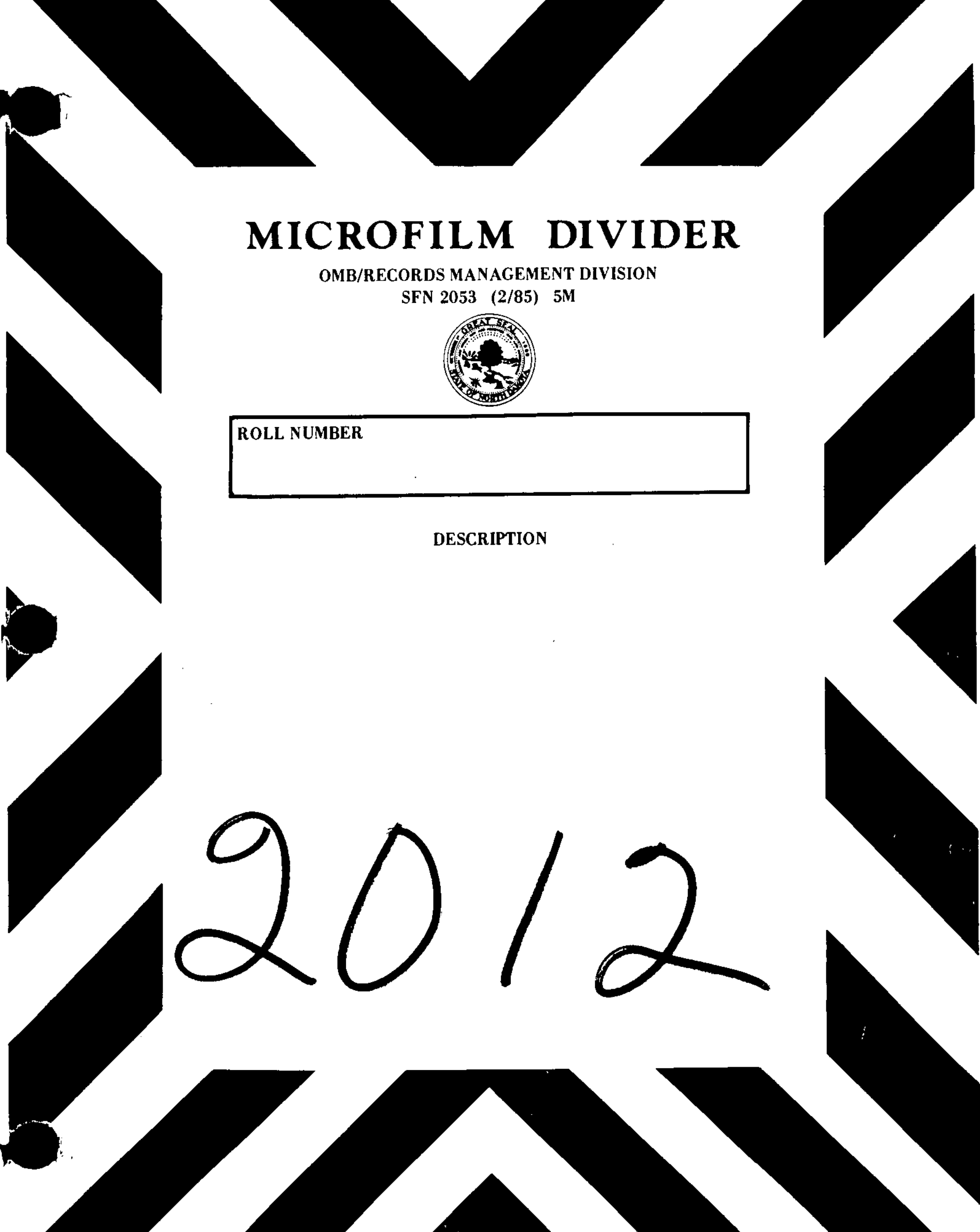
MICROFILM DIVIDER
OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M
ROLL NUMBER
DESCRIPTION
2012

2007 SENATE APPROPRIATIONS

SB 2012

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/08/07

Recorder Job Number: 710

Committee Clerk Signature

Minutes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A ten minute break was taken.

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

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

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

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

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

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

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

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

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

The hearing closed at 11:30 am.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-09-07 am 1-09-07

Recorder Job Number: 768

Committee Clerk Signature	

Minutes:

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

Tom Wallner, Executive Director of the ND State Council on Developmental Disabilities (DD) distributed written testimony (1) pertaining to DD Council's budget request. Testimony was given concerning the federal government involvement, grants, and statistics concerning the number of individuals under the umbrella of care, staff salaries, retiree benefits and operating costs. The committee was informed that the Council has been 100% funded by the federal government. A brochure (2) explaining ND State Council on DD was distributed.

Linda Wright, Director of the Aging Services Division of DHS distributed written testimony (3) providing an overview of the Aging Services Division budget. She explained all of the programs their division offers to the aging, submitted charts to verify her testimony prepared by the Information Center at NDSU, the population of aging residents of ND is continuing to grow and there are federal guidelines that must be met by the Aging Services Division. Our intent is to apply for funding from the federal government to establish Aging and Disability Resource Centers (ADRC). She shared there is an increase in operating expenses, training costs, providers needing more funds, salary needs and retiree benefit needs. She also shared about the Qualified Training Nurses Program, which is provided by contract with the Lake Region

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

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

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

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

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

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

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

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

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

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

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

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

Senator Bowman requested information regarding the Court's involvement, is the time there considered jail time and does anyone ever get released from the sexual offenders unit. Questions were also raised concerning the James River Agency and the State Hospital working together. The committee was assured it was a good working relationship.

Don Redman gave overview of budget.

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

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

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

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

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations

☐ Check here for Conference Committee

Hearing Date: 01/09/07

Recorder Job Number 824

Committee Clerk Signature	Janet Pinks

Minutes:

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

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

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

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

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

Senator Robinson asked that prescription drug retention fund be clarified.

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

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

Senator Fischer increase totally to

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

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

Senator Krauter asked for the reason in the decreases.

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

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

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

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

Senator Mathern questioned bills being passed without funds being allocated.

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

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

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

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

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

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

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

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

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

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

Senator Mathern questioned the property limitations.

The hearing adjourned.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/10/07

Recorder Job Number: 841

Committee Clerk Signature

Minutes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Chairman Holmberg called for a short break.

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

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

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

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

She responded yes they are aware.

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

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

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

Senator Christman asked how the data was derived.

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

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

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

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

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

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

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

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

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

Chairman Holmberg closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/10/07

Recorder Job Number: 888

Committee Clerk Signature

Minutes:

Chairman Holmberg welcomed members of the Joint Committee to the hearing on SB 2012.

John W. Johnson, representing Options Independent Living Centers, Grand Forks, indicated he would talk about independent living and introduced **Nathan Aalgaard, Executive Director, Freedom Resource, Fargo and Royce Schultze, Director, Dakota Independent Living Center.** The fourth Center, Mr. Steven Repnow, Independence Inc., Minot, could not be present.

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

Mr. Johnson continued his testimony indicating the services are free of charge, they are a private, non-profits who exist throughout the United States and are available to any disability any age group, birth to death. He discussed where the needs are to get the service statewide. Senator Bowman commended the group for their efforst. He asked if this would be a continuing appropriation to run forever.

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

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

Senator Seymour asked how this was started in Cavalier.

Chairman Holmberg indicated this request is on the DHS budget.

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

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

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

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

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

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

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

Senator Mathern asked to have QSP clarified.

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

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

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

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

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

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

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

Chairman Holmberg closed the hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/17/07

Recorder Job Number: 1306

Committee Clerk Signature

Minutes:

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

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

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

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

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

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

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

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

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

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

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

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

Barbara Murry, President, ND Association of Community Facilities, presented written testimony (9), discussing mental illness of the child and parent perspectives.

Russell Thane, citizen, former Senator Wahpeton, presented written testimony (10) in support of SB 2012 discussing inflationary increases in different areas of concern, need for equity pay, need for additional funding.

Tammy Amundson, presented written testimony (11) in support of SB 2012 regarding developmental disability.

Tammy Theurer, President, ND Association for Home Care, presented written testimony, testifying in support of SB 2012.

Questions were raised as to the interpretation of why lower rates go to service providers, whether there are QSP able to help keep developmentally disabled children at home or whether it is just for the elderly, why there are fewer requests for services, whether anyone on Ms. Theurer's staff skilled with caring for mental illness.

Judi Lee, Executive Director, Interagency Program for Assistive Technology (PAT), presented written testimony (14) in support of SB 2012.

Brian Ereth, Executive Director, Fargo Senior Services, distributed written testimony in support of SB 2012 aging services budget.

Curt Stoner, Williston, Long Term Care Association testified in support of SB 2012.

Deborah Jendro, Dist 44, Fargo, presented written testimony (12) and testified in support of SB 2012 and urged to increase funds for community based services to help keep children at home.

Pat Crotty, Bismarck, employed in developmental disabilities, presented written testimony in support of SB 2012.

The subcommittee hearing adjourned.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/23/07

Recorder Job Number: 1485

Committee Clerk Signature	

Minutes:

Senator Fischer opened the sub-committee discussion on SB 2012.

Senator David Nething, District 12, Jamestown, presented written testimony (1) and testified in support of on the current funding and reimbursement needs from the budget for the Anne Carlson Center for Children. The handout highlights the reimbursement increases based on the Governor's budget. Encourage everyone to increase the amounts as indicated.

Patrick Crotty, employee, DHS, employed for 13 years both in residential and vocational areas of the industry, presented written testimony previously given to the clerk on 01/17/07 minutes. He testified as to the low wages and how many are working two or three jobs to make ends meet. He then discussed the burnout amid co-workers, turnover rates at 50 percent and services provided by those in DD. He urged the committee to support the requested budget as well as the added wage increases.

Shelly Peterson, President ND Long Term Care Association, presented written testimony (3) and testified in support of 2012 requesting a 5 percent annually inflationary adjustment for basic care and nursing facility rates. She distributed a handout "Who Will Care?" discussing workforce for aging, basic care and nursing facility salaries for 2007 as requested, a nursing facility payment system, and a satisfaction survey summary, done by an independent

company. She indicated one disturbing fact is that to fill a nursing position on average takes 32 weeks.

