing patient information.

Ms. Marcy Hilzendenger, Behavioral Health Program Assistant and Classification Officer, Burleigh-Morton County Detention Center, presented information ([Appendix N](#)) regarding behavioral health services available to incarcerated adults, any additional services needed, and infrastructure needs to facilitate behavioral health services. She noted:

- Services available to incarcerated adults include mental health, substance use disorder, and other behavioral health services. Mental health and psychiatric services are accessed primarily through the West Central Human Service Center and the State Hospital, although private providers conduct a limited number of assessments ordered by the District Court for Burleigh-Morton County Detention Center inmates. Substance use disorder evaluations are provided by private providers.
- Additional behavioral health services needed include a licensed addiction counselor and behavioral health therapist to provide treatment programming, health care treatment and therapy services during incarceration, and medications.
- The Burleigh-Morton County Detention Center is working with the Attorney General's office to expand medically assisted treatment services in jail facilities to engage opioid-addicted inmates with medication and to enroll the inmates in a substance use disorder treatment program prior to being released.
- Infrastructure needs and concerns of Burleigh-Morton County Detention Center include the lack of treatment staff and programs in the community, coordination of services, and lack of convenient and accessible transportation for inmates.

No further business appearing, Chairman Nelson adjourned the meeting at 3:30 p.m.

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Levi Kinnischtzke  
Senior Fiscal Analyst

ATTACH:14