Senator Krauter questioned the low occupancy sites and the downsizing in rural communities and whether effort is being made to prevent closing sites. In response a review of occupancy at different sites was discussed.

Senator Kilzer questioned when beds are move from rural sites, does it make a difference in urban sites. The response was for every two beds removed, one bed appears at another site.

Yvonne Stiefel, parent, Pick City, presented written testimony (4) and testified in support of SB 2012, indicating some of her concerns at the turnover rates of support staff.

Senator Mathern asked what agency the support staff is from and if Mrs. Stiefel knows what the wages of the support staff are. The response was the agency is PRIDE and she knows competitive employers for support staff include places like McDonald's.

Christi Hall Jiran, Grand Forks, testified for Janell Regimbal, Vice President, Youth Services, Lutheran Social Service of ND, presented written testimony (5) on behalf of Health Families Advisory Committee. Ms. Regimbal distributed additional supportive **written testimony (6) from Mary Davidson and Shannon Chambers, clients of healthy families,** who did not testify. Ms. Regimbal testified in support of amending DHS budget to allow for additional funds for Healthy Families. She discussed the numbers of families being served, what has transpired in North Dakota, how this program helps to keep families out of the system.

Senator Mathern asked if the Legislature approved this budget, who would receive the funds and how assured will it be that the research will be done. The response was the funds will be coming through the DHS.

Kathy Mayer, Executive Director, Prevent Child Abuse North Dakota, presented written testimony (7) testifying in support of Healthy Families of North Dakota. She discussed similar programs to that in North Dakota.

Senator Fischer asked how this works with in home visits over 3-5 years, how it is implemented. The response was the referrals come from physicians or other sources, generally not social services.

Jon Larson, Executive Director, Enable, Inc., testifying on behalf of the ND Association of Community Facilities (NDACF), provided written testimony (8) testifying in support of the OAR (4) contained in the Executive budget regarding transitioning people residing at the developmental center to community settings. He indicated complexities involved in this process have been studied and recommendations have resulted, as in the written testimony.

Senator Mathern asked when there is a plan, what happens when the plan is set and no funds are available, where does it break down. The response was unknown.

Carol Olson, Executive Director, DHS, responded, indicating when a program doesn't get funded, it could be because the proposal did not get to the Governor in time to be included.

Senator Fischer asked Brenda about the dollars involved in this plan. If the Legislature was to do this have there been an estimate as to what the cost would be per year. The response was this was broken into three parts and has all of that figured in.

Mike Schwab, Executive Director, The Arc of Bismarck, also representing The Arc of Cass County, distributed written testimony (9) discussing the budget for SB 2012. He discussed the continuing issues and challenges the state faces regarding the structure, financing and delivery of disability services and supports in North Dakota. He then discussed nine principal priorities for disability services and supports as indicated in his written testimony.

Bruce Murry, Lawyer, ND Protection and Advocacy Project (P&A), provided written testimony (10) providing comments on the DHS budget as it relates to long-term care services, developmental disability services, mental health services, and children's services.

James M. Moench, Executive Director, ND Disabilities Advocacy Concortium (NDDAC), presented written testimony (11), as well as a list of members, discussing the request for additional funding to keep people in their homes and communities as long as possible.

Senator Fischer asked questions about SPED

Susan Durenz, Director, Pride Manchester House also representing Psychiatric Residential Treatment Facilities Coalition, testified in support of funding to all Medicaid providers, the need for highly trained specialists, the salary increases for entry level positions, the turnover rates, costs of recruiting,

Tom Alexander, Project Director, ND Medicaid Infrastructure Grant/Comprehensive Employment Systems Initiative of ND Center for Person with Disabilities, Minot State University, presented written testimony (12) on behalf of the ND Transitional Jobs Task Force. He requested committee support to establish a transitional job program in ND. He indicated NDMIG is also willing to provide grant funding to establish the program.

Senator Mathern asked about the match funds and whether the funds go directly through MSC. The response was it is federal funds and yes it goes through MSC through Partnership with Medical Services Division.

The hearing was closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/24/07

Recorder Job Number: 1832

Committee Clerk Signature	

Minutes:

Senator Fischer opened the subcommittee hearing on SB 2012.

Carol Olson, Executive Director, Department of Human Services, spoke in response to concerns raised previously. She indicated that in order for the Department to continue maintaining the services they do today, the Governor had to put $51 million in general funds into the budget just to keep the doors open. There are 70 plus OAR's with the Governor budgeting a portion of them

Brenda Weisz, Chief Financial Officer, DHS, distributed several handouts and provided information requested on the FTE's, a copy of the budget comparison (1) , discussing the percentage changes (2), the medical services traditional grants (additional information on this will be supplied in Maggie's testimony) (3), a sheet indicating hourly wage increases for DD Providers with different scenarios(4) , a sheet indicating direct service average hourly allowances for DD staff (5), a handout indicating contracted services greater then $25,000 (6), an organizational chart for DHS and the different divisions (8),and a chart of the ITS services.

Senator Fischer asked if there was any turnback to the general funds or to the federal government. The response was no.

Senator Krauter asked that information be provided on the history of what transpired in the past budgets. He also asked for the legislative council to put together a sheet with the vacant FTE positions.

Senator Mathern asked what we are doing to resolve some of the social issues. The response was each division has its own issues to deal with and held to resolve.

Several questions were raised to clarify information that was distributed, discussing medicare, tanf, waivers, what the prospects are ten years from now, have any modeling or projects been done, with the aging population what are the projections, are the programs doing what they should.

Carol Olson responded to some of the specific questions, indicating there are specific program breakdowns. She indicated there are the challenges of aging, mental illness, and the handicapped and there are several discussionss that take place on these issues. Specifically, the balancing of funding will have to be worked out and it will take private and public efforts to work this out. She indicated that many of the services will always be needed.

There were several questions regarding the FTE's and the flow of IT services. A flow chart for the MMIS was requested. There was considerable discussion over the current main frame, all of the various systems being used by Human Services, the ability to share information on MMIS, and the ability to eliminate programs

Senator Mathern suggesting asking the county directors if they could go to one eligibility system rather then four and what is necessary to do that.

The subcommittee hearing closed on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-25-07

Recorder Job Number: 1908

Committee Clerk Signature	

Minutes:

Chairman Fischer opened the **SUBCOMMITTEE** hearing on SB 2012 at 10:00 am regarding the DHS budget.

Senator Krauter requested information regarding ITD.

Jennifer witham, IT Director for DHS based on yesterday afternoon conversation I have 3 items that I will bring back to you. Written Testimony (1) The first one was explanation of the contracts that will continue to be affected by the MMIS System Replacement, the Overview of information systems currently operated by the Department and Information regarding cost of planning project for replacement of the following four eligibility determination systems:

1. Vision – TANF and Medicaid for pregnant women and children
2. TECS – Food Stamps and Medicaid for aged, blind and disabled
3. LIHEAP – Low Income Heating Assistance
4. Child Care Assistance.

Attached is explanation of Noridian Services Administration and Health Information Designs. The handout also addressed the estimated cost for Economic Assistance planning project.

Senator Krauter asked for examples of providers and was informed they are mostly large hospitals. It was further detailed about HIPPA, Blue Cross/Blue Shield and the availability of electronic transmission.

Senator Mathern had questions regarding the hospital system, and the rational regarding the HIPPA formula and why are we sending it to them.

Jennifer Witham stated the current MMIS is HIPPA compliant. We have to be HIPPA complient. We are not sending it to them. We are sending this information to other providers. The provider does not have to pay internally in their system to turn their claims into HIPPA compliant claims. Previous to HIPPA, Blue Cross and Noridian had provided a product called DATA TRACK that did the same thing. HIPPA said everyone has to use the same software.

Senator Krauter asked about federal funds and the administrative costs. He was informed that the federal government requires us to track our time and have cost allocations for all divisions. You need to look at administration in ITS. Have to look at the whole department and how it is funded.

Several handouts were submitted during this meeting. They are as follows:

2. Software Development Division Budget Estimate RE: Moving TECS into the VISION system.

3. Software Development Division Budget Estimate RE: Writing the Child Care Assistance eligibility into VISION.

4. Software Development Division Budget Estimate RE: Rewrite the Child Care Assistance.

5. Software Development Division Budget Estimate RE: Integrate LIHEAP into VISION.

6. Chart DHS Primary Information Systems.

7. Handout sharing the different Systems managed by DHS.

8. ND DHS Economic Assistance Policy Division flowchart.

9. Summary of Work Participation Rates with Caseload Reduction Credit Rates Chart.

Different persons testifying, giving explanations concerning handouts or present in support of the bill that signed the registration List are as follows:

Blaine L. Nordwall, Mike Schwindt, Larry Alderson, Maggie Anderson, Brenda Wiese and Kathy Roll.

Chairman Fischer had questions regarding ITD and staffing issues.

Senator Mathern asked if the chairman would agree to have Allen Knudson from Legislative Council draft an amendment for the sub-committee to consider that would establish a timely funding mechanism so that these county systems could be all brought together hopefully to be implemented in terms of funding in the 09-11 session, but it probably won't go into effect until 2013-0215 session. He also had questions regarding how other states handle similar situations.

Senator Krauter had questions regarding bond payment.

Chairman Fischer closed the subcommittee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-25-07

Recorder Job Number: Unknown

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the subcommittee hearing on SB 2012 at 3:00 pm on January 25, 2007 regarding the Department of Human Services (DHS). Members of the Subcommittee, Senators Kilzer, Mathern and Krauter were also present.

Mike Schwindt, Director, Child Support Division of DHS presented written testimony (1) a chart showing the Child Support Division and explained the chart to the committee. He stated there are 38 FTE's assigned to Child Support and they have one vacancy which opened in October and is filled now.

Senator Fischer asked about that vacancy. He was told the person came in one day and quit.

Mike The contract list was then explained to the committee. A handout concerning this matter had been distributed to the committee at a prior subcommittee hearing. (2) Some of the topics he discussed was the fact they have a good accounts receivable; they work on keeping track of where people are and how much is actually collectable (some are never collectable); estate collecting; tribal members, which has a large amount; direct payments (which is one parent to another); some involvement with court orders having to be put in place in order to collect child support; the PET program, which is parental employment and we work with job service in this matter.

Senator Krauter had questions about collection process and the federal/state/county involvement.

Chairman Fischer asked what balance is in arrears, if we searched and found all the uncollectables how much lower would our deficient be and how much would go into the general fund if it could all be collected tomorrow.

Mike explained the process to remove someone from the list, moving people from the active to inactive list. If we can't find them anymore it becomes a passive account.

Senator Mathern asked if we have sufficient money in the budget to address the expenses. He was told the fiscal note is on another bill and if it gets funded yes.

Larry Anderson, Director Unemployment and Workforce Programs for Job Service of North Dakota presented written testimony (3) and oral testimony in support of SB 2012. He talked about the Parental Responsibility Initiative for the Development of Employment (PRIDE) The primary function of PRIDE is to work with non-custodial parents who are or may become delinquent in the payment of court-ordered child support by providing useful and effective employment to those referred by the regional child support Enforcement Unit or the District Court. A total of 126 individuals have been referred to Job Service North Dakota PRIDE Case Managers for assistance in securing employment or taking steps necessary to move close to becoming employed with involvement in activities including resume writing or attending Job Search Job Readiness workshops. Referrals to Job service North Dakota made from either the local court system or from Child Support Enforcement. Currently 71 individuals are enrolled in this program and are receiving assistance from the PRIDE Case Managers. He submitted success stories (4) to the committee.

Senator Mathern asked about the cost of the program for the next biennium and how much we will see revenue on these and how many families may be involved. He was told he wasn't

sure, although he knew the alternative to PRIDE is jail time, and that would be far more expensive to incarcerate these folks. There is room for more research but the program is working. Written testimony (5) a Parental Responsibility Initiative for PRIDE Data Summary was submitted to the committee and the demographics of the chart explained.

Senator Mathern stated we don't know if it brings in more money than we spend to do the program.

Senator Fischer commented it is a big savings not to incarcerate people if we can help not to. He also commented we need to do what is best for the children and that is to work with the parent that is paying support, help them get on their feet and hold a job.

Mike Schwindt said that is a fair statement. Far better for the parent-child relationship if they are paying the child support than if they are held in contempt of court, see jail time, lose time at work (average time is 1 ½ days) because that is time parent away from child and is waste time.

Senator Mathern stated it is easier to move forward, even accounting for reduced incarceration. He was told they visited with a Judge from Dickinson regarding these matters. Further discussion followed regarding the budget, different bills that may affect the DHS, and the dollar amount of this bill.

Senator Krauter asked when the full committee would be hearing this bill.

Senator Fischer announced we need to meet as a subcommittee regarding Medical Services, which we will do next week, longterm care, disability services, and mental health. Senator Fischer then arranged some times to meet as a subcommittee. The subcommittee hearing adjourned on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-26-07

Recorder Job Number:2034

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the Subcommittee hearing at 10:10 am on January 26, 2007 in reference to the ND Department of Human Services (DHS).

Maggie Anderson, Medical Services DHS presented written testimony (1) and gave oral testimony in support of the bill. The handouts she gave were ones that had been requested in previous hearings by the Subcommittee.

1. Comparison of Traditional Medicaid Appropriations. (chart)
2. Comparison of Drug Budget and Clawback Budget.(chart)
3. General Fund (Savings) Cost Due to Part D. (chart)
4. Home and Community-Based Services (Qualified Service Providers) (QSPs)
5. Functional eligibility Requirements Comparison (chart)
6. List of Activities of Daily Living (ADL's) and Instrumental Activities of Daily Living (IADL's)

Senator Krauter asked for explanation of the first 5 handouts and to have the physical services explained and have Home Health, Transportation and Hospice explained. He also requested information regarding the Physical Therapy and Pregnant Women and Infants line items.

Senator Mathern had questions regarding the Milliman Study, questions regarding dental services, if the Medicaid rates were available before budget was prepared, costs for each service provided and general questions regarding the budget. He asked what would it take to give us actual costs to go to Medicare and if that cost is figured in the budget already. He also requested information on Home Health Care and the feedback the Department gets concerning this program.

Senator Grindberg had questions regarding inpatient and outpatient services in the Medicaid program.

Senator Kilzer requested information regarding the general funds, if the hospital percentage higher in Medicaid patients and if this is in the budget and wanted the information shared concerning costs changes utilization.

Maggie Anderson explained the second handout. There were questions regarding the Clawback line item, the Grants Line item, and the Operating Line.

Chairman Fischer had questions regarding the percentage between the subsequent years regarding Medicare Part D.

Further questions were raised concerning Medicare Part D. It was explained to the Subcommittee that Drugs are a hot item on the budget and it takes a FT Pharmacy Manager to manage that area in DHS. Questions were raised concerning changes in service or co-payments, grants in relation to Medicaid, contracted employees, children's health insurance, a child counseling service available, long term care, how the budget is built and who builds the budget. The Subcommittee was informed that there are some contracted positions, like optometrist, dentist, proposed child physiologist, and Manage Care Disease. The Healthy Steps Program is in place for the children. The staff of DHS builds the budget according to the needs of the people.

Allen Knudson, Legislative Council stated the Milliman Report was approved by the Legislative Assembly and it determines the value of the programs and the funding available implement the programs. We do have money for Act services for the report.

Senator Fischer requested information regarding services in the area; asked information regarding the County procedures, asking if there is a flaw in the system because of lack of communication with the different powers in control. He stated there are representatives from all aspects and the Subcommittee doesn't get all the pertinent information we need to address the budget proposal for DHS.

Senator Mathern had questions regarding the amount of children getting health care, if there is an increase, and the elegibility process. He also had questions regarding the Long term care program, the application process, stating that some applications are so complicated that some programs are not being used by the public. He also had questions regarding the Home Health Program, times when services were not funded, and what the rational for that is. He also asked about comparison of other states regarding the price we pay for products for incompetence and if we have a range for those products. He was informed we pay 58 cents per diaper, there is no range, and that DHS has some information regarding the states of Utah, Iowa, Missouri and Minnesota in relation to this issue.

Senator Krauter had questions regarding grant applications, the relation of OMB adding money and different programs.

Senator Fischer closed the Subcommittee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-30-07

Recorder Job Number: Unknown

Committee Clerk Signature	

Minutes:

Chairman Fischer opened the Subcommittee hearing on SB 2012 at 11:00 am on January 30, 2007.

Maggie Anderson, DHS Medical Services presented written testimony and gave oral testimony explaining the handouts submitted to the Subcommittee. They are as follows:

1. Line by Line Medical Assistance Chart.
2. Exhibit C Payment Rate Schedule Analysis.
3. Exhibit A Fee Schedule Analysis Summary.
4. Comparison of Health Care Coverage Options for children.
5. Report to the Interim Budget Committee on Human Services.
6. Medical Services Division.
7. Income Levels Effective January 1, 2007.
8. Survey results of December 2006 (HCBW County Survey submitted by Senator Kilzer.

Chairman Fischer had questions regarding the Women's Way Program, changes in the budget concerning that program, reimbursement for providers, mental health provisions and the dollar amount regarding beds for the mental health program, questions concerning TANFF, the marriage counselor bill that is coming and if the funds are transferred.

Senator Mathern had questions regarding the charts submitted regarding costs going up but utilization is down, is it related to higher incomes or population changes, the phase down on Medicaid growth rate, questions concerning MMIS, referred to HB 1463 regarding federal funds, and questions regarding this bill on the charts compared to other bills out there, particularly SB 2326 a Medicaid issue and SB 2412, expansion on health care coverage in relation to either Long term care or Home based community services. He also asked for information relating to Aging Services and residential treatment for children. Concerns were addressed concerning the number of beds in the Robinson Recovery Center and what we as Legislators need to consider for funding in the future regarding either adding more beds to the original site or building a new site. He said we need to know the differences so they can come up with funding for this project sometime in the future.

Further discussion followed including the SCHIP program, Medicaid eligibility, nonmedical transportation costs, SPED program, Respit Care, referrals to State Hospital, guardianship services and Meals on Wheels Program.

Linda Wright, Director of Aging Services of DHS gave testimony in support of SB 2012.

Senator Kilzer asked if the DHS have heard from the Congressional Delegation on any legislation that may be acted upon on the federal level, particularly the Aging Program.

Brenda Weise, DHS provided information regarding non medical transportation, stating the last time it was in OAR budget was 2001. She shared there is referrals to both the State Hospital and Merit Care in Fargo. She also commented that they believe Congress will not act on Aging Resolution, but they meet soon and she has no answer yet from Senator Conrad's office.

Senator Krauter asked for information regarding the ShareHouse and this current biennium.

He also asked about the current number of beds. He expressed concern that there needs to be more dollars for the Robinson Center.

Chairman Fischer closed the Subcommittee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01/31/07

Recorder Job Number: 2456

Committee Clerk Signature	

Minutes:

Senator Fischer opened the subcommittee hearing on SB 2012.

Marilyn Rudolph, Director, Northwest and North Central Human Service Centers, presented written testimony (1) on SB 2012 providing an overview of the Human Service Centers in Williston and Minot. She indicated the characteristics of each region, the number of clients served, the trends at those centers, their accomplishments, the issues they are faced with, an overview of the budget changes and agency flow charts. She then discussed the addiction programs, the costs per day, the contracts, and how people are directed there. One big challenge is recruiting staff.

There were questions raised about the psychiatric care in both regions, the foster care payments, the drug treatment payments, and FTE's

Lynn Nelson, DHS, presented written testimony (2) on SB 2012, providing an overview of **Lake Region and South Central Human Service Centers**. She discussed each center, the characteristics of each region, the clients served, the trends of the regions, the accomplishments of each region and an overview of the budget changes.

Questions were raised about increases in services for children, whether there is tracking of increased services for children, if there is a rise in meth users, what is the ranking of addictions, the use of the state hospital and patient care.

Kate Kenna, Director, Northeast Human Service Center, DHS, presented written testimony (3) on SB 2012, providing an overview of the center. She discussed the characteristics of the region, the clients served, the trends, the accomplishments, an overview of the budget changes, the reasons for a budget increase and a flow chart of the department

Questions were raised about the reduction in part C and what the 6 percent hospital rate is attributed to.

Candace Fuglesten, Director, Southeast Human Service Center, DHS, provided written testimony (4) presenting an overview of the programs and services of SEHSC. She discussed the characteristics of the region, the clients served, the trends of the region, the accomplishments, an overview of the budget changes, and the flow chart of the department.

Questions were raised as to whether the building is meeting the future needs.

Tim Sauter, DHI, Director West Central Human Service Center, presented written testimony (5) providing an overview of the budget of the WCHSC and Badlands Human Service Centers. He discussed the individual centers, the clients served in each center, the trends of each center, the accomplishments, and an overview of the budget changes.

Senator Krauter had two requests; 1) re: the referrals from the Dept of Corrections, he would like to see the costs from the DHS to the Dept of Corrections and 2) the budget refers to four FTE's to enhance drug centers and he would like to have details on what the individuals are doing.

Senator Mathern requested a listing of the OARs for each HSC.

Senator Fischer would like to see an across the state list for each HSC detail the increase in ITD, Phones and other ITD costs. In additional he asked if DHS pays 40 percent of the costs to ITD.

Senator Fischer closed the hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-02-07

Recorder Job Number: 2723

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the Subcommittee hearing on SB 2012 at 11:10 am on February 2, 2007.

The following written testimonies and charts were distributed to the Subcommittee:

1. DHS 2007-2009 Budget Optional Adjustment Requests.
2. DHS Increase in IT Phone Charges – 2005-2007 to 2007-2009.
3. ITD Billing and Rates Chart.
4. Drug Court Involvement Chart.
5. Developmental Center Transition OAR 2007-2009 Biennium.
6. Testimony – Linda Wright, Director of the Aging Services Division, DHS.
7. ND Developmental Center Chart (Alex C. Schweitzer)
8. NDSH Inpatient Organizational Chart (Alex C. Schweitzer)
9. NDSH Residential Organizational Chart (Alex Schweitzer)
10. DHS contracted Services greater than $25,000.
11. North Dakota Medicaid 2004 Customer Survey Results.

Through out the meeting the charts were explained to the Subcommittee.

Senator Mathern had questions regarding the Drug Court involvement. He also requested written information regarding the involvement of DHS with DOC offenders, information on OAR

for Human Service Centers and if each OAR is called Provider Inflation, and what is the consequence if provider inflation is not funded.

Brenda Weise, DHS explained the colored chart (1) explaining the yellow line is fully funded in the governor's budget; the teal line is partially funded, and the non shaded lines are not funded but have been requested.

Senator Kilzer stepped in as Chairman as Senators Fischer, Grindberg and Mathern had to leave for another hearing. He had questions regarding the transition money, prenatal babies needing care, severe cases of Fetal Alcohol syndrome, and asked for a quick update regarding the food service; how many are being fed, how good is the food and is everyone satisfied with it.

Alex Schweitzer, Superintendent of DHS Institutions presented written testimony (7,8,9) and oral testimony in support of SB 2012. He reviewed the inmate population at the State Hospital, talked about the transmission money and the moving of patients into the community, the use of a Cares Team to prevent readmission of patients, the grants programs, keeping the population at the State Hospital down, talked about the different areas of the State Hospital housing DOC inmates and Development Disabled, and shared a quick update on the food service and if it is working for the State Hospital. He sated DOC provides food services for the entire campus and it seems to be working well. He stated surveys are done periodically regarding this issue.

The Subcommittee hearing on SB 2012 was closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02/06/07 Subcommittee Hearing

Recorder Job Number: 2944

Committee Clerk Signature	

Minutes:

Senator Fischer opened the subcommittee hearing on SB 2012.

Evonne Smith distributed written testimony (1, 2, 3) including an organizational chart of the Disability Services Division, the Right Track Referral Sources, a document in response to questions raised by Senator Mathern regarding in-home support and infant development program.

Senator Mathern asked several questions; what the greatest challenge is, enough money to meet the needs of the people or enough salary base to provide the services, if the center for independent living grants through disability services, what the process is of developing the OAR services if funded, how the OAR is related to the transitional process and if there would be a savings, where this is in the DHS budget and who would be asked about consequences of OAR funding. The response was it is a combination, the assumption of the OAR is to expand services, funding to private providers in the community, monies are located in the DDD grants budget and Alex needs to be asked about consequences of funding.

Ronnigan, Children and Family Services, presented written testimony (4, 5) a chart for CFS and refugee services providing requested information.

There were several questions regarding health family program, the providers of the programs, the family preservation services, and other bills floating around that relate to DHS.

Richard Hoekstra, Program Manager, Division of Field Services, Department of Corrections, presented written testimony in support of SB 2012.

Senator Fischer closed the sub committee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012 and 2070

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02/07/07

Recorder Job Number: 3067

Committee Clerk Signature	

Minutes:

Senator Fischer opened the subcommittee hearing on SB 2012

Senator Mathern discussed a suggested amendment highlighting the potential changes, a general fund expenditure to do a study of county economic assistant eligibility systems and combine the systems to fit with the state system, provide an inflationary increase to all listed except hospital systems, medical services program, medicare issue for hospitals, the long-term care area, drop the ADL charge in the Governor's budget, going to a fee for service basis, lower the eligibility providers, the respite care services, family subsidy in home support, children and family services, personal care for nursing homes, the guardianship OAR, aging services, grants to providers related to legal custody and legal services, establish goals for developmental center, the center for independent living

Additional amendments were discussed and will be brought forth in amendment form as well as additional amendments to implement budgets discussed.

The green sheet figures were discussed in some of the areas discussed.

Discussion took place on the suggested amendments, getting a list of all providers in the state.

The amendment for SB 2070 was discussed as it relates to the Aging and Disability Center.

 2-7-07

Linda Wright, Director, DHS Aging Services testified about amendments recommended by Protection and Advocacy indicating in the meantime there were meetings held indicating the amendments are the compromise everyone has agreed to.

Questions were asked and responded to.

A motion and second were made to accept the amendments and present them to the committee at large. An oral vote was taken.

A motion was made for a DO PASS on the bill and amendments to be presented to the committee. A second was made. An oral vote was taken and the motion carried.

Senator Fischer closed the subcommittee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-12-07

Recorder Job Number: 3417

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Holmberg opened the hearing on SB 2012 at 5:35 pm on February 12, 2007 regarding Department of Human Services (DHS) bill. He stated Senator Fischer would present the amendments that have been drawn up by the Legislative Council.

Senator Fischer distributed and explained the Worksheet (1) SB 2012 and funding for HB 1463 to the committee. He distributed Written Testimony (2) regarding medically needy income levels and OAR increases, giving a total cost to implement.

Senator Christmann had questions regarding agency or individual providers and why the difference in payment between the two.

Chairman Holmberg had questions regarding SB 2211, relating to Assistant Technical Service.

Alex Schweitzer, Director of State Hospital explained the need for increased security at the State Hospital because of going into session with SB 2136 where we talked about transitioning some committal program from DHS to Department of Corrections (DOC) but because of the Attorney General's opinion we were not able to do that. It would be unconstitutional. It still didn't take care of the problem of needed security to protect our staff, we have issues relating to the latest group of sex offenders that have come into the program, and in order to protect the staff, we need to beef up the security.

Senator Grindberg asked if we do have the capacity now to handle the increase in sex offenders.

Alex Schweitzer stated that the State Hospital is asking for 82 beds, they now have 60 beds. At this point and time that should be workable to get the 4th unit. One of the things that we think will help is that there is some legislation looking at maximum sentencing for sex offenders and that should make a difference in the number of people that move forward to community program because they will have longer sentences in the prison.

Chairman Holmberg stated that also gives you a pushback with corrections as far as having beds for these folks that are going to be there an extra 5, 10, 15 years.

Senator Fischer commented that prison beds are cheaper than hospital beds. There will be another amendment that is being drafted by Legislative Council regarding 4% increase and the Sharehouse in Fargo for Methamphetamine treatment and will allow them to have 2 twenty bed units.

Senator Mathern said he has an amendment (3) (.0112)concerning this bill to pass out and asked for the consent of the Chairman to pass this out at this hearing. He explained this amendment to the committee.

Senator Christman asked if anything was duplicated, wanted the increases explained and what the difference is between Senator Fischer's proposal and Senator Mathern's proposal.

Chairman Holmberg had questions regarding the dollar amounts and stated that in the end the committee will have to work with both amendments.

Senator Fischer had questions regarding the Healthy Family issue.

Senator Grindberg had questions regarding the co tax relief.

Chairman Holmberg stated we will have to wait for all the amendments to be submitted to the committee to do any action regarding this bill. The hearing on SB 2012 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-13-07

Recorder Job Number: 3469

Committee Clerk Signature	

Minutes:

Chairman Holmberg opened the hearing on SB 2012 regarding Department of Human Services (DHS) at 6:45 pm on February 13, 2007. All committee members were present.

Senator Fischer introduced the. **Amendment #780360 .0114.** He asked **Allen Knudson, Legislative Council** to explain the amendments.

There was discussion regarding the Governor's budget, background checks showing up in the Attorney General's bill, as they are asking for 4 FTE's.

Senator Fischer made a motion DO PASS ON AMENDMENT, Senator Bowman seconded. Motion carried.

Senator Krauter had questions regarding the Robinson Recovery Center.

Senator Mathern introduced **Amendment #78036.0112 This Amendment is titled Valentine.** He explained the Amendment.

The first item is concerning the computer software programs in Section 9 of amendment .0112.

Senator Mathern moved to DO PASS ON AMENDMENT .0112, (1) SECTION 9 , Senator Krauter seconded.

Discussion followed.

Senator Fischer does not object to the idea, but objects to the source of funding.

Senator Krauter stated there are 340 case workers in the counties, and we need to fix the computer program to assist them in their work by changing the program from 4 to 1 program.

Senator Kilzer stated the program is good, but timing is not right.

The vote was taken resulting in 8 yeas, and 6 nays. Motion passed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112, (2) Section 11, regarding Use of Property Tax Revenue for County Human Services Program, Senator Grindberg seconded.

Discussion followed regarding help in rural counties.

A vote was taken resulting in 14 yeas, 0 nays. Motion carried.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (3) regarding Sections 16, 19, 20, 21, 22, 23, 24 name change only. Senator Robinson seconded.

Discussion followed regarding reimbursement from the federal government if there would be a name change from "qualified" to "home", the difference in cost, and Medicare concerns.

A vote was taken, motion carried.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (4) regarding page 7, concerning date change and dollar amount. Senator Robinson seconded.

Senator Kilzer had questions regarding this issue and the legislative session in 2009, outpatient-inpatient services, comparison with other states and the fact that there is no such thing as free medical care.

A roll call vote was taken resulting in 7 yeas, 7 nays, 0 absent. Motion failed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (5) regarding SPED, Senator Krauter seconded.

Senator Kilzer stated he was not interested in increasing the funding. Also comments were made concerning people being grandfathered in and eligibility restrictions.

Senator Krauter stated we want to keep people in their homes rather than institutionalized.

A roll call vote was taken resulting in 6 yeas, 8 nays, and 0 absent. Motion failed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (6) regarding incontinence supplies. Senator Krauter seconded.

Discussion followed.

A roll call vote was taken resulting in 6 yeas, 8 nays, 0 absent. Motion failed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (7) regarding family subsidy, Senator Krauter seconded.

Discussion followed regarding whether this is included in the Governor budget.

A roll call vote was taken resulting in 6 yeas, 8 nays, 0 absent. Motion failed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (8) regarding Case Management Services, Senator Krauter seconded.

Discussion followed.

Senator Mathern stated this portion is providing services to the children who are under the state's support.

A roll call vote was taken resulting in 6 yeas, 8 nays, 0 absent. Motion failed.

Senator Mathern moved a DO PASS ON AMENDMENT .0112 (9) regarding 5% annual pay increase to providers. Senator Robinson seconded.

Senator Holmberg had questions regarding the difference in dollar amount in Senator Fischer's amendment and this amendment. He also commended the Subcommittee for their dedicated work on this bill.

Senator Robinson expressed great concern about the people providing these services not getting ample salaries for the job they do. If we can't do something now, when will we. He

also commended the Subcommittee for their hard work that they have done on this budget for DHS. He felt it is extremely important we accomplish what we need to do.

Senator Mathern stated the importance of being responsible to the people of North Dakota and representing them the best way we can. This is a priority.

A roll call vote was taken resulting in 6 yeas, 8 nays, 0 absent. Motion failed.

Chairman Holmberg asked for a motion for a do pass as amended.

Senator Chirstmann moved a DO PASS AS AMENDED, 78036.0116, Senator Mathern seconded.

A roll call vote was taken resulting in 14 yeas, 0 nays, 0 absent. The motion carried.

Senator Kilzer will carry the bill.

The hearing on SB 2012 closed.

78036.0112
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
Senators Krauter and Mathern
February 9, 2007

(3)

PROPOSED AMENDMENTS TO SENATE BILL NO. 2012

Page 1, line 2, after the first semicolon insert "to provide statements of legislative intent; to provide for a legislative council study;"

Page 1, line 4, after the second comma insert "26.1-45-13,"

Page 1, line 5, after "50-06-01.4" insert ", subsection 6 of section 50-06.2-02, subsection 5 of section 50-06.2-03, subsection 3 of section 50-06.2-04, section 50-06.2-06, subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03" and replace "and to" with a comma

Page 1, line 6, replace "and" with a comma

Page 1, line 7, after "services" insert ", personal care services, and qualified service providers", remove "and", after "repeal" insert "section 3 of chapter 411 of the 2005 Session Laws and", and after the second "to" insert "the expiration date of the biennial medical assistance report and"

Page 1, line 8 after "children" insert "; and to provide an effective date"

Page 3, line 4, replace "Base level" with "Adjustments/enhancements"

Page 3, line 5, replace "Base level" with "Adjustments/enhancements"

Page 3, line 6, replace "Base level" with "Adjustments/enhancements"

Page 3, line 9, replace "2,781,084" with "3,311,334"

Page 3, line 10, replace "25,780,421" with "26,483,942"

Page 3, line 12, replace "6,596,812" with "14,500,718"

Page 3, line 13, replace "95,019,114" with "142,303,839"

Page 3, line 14, replace "Base level" with "Adjustments/enhancements" and replace "130,143,966" with "186,566,368"

Page 3, line 15, replace "Base level" with "Adjustments/enhancements" and replace "67,877,108" with "96,430,706"

Page 3, line 16, replace "Base level" with "Adjustments/enhancements" and replace "62,266,858" with "90,135,662"

Page 3, line 19, replace "173,279" with "214,028"

Page 3, line 20, replace "1,495,051" with "1,586,192"

Page 3, line 21, replace "709,912" with "769,421"

Page 3, line 22, replace "1,609,474" with "1,685,195"

Page 3, line 23, replace "2,379,710" with "4,360,428"

Page 3, line 24, replace "2,545,091" with "2,624,146"

Page 3, line 25, replace "2,180,703" with "2,272,243"

Page 3, line 26, replace "607,598" with "635,706"

Page 3, line 29, replace "34,774,099" with "37,220,640"

Page 3, line 30, replace "4,431,229" with "4,568,285"

Page 3, line 31, replace "30,342,870" with "32,652,355"

Page 4, line 1, replace "94,096,292" with "124,274,581"

Page 4, line 2, replace "43,239,761" with "71,930,415"

Page 4, line 3, replace "137,336,053" with "196,204,996"

Page 4, line 15, remove "- Base level"

Page 4, line 16, remove "- Base level"

Page 4, line 17, remove "- Base level"

Page 4, line 20, replace "25,593,565" with "26,123,815"

Page 4, line 21, replace "65,561,106" with "66,264,627"

Page 4, line 23, replace "339,435,262" with "347,339,168"

Page 4, line 24, replace "1,101,375,452" with "1,148,660,177"

Page 4, line 25, remove "- Base level" and replace "1,531,965,784" with "1,588,388,186"

Page 4, line 26, remove "- Base level" and replace "1,103,015,555" with "1,131,569,153"

Page 4, line 27, remove "- Base level" and replace "428,950,229" with "456,819,033"

Page 4, line 30, replace "7,525,581" with "7,566,330"

Page 4, line 31, replace "16,842,742" with "16,933,883"

Page 5, line 1, replace "9,853,344" with "9,912,853"

Page 5, line 2, replace "22,192,605" with "22,268,326"

Page 5, line 3, replace "26,145,474" with "28,126,192"

Page 5, line 4, replace "14,741,738" with "14,820,793"

Page 5, line 5, replace "20,768,172" with "20,859,712"

Page 5, line 6, replace "9,848,996" with "9,877,104"

Page 5, line 9, replace "241,334,386" with "243,780,927"

Page 5, line 10, replace "112,779,874" with "112,916,930"

Page 5, line 11, replace "128,554,512" with "130,863,997"

Page 5, line 12, replace "578,517,766" with "608,696,055"

Page 5, line 13, replace "1,238,880,594" with "1,267,571,248"

Page 5, line 14, replace "1,817,398,360" with "1,876,267,303"

Page 5, after line 26, insert:

"**SECTION 5. HOME SERVICE PROVIDER TRAINING INCENTIVE GRANTS - PILOT PROJECT.** The department of human services shall implement a pilot project to provide training incentive grants, within the limits of legislative appropriations, to individual home service providers completing eligible training programs to improve home service provider skills during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 6. LEGISLATIVE INTENT - HOME SERVICE PROVIDER FUNDING INCREASES. It is the intent of the sixtieth legislative assembly that agency home service providers give priority to using at least seventy percent of the increased home service provider funding provided by the legislative assembly for the biennium beginning July 1, 2007, and ending June 30, 2009, for increasing the average wage of agency home service provider direct care employees.

SECTION 7. USE OF UNSPENT NURSING HOME-RELATED FUNDING - 2007-09 BIENNIUM. The department of human services shall use any available funds, resulting from nursing home-related expenditures being less than appropriated during the 2007-09 biennium, to enhance existing programs and activities that are applicable to home care services provided by nursing homes, developmental disabilities service providers, and home and community-based service providers for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. LEGISLATIVE INTENT - HOME SERVICE PROVIDER INFORMATION ON DEPARTMENT OF HUMAN SERVICES' WEB SITE. It is the intent of the sixtieth legislative assembly that the department of human services make available information on its web site regarding home services available by location across the state and qualifications, costs, and contact information for each home service provider that requests to be included on the web site for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 9. USE OF UNSPENT MEDICAID MANAGEMENT INFORMATION SYSTEM CONTINGENCY FUNDS - INFORMATION TECHNOLOGY PLANNING. The department of human services may spend up to $342,500 from the general fund and $342,500 of federal funds appropriated in Senate Bill No. 2024, as approved by the sixtieth legislative assembly, for contingencies of the medicaid management information system computer replacement project for the cost of planning for the replacement and consolidation of the four economic assistance eligibility determination computer systems for the biennium beginning July 1, 2007, and ending June 30, 2009. The department may spend the funds authorized in this section only to the extent that contingency funds are not needed for the medicaid management information system computer replacement project.

SECTION 10. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND. The estimated income line item in subdivision 2 of section 3 of this Act includes $363,341 from the health care trust fund. The department of human services

expenditures from this fund may not exceed this amount for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 11. LEGISLATIVE COUNCIL STUDY - USE OF PROPERTY TAX REVENUE FOR COUNTY HUMAN SERVICES PROGRAMS. The legislative council shall consider studying, during the 2007-008 interim, the use of local property tax revenue to finance the delivery of human services on an individual county basis."

Page 9, after line 27, insert:

"**SECTION 16. AMENDMENT.** Section 26.1-45-13 of the North Dakota Century Code is amended and reenacted as follows:

26.1-45-13. ~~Qualified~~ Home service providers. Any insurance company providing long-term care coverage for home and community-based services shall pay a provider meeting ~~qualified~~ home service provider standards a daily payment allowance as defined in the policy or certificate. "~~Qualified~~ Home service provider" means a county agency or independent contractor that agrees to meet standards for personal attendant care service as established by the department of human services."

Page 12, after line 2, insert:

"**SECTION 19. AMENDMENT.** Subsection 6 of section 50-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

6. "~~Qualified~~ Home service provider" means a county agency or independent contractor which agrees to meet standards for service and operations established by the state agency.

SECTION 20. AMENDMENT. Subsection 5 of section 50-06.2-03 of the North Dakota Century Code is amended and reenacted as follows:

5. Within the limits of legislative appropriations and at rates determined payable by the state agency, to pay ~~qualified~~ home service providers, which meet standards for services and operations, for the provision of the following services as defined in the comprehensive human services plan which are provided to individuals who, on the basis of functional assessments, income, and resources, are determined eligible for the services in accordance with rules adopted by the state agency:

    a. Homemaker services;

    b. Chore services;

    c. Respite care;

    d. Home health aide services;

    e. Case management;

    f. Family home care;

    g. Personal attendant care;

    h. Adult family foster care; and

i. Such other services as the state agency determines to be essential and appropriate to sustain individuals in their homes and in their communities and to delay or prevent institutional care.

SECTION 21. AMENDMENT. Subsection 3 of section 50-06.2-04 of the North Dakota Century Code is amended and reenacted as follows:

3. To make available the human services detailed in the comprehensive human services plan which the county agency has included in the approved county plan and to provide such other human services as the county agency determines essential in effectuating the purposes of this chapter within the county. To the extent funding is available under section 50-06.2-03 and chapter 50-24.1, the county plan must include the services enumerated in those sections. The county agency shall make these services available to any individual requesting service and determined eligible on the basis of functional assessment. The individual shall pay for the services in accordance with a fee scale based on family size and income. The county agency may contract with any ~~qualified~~ home service provider in its provision of those enumerated services.

SECTION 22. AMENDMENT. Section 50-06.2-06 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-06. Freedom of choice. Each person eligible for services under this chapter, or the person's representative, must be free to choose among available ~~qualified~~ home service providers that offer competitively priced services. The county agency shall inform each eligible applicant for services, provided under this chapter, of the identity of ~~qualified~~ home service providers available to provide the service required by the applicant. The county agency shall make and document reasonable efforts to inform potential service providers of the anticipated need for services in the county.

SECTION 23. AMENDMENT. Subsection 4 of section 50-24.5-02 of the North Dakota Century Code is amended and reenacted as follows:

4. Pay ~~qualified~~ home service providers at rates determined by the department, within the limits of legislative appropriation, for the provision of the following services provided to an eligible beneficiary to the extent that the eligible beneficiary lacks income sufficient to meet the cost of these services:

   a. Homemaker services;

   b. Chore services;

   c. Respite care;

   d. Home health aide services;

   e. Case management;

   f. Family home care;

   g. Personal attendant care;

   h. Adult family foster care;

   i. Adaptive assessment; and

j. Other services the department determines to be essential and appropriate to sustain an individual in the individual's home and community and to delay or prevent institutional care.

SECTION 24. AMENDMENT. Subsection 2 of section 50-24.5-03 of the North Dakota Century Code is amended and reenacted as follows:

2. Provide the services described in this chapter. The county agency may contract with a ~~qualified~~ home service provider in the provision of those services."

Page 12, line 3, replace "Chapter" with "Section 3 of chapter 411 of the 2005 Session Laws and chapter" and replace "is" with "are"

Page 12, after line 3, insert:

"**SECTION 26. EFFECTIVE DATE.** Sections 16, 19, 20, 21, 22, 23, and 24 of this Act become effective July 1, 2008."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
DHS - Management			
Total all funds	$44,098,190	$0	$44,098,190
Less estimated income	23,085,165		23,085,165
General fund	$21,013,025	$0	$21,013,025
DHS - Program/Policy			
Total all funds	$1,531,965,784	$56,422,402	$1,588,388,186
Less estimated income	1,103,015,555	28,553,598	1,131,569,153
General fund	$428,950,229	$27,868,804	$456,819,033
DHS - State Hospital			
Total all funds	$64,959,122	$0	$64,959,122
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$0	$49,070,812
DHS - Developmental Center			
Total all funds	$48,456,612	$0	$48,456,612
Less estimated income	33,243,690		33,243,690
General fund	$15,212,922	$0	$15,212,922
DHS - Northwest HSC			
Total all funds	$7,525,581	$40,749	$7,566,330
Less estimated income	3,136,258		3,136,258
General fund	$4,389,323	$40,749	$4,430,072
DHS - North Central HSC			
Total all funds	$16,842,742	$91,141	$16,933,883
Less estimated income	7,917,967		7,917,967
General fund	$8,924,775	$91,141	$9,015,916
DHS - Lake Region HSC			
Total all funds	$9,853,344	$59,509	$9,912,853
Less estimated income	4,417,334		4,417,334
General fund	$5,436,010	$59,509	$5,495,519
DHS - Northeast HSC			
Total all funds	$22,192,605	$75,721	$22,268,326
Less estimated income	12,256,322	8,329	12,264,651
General fund	$9,936,283	$67,392	$10,003,675
DHS - Southeast HSC			
Total all funds	$26,145,474	$1,980,718	$28,126,192
Less estimated income	14,296,599	74,938	14,371,537
General fund	$11,848,875	$1,905,780	$13,754,655
DHS - South Central HSC			
Total all funds	$14,741,738	$79,055	$14,820,793
Less estimated income	6,450,546	20,554	6,471,100
General fund	$8,291,192	$58,501	$8,349,693

DHS - West Central HSC			
Total all funds	$20,768,172	$91,540	$20,859,712
Less estimated income	10,327,232	32,954	10,360,186
General fund	$10,440,940	$58,586	$10,499,526
DHS - Badlands HSC			
Total all funds	$9,848,996	$28,108	$9,877,104
Less estimated income	4,845,616	281	4,845,897
General fund	$5,003,380	$27,827	$5,031,207
Bill Total			
Total all funds	$1,817,398,360	$58,868,943	$1,876,267,303
Less estimated income	1,238,880,594	28,690,654	1,267,571,248
General fund	$578,517,766	$30,178,289	$608,696,055

Senate Bill No. 2012 - Department of Human Services - Management - Senate Action

A section is added authorizing the department to spend up to $685,000, of which $342,500 is from the general fund, of contingency funds appropriated in Senate Bill No. 2024 for the Medicaid management information system (MMIS) computer project for the cost of planning for the replacement and consolidation of the four economic assistance eligibility determination computer systems. The department may spend these funds only if not needed for the MMIS project.

Senate Bill No. 2012 - Department of Human Services - Program/Policy - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$25,593,565	$530,250	$26,123,815
Operating expenses	65,561,106	703,521	66,264,627
Capital assets	399		399
Grants	339,435,262	7,903,906	347,339,168
Grants - Medical assistance	1,101,375,452	47,284,725	1,148,660,177
Total all funds	$1,531,965,784	$56,422,402	$1,588,388,186
Less estimated income	1,103,015,555	28,553,598	1,131,569,153
General fund	$428,950,229	$27,868,804	$456,819,033
FTE	230.30	7.25	237.55

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **Program and Policy - Senate Changes:**				
Economic Assistance Policy Program No changes				
Child Support Program No changes				
Medical Services Program Adds funding for grants - Medical assistance to increase medically needy income levels from 61 to 83 percent of poverty beginning January 2008		$1,935,145	$3,437,274	$5,372,419
Adds funding for grants - Medical assistance to increase inpatient hospital payment rates to the Medicare rate beginning January 2009		1,753,925	3,115,460	4,869,385
Adds funding to provide a 5 percent annual inflationary increase for medical services providers, excluding inpatient hospital services. The executive budget provided a 3 percent annual inflationary increase.		1,849,736	4,057,507	5,907,243
Adds operating expenses funding to continue the biennial medical assistance report under Section 50-06-25		50,000	50,000	100,000
Long-Term Care Program Adds funding for grants - Medical assistance to continue the same service payments for elderly and disabled (SPED) eligibility criteria as the 2005-07 biennium		1,537,030	80,896	1,617,926
Adds funding for grants - Medical assistance to provide that home service providers be paid using a fee-for-service method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases for each 15-minute unit of service, be as follows: Agency home service provider - $4.50; Individual home service provider - $3.16		2,154,808	1,983,921	4,138,729

These rates provide that the individual home service provider rate is 70 percent of the agency rate. Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate.			
Adds funding for grants - Medical assistance to lower eligibility criteria for home and community-based services to allow more preventative services to be provided beginning January 2008	2,250,000		2,250,000
Adds funding to provide a 5 percent annual inflationary increase for long-term care service providers. The executive budget provided a 3 percent annual inflationary increase.	6,073,286	9,859,424	15,932,710
Adds funding for grants - Medical assistance to expand the availability of nonmedical transportation beginning January 2008	251,942	9,545	261,487
Adds funding for grants - Medical assistance to expand the availability of respite care services beginning January 2008	99,197	72,846	172,043
Adds funding for grants - Medical assistance for increasing and providing a payment range for incontinence supplies under the medical assistance program	169,688	301,405	471,093
Adds funding for grants - Medical assistance to provide that all infant development programs are paid no less than the current average daily rate for all programs	220,303	391,139	611,442
Adds funding for grants - Medical assistance for providing additional developmental disabilities services funding for family subsidy, in-home supports, and self-directed supports for families	432,087	767,488	1,199,575
Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by $10 per month, from $50 to $60. Of the estimated income amount, $363,341 is from the health care trust fund.		1,008,720	1,008,720
Aging Services Program			
Adds operating expense funding to expand guardianship services for the elderly and disabled that are not receiving developmental disabilities-related services	100,000		100,000
Adds funding for grants and a section to the bill providing for a home service provider training incentive grant pilot project	50,000		50,000
Children and Family Services Program			
Adds funding for grants to reimburse counties for the actual cost of child abuse and neglect assessments beginning January 2008	2,648,045		2,648,045
Adds funding for grants to reimburse counties for 50 percent of the cost of child care licensing activities beginning January 2008	146,610		146,610
Adds funding for grants for expanding county-based family preservation services beginning January 2008	750,000		750,000
Adds funding for grants for case management services for children in the legal custody of the department	225,899	71,101	297,000
Adds funding for grants to provide a 5 percent annual inflationary increase for children and family services providers. The executive budget provided a 3 percent annual inflationary increase.	250,761	1,033,162	1,283,923
Adds funding for grants for the Healthy Families program--a home visitation program for newborns and their parents	600,000		600,000
Mental Health and Substance Abuse Program			
Adds funding for operating expenses to provide a 5 percent annual inflationary increase for mental health, developmental disabilities, and family preservation contract service providers. The executive budget provided a 3 percent annual inflationary increase.	342,642	89,905	432,547

	FTE	General Fund	Other Funds	Total
Developmental Disabilities Council No changes				
Disabilities Program Adds funding to provide for the transition of selected Developmental Center residents to community programs	7.25	1,849,372	2,223,805	4,073,177
Adds grants funding for independent living centers		2,128,328		2,128,328
Total Senate Changes - Program and Policy	7.25	$27,868,804	$28,553,598	$56,422,402

Sections are added that:

- Change the statutory name of qualified service providers to home service providers beginning July 1, 2008.
- Provide legislative intent that agency home service providers give priority to using the additional payment rate funding provided by the Legislative Assembly for increasing the average wage of their direct care employees.
- Require the Department of Human Services to use any 2007-09 biennium savings relating to nursing home funding for enhancing existing programs and activities that are applicable to home care services provided by nursing homes, developmental disabilities service providers, and home and community-based service providers.
- Provide legislative intent that the department make home service provider information available on its web site.
- Continue the biennial medical assistance report which would have been discontinued on June 30, 2007.
- Provide for a Legislative Council study of the use of local property tax revenue to finance the delivery of human services on an individual county basis.

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$4,389,323	$40,749	$4,430,072
DHS - North Central HSC	8,924,775	91,141	9,015,916
DHS - Lake Region HSC	5,436,010	59,509	5,495,519
DHS - Northeast HSC	9,936,283	67,392	10,003,675
DHS - Southeast HSC	11,848,875	1,905,780	13,754,655
DHS - South Central HSC	8,291,192	58,501	8,349,693
DHS - West Central HSC	10,440,940	58,586	10,499,526
DHS - Badlands HSC	5,003,380	27,827	5,031,207
Total general fund	$64,270,778	$2,309,485	$66,580,263

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	$8,329	12,264,651
DHS - Southeast HSC	14,296,599	74,938	14,371,537
DHS - South Central HSC	6,450,546	20,554	6,471,100
DHS - West Central HSC	10,327,232	32,954	10,360,186
DHS - Badlands HSC	4,845,616	281	4,845,897
Total other funds	$63,647,874	$137,056	$63,784,930

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$7,525,581	$40,749	$7,566,330
DHS - North Central HSC	16,842,742	91,141	16,933,883
DHS - Lake Region HSC	9,853,344	59,509	9,912,853
DHS - Northeast HSC	22,192,605	75,721	22,268,326
DHS - Southeast HSC	26,145,474	1,980,718	28,126,192
DHS - South Central HSC	14,741,738	79,055	14,820,793
DHS - West Central HSC	20,768,172	91,540	20,859,712

DHS - Badlands HSC	9,848,996	28,108	9,877,104
Total all funds	$127,918,652	$2,446,541	$130,365,193
FTE	838.73	2.00	840.73

[1] Funding for the Southeast Human Service Center is increased by $1,858,077, of which $1,783,139 is from the general fund, including 2 FTE positions for two special care residential services units for individuals with serious mental illness beginning January 2008.

Adds funding to provide a 5 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase. The increases by human service center include:

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$40,749		$40,749
North Central	91,141		91,141
Lake Region	59,509		59,509
Northeast	67,392	$8,329	75,721
Southeast	122,641		122,641
South Central	58,501	20,554	79,055
West Central	58,586	32,954	91,540
Badlands	27,827	281	28,108
Total	$526,346	$62,118	$588,464

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number amend # 0112 am

Action Taken do pass am page 7. - change date * + $ increase inpatient *

Motion Made By Mathern Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner		✓			

Total (Yes) 7 No 7

Absent motion fails

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Amendment # 0112.

Action Taken on Section 9. County Computer Software

Motion Made By Mathern Seconded By ~~Robinson~~ Krauter.

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) 8 No 6.

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number: amend. - Section 11 #0112.

Action Taken: do pass Use of property tax Revenue for County Human Service program

Motion Made By: Mathern Seconded By: Grindberg

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) ✓ Unanimous No

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #16, 19 20, 21, 22 23, +24. next 7 sections - 0112.

Action Taken do pass amend. name change only

Motion Made By Mathern Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) ✓ No

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number amend Re Sped. .0112

Action Taken do pass

Motion Made By Mathern Seconded By Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6. failed No 8

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Reimbursement for supplies. incontinent supply

Legislative Council Amendment Number: amend 0112

Action Taken: do pass amend.

Motion Made By: Mathern Seconded By: Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6 No 8 failed

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Appropriations Committee

☐ Check here for Conference Committee   Medical family subsidy in home

Legislative Council Amendment Number: Amend 0112

Action Taken: Do pass amend.

Motion Made By: Mathern   Seconded By: Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6   No 8

Absent   Motion Failed.

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number: amend .0112 Case Management - serv

Action Taken: do pass

Motion Made By: Mathern   Seconded By: Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6 No 8

Absent

Floor Assignment

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

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number amend .0112 5% annual increase for Moorhead? Sheet #1 3rd yr. ... da

Action Taken do pass

Motion Made By Mathern Seconded By ~~Krauter~~ Robinson

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer		✓	Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner		✓			

Total (Yes) 6 No 8

Absent

Floor Assignment

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

78036.0114
Title.
Fiscal No. 4

Prepared by the Legislative Council staff for
Senator Fischer
February 13, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2012

Page 1, line 2, after the first semicolon insert "to provide statements of legislative intent; to provide for a legislative council report;"

Page 1, line 4, remove the second "and"

Page 1, line 5, after "50-06-01.4" insert ", and 50-24.4-15"

Page 1, line 7, after "services" insert "and to nursing home property-related costs"

Page 3, line 4, replace "Base level" with "Adjustments/enhancements"

Page 3, line 5, replace "Base level" with "Adjustments/enhancements"

Page 3, line 6, replace "Base level" with "Adjustments/enhancements"

Page 3, line 9, replace "2,781,084" with "2,856,130"

Page 3, line 10, replace "25,780,421" with "26,576,252"

Page 3, line 12, replace "6,596,812" with "8,938,273"

Page 3, line 13, replace "95,019,114" with "132,453,022"

Page 3, line 14, replace "Base level" with "Adjustments/enhancements" and replace "130,143,966" with "170,790,212"

Page 3, line 15, replace "Base level" with "Adjustments/enhancements" and replace "67,877,108" with "92,129,556"

Page 3, line 16, replace "Base level" with "Adjustments/enhancements" and replace "62,266,858" with "78,660,656"

Page 3, line 19, replace "173,279" with "193,654"

Page 3, line 20, replace "1,495,051" with "1,540,622"

Page 3, line 21, replace "709,912" with "739,666"

Page 3, line 22, replace "1,609,474" with "1,647,335"

Page 3, line 23, replace "2,379,710" with "2,441,031"

Page 3, line 24, replace "2,545,091" with "2,584,618"

Page 3, line 25, replace "2,180,703" with "2,226,472"

Page 3, line 26, replace "607,598" with "621,652"

Page 3, line 27, replace "17,041,951" with "17,209,433"

Page 3, line 29, replace "34,774,099" with "35,235,813"

Page 3, line 30, replace "4,431,229" with "4,462,288"

Page 3, line 31, replace "30,342,870" with "30,773,525"

Page 4, line 1, replace "94,096,292" with "110,920,745"

Page 4, line 2, replace "43,239,761" with "67,523,268"

Page 4, line 3, replace "137,336,053" with "178,444,013"

Page 4, line 15, remove "- Base level"

Page 4, line 16, remove "- Base level"

Page 4, line 17, remove "- Base level"

Page 4, line 20, replace "25,593,565" with "25,668,611"

Page 4, line 21, replace "65,561,106" with "66,356,937"

Page 4, line 23, replace "339,435,262" with "341,776,723"

Page 4, line 24, replace "1,101,375,452" with "1,138,809,360"

Page 4, line 25, remove "- Base level" and replace "1,531,965,784" with "1,572,612,030"

Page 4, line 26, remove "- Base level" and replace "1,103,015,555" with "1,127,268,003"

Page 4, line 27, remove "- Base level" and replace "428,950,229" with "445,344,027"

Page 4, line 30, replace "7,525,581" with "7,545,956"

Page 4, line 31, replace "16,842,742" with "16,888,313"

Page 5, line 1, replace "9,853,344" with "9,883,098"

Page 5, line 2, replace "22,192,605" with "22,230,466"

Page 5, line 3, replace "26,145,474" with "26,206,795"

Page 5, line 4, replace "14,741,738" with "14,781,265"

Page 5, line 5, replace "20,768,172" with "20,813,941"

Page 5, line 6, replace "9,848,996" with "9,863,050"

Page 5, line 7, replace "64,959,122" with "65,126,604"

Page 5, line 9, replace "241,334,386" with "241,796,100"

Page 5, line 10, replace "112,779,874" with "112,810,933"

Page 5, line 11, replace "128,554,512" with "128,985,167"

Page 5, line 12, replace "578,517,766" with "595,342,219"

Page 5, line 13, replace "1,238,880,594" with "1,263,164,101"

Page 5, line 14, replace "1,817,398,360" with "1,858,506,320"

Page 5, after line 26, insert:

"**SECTION 5. CONTINUOUS MEDICAID ELIGIBILITY FOR CHILDREN - REPORT TO LEGISLATIVE COUNCIL - LIMIT ON USE OF UNSPENT GENERAL FUND APPROPRIATIONS.** The department of human services shall monitor expenditures relating to allowing continuous medicaid eligibility for children under nineteen years of age for the biennium beginning July 1, 2007, and ending June 30, 2009. The department shall provide periodic reports on the status of these expenditures to the legislative council. The department may not spend any unused general fund appropriation authority resulting from these expenditures being less than appropriated for other purposes.

SECTION 6. LEGISLATIVE INTENT - ESTIMATED COST OF REBASING MEDICAID INPATIENT HOSPITAL PAYMENT RATES. It is the intent of the sixtieth legislative assembly that the department of human services, during the 2007-08 interim, determine the estimated cost of rebasing medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the appropriations committees of the sixty-first legislative assembly.

SECTION 7. METHAMPHETAMINE TREATMENT SERVICES. The department of human services shall use the $700,000 from the general fund included in the operating expenses line item in subdivision 2 of section 3 of this Act for increasing the number of individuals receiving treatment services under contract with the Robinson recovery center for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND. The estimated income line item in subdivision 2 of section 3 of this Act includes $170,500 from the health care trust fund. The department of human services expenditures from this fund may not exceed this amount for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 9. LEGISLATIVE INTENT - STATE CHILDREN'S HEALTH INSURANCE PROGRAM. The funding appropriated in subdivision 2 of section 3 of this Act includes $453,000 for a state children's health insurance program outreach program. It is the intent of the sixtieth legislative assembly that the department of human services provide this funding to an entity that focuses on statewide community health care initiatives and issues."

Page 12, after line 2, insert:

"**SECTION 16. AMENDMENT.** Section 50-24.4-15 of the North Dakota Century Code is amended and reenacted as follows:

50-24.4-15. Property-related costs.

1. The department shall include in the ratesetting system for nursing homes a payment mechanism for the use of real and personal property which provides for depreciation and related interest costs. The property cost payment mechanism must:

a. Recognize the valuation basis of assets acquired in a bona fide transaction as an ongoing operation after July 1, 1985, limited to the lowest of:

(1) Purchase price paid by the purchaser;

(2) Fair market value at the time of sale; or

(3) Seller's cost basis, increased by one-half of the increase in the consumer price index for all urban consumers (United States city average) from the date of acquisition by the seller to the date of acquisition by the buyer, less accumulated depreciation.

b. Recognize depreciation on land improvements, buildings, and fixed equipment acquired, as an ongoing operation over the estimated useful remaining life of the asset as determined by a qualified appraiser.

c. Recognize depreciation on movable equipment acquired as an ongoing operation after August 1, 1995, over a composite remaining useful life.

d. Provide for an interest expense limitation determined by the department and established by rule.

e. Establish a per bed property cost limitation considering single and double occupancy construction.

f. Recognize increased lease costs of a nursing home operator to the extent the lessor has incurred increased costs related to the ownership of the facility, the increased costs are charged to the lessee, and the increased costs would be allowable had they been incurred directly by the lessee.

g. Recognize any mandated costs, fees, or other moneys paid to the attorney general through transactions under sections 10-33-144 through 10-33-149.

2. For rate years beginning after December 31, 2003, the limitations of paragraph 3 of subdivision a of subsection 1 do not apply to the valuation basis of assets purchased between July 1, 1985, and July 1, 2000. The provisions of this subsection may not be applied retroactively to any rate year before July 1, 2005.

3. For rate years beginning after December 31, 2007, the limitations of subdivision e of subsection 1 do not apply to the valuation basis of assets acquired as a result of a natural disaster prior to December 31, 2006. The provisions of this subsection may not be applied retroactively to any rate year before January 1, 2008."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
DHS - Management			
Total all funds	$44,098,190	$0	$44,098,190
Less estimated income	23,085,165		23,085,165
General fund	$21,013,025	$0	$21,013,025

DHS - Program and Policy			
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
DHS - State Hospital			
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
DHS - Developmental Center			
Total all funds	$48,456,612	$0	$48,456,612
Less estimated income	33,243,690		33,243,690
General fund	$15,212,922	$0	$15,212,922
DHS - Northwest HSC			
Total all funds	$7,525,581	$20,375	$7,545,956
Less estimated income	3,136,258		3,136,258
General fund	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC			
Total all funds	$16,842,742	$45,571	$16,888,313
Less estimated income	7,917,967		7,917,967
General fund	$8,924,775	$45,571	$8,970,346
DHS - Lake Region HSC			
Total all funds	$9,853,344	$29,754	$9,883,098
Less estimated income	4,417,334		4,417,334
General fund	$5,436,010	$29,754	$5,465,764
DHS - Northeast HSC			
Total all funds	$22,192,605	$37,861	$22,230,466
Less estimated income	12,256,322	4,165	12,260,487
General fund	$9,936,283	$33,696	$9,969,979
DHS - Southeast HSC			
Total all funds	$26,145,474	$61,321	$26,206,795
Less estimated income	14,296,599		14,296,599
General fund	$11,848,875	$61,321	$11,910,196
DHS - South Central HSC			
Total all funds	$14,741,738	$39,527	$14,781,265
Less estimated income	6,450,546	10,277	6,460,823
General fund	$8,291,192	$29,250	$8,320,442
DHS - West Central HSC			
Total all funds	$20,768,172	$45,769	$20,813,941
Less estimated income	10,327,232	16,477	10,343,709
General fund	$10,440,940	$29,292	$10,470,232
DHS - Badlands HSC			
Total all funds	$9,848,996	$14,054	$9,863,050
Less estimated income	4,845,616	140	4,845,756
General fund	$5,003,380	$13,914	$5,017,294
Bill Total			
Total all funds	$1,817,398,360	$41,107,960	$1,858,506,320
Less estimated income	1,238,880,594	24,283,507	1,263,164,101
General fund	$578,517,766	$16,824,453	$595,342,219

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$25,593,565	$75,046	$25,668,611
Operating expenses	65,561,106	795,831	66,356,937
Capital assets	399		399
Grants	339,435,262	2,341,461	341,776,723
Grants - Medical assistance	1,101,375,452	37,433,908	1,138,809,360
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
FTE	230.30	1.00	231.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] Program and Policy - Senate Changes:				
Economic Assistance Policy Program No changes				
Child Support Program No Changes				
Medical Services Program Adds funding to provide a 4 percent annual inflationary increase for medical services		$1,545,512	$3,127,127	$4,672,639

providers. The executive budget provided a 3 percent annual inflationary increase.				
Adds funding for grants - Medical assistance to increase medically needy income levels from 61 to 83 percent of poverty beginning July 2007		2,529,690	4,493,325	7,023,015
Adds funding for grants - Medical assistance to provide for continuous Medicaid eligibility for children under 19 years of age who are either categorically needy or optionally categorically needy beginning January 2008. A section is added that the department monitor the additional expenditures resulting from this change, report to an interim legislative committee on the status of these expenditures, and turn back to the general fund any unused appropriation authority.		2,281,110	4,051,789	6,332,899
Adds funding for increasing Medicaid eligibility for children under 19 years of age to 133 percent of poverty and the children's health insurance program net income eligibility to 150 percent of poverty in accordance with provisions of House Bill No. 1463		833,039	701,775	1,534,814
Adds funding for the children's health insurance program to make policies relating to disregards similar to the Medicaid program		393,005	1,165,922	1,558,927
Adds operating expense funding for providing additional outreach relating to the children's health insurance program. A section of legislative intent is added that the department provide this funding to an entity that focuses on statewide community health care initiatives and issues.		114,201	338,799	453,000
Adds salaries and wages funding for 1 additional FTE position for administration of the children's health insurance program	1.00	18,919	56,127	75,046
Removes funding added in the executive budget for registering and conducting background checks on certified nurse aides		(75,081)	(225,176)	(300,257)
Long-Term Care Program				
Adds funding to provide a 4 percent annual inflationary increase for long-term care service providers. The executive budget provided a 3 percent annual inflationary increase.		3,075,412	5,011,150	8,086,562
Adds funding for grants - Medical assistance to provide that home service providers be paid using a fee-for-service method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases, for each 15-minute unit of service be as follows: Agency home service provider - $4.50 Individual home service provider - $3.16 Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate.		2,154,808	1,983,921	4,138,729
Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by $5 per month, from $50 to $55, beginning July 1, 2007. Of the estimated income amount, $170,500 is from the health care trust fund.			499,850	499,850
Adds funding to provide for the transition of selected Developmental Center residents to community programs		900,000	1,598,612	2,498,612
Adds funding for grants - Medical assistance for increasing payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children		300,000	532,871	832,871
Adds funding for grants - Medical assistance for increasing payment rates for facilities serving children with behavioral challenges		200,000	355,247	555,247
Aging Services Program				
No changes				
Children and Family Services Program				
Adds funding to provide a 4 percent annual inflationary increase for children and family service providers. The executive budget		284,277	561,109	845,386

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
provided a 3 percent annual inflationary increase.				
Adds grants funding to provide a total of $500,000 from the general fund for the Children's Advocacy Centers in Bismarck and Fargo		400,000		400,000
Adds funding for grants for the Healthy Families program - A home visitation program for newborns and their parents		300,000		300,000
Mental Health and Substance Abuse Program Adjusts funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		(9,600)		(9,600)
Adds operating expenses funding for increasing the department's contract for substance abuse treatment services at the Robinson Recovery Center prior to any inflationary or other legislative increases		134,000		134,000
Developmental Disabilities Council No changes				
Disabilities Program Adds funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		14,506		14,506
Adds grants funding to supporting and maintaining assistive technology services for the elderly and disabled provided through the interagency program for assistive technology		500,000		500,000
Adds grants funding to provide a total of $1,631,457, of which $796,040 is from the general fund for the centers for independent living		500,000		500,000
Total Senate Changes - Program and Policy	1.00	$16,393,798	$24,252,448	$40,646,246

Other Changes Affecting Program and Policy Programs:

Sections are added that:

- Provide legislative intent that the department estimate the costs of rebasing Medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the Appropriations Committees during the 2009 legislative session.
- Specify the use of the additional $700,000 from the general fund added in the executive budget for methamphetamine treatment services for increasing the contract with the Robinson Recovery Center to provide treatment services to more individuals.
- Amend North Dakota Century Code Section 50-24.4-15 to change the nursing home property cost values relating to assets acquired as a result of a natural disaster.

Senate Bill No. 2012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Traditional	$52,371,738		$52,371,738
Secure	12,587,384		12,587,384
Institutions		$167,482	167,482
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
FTE	465.01	1.50	466.51

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **State Hospital - Senate Changes:**				
Adds funding for increasing security in the secure services unit	1.50	$167,482	$0	$167,482

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC	8,924,775	45,571	8,970,346
DHS - Lake Region HSC	5,436,010	29,754	5,465,764
DHS - Northeast HSC	9,936,283	33,696	9,969,979
DHS - Southeast HSC	11,848,875	61,321	11,910,196
DHS - South Central HSC	8,291,192	29,250	8,320,442
DHS - West Central HSC	10,440,940	29,292	10,470,232
DHS - Badlands HSC	5,003,380	13,914	5,017,294
Total general fund	$64,270,778	$263,173	$64,533,951

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	$4,165	12,260,487
DHS - Southeast HSC	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	10,277	6,460,823
DHS - West Central HSC	10,327,232	16,477	10,343,709
DHS - Badlands HSC	4,845,616	140	4,845,756
Total other funds	$63,647,874	$31,059	$63,678,933

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$7,525,581	$20,375	$7,545,956
DHS - North Central HSC	16,842,742	45,571	16,888,313
DHS - Lake Region HSC	9,853,344	29,754	9,883,098
DHS - Northeast HSC	22,192,605	37,861	22,230,466
DHS - Southeast HSC	26,145,474	61,321	26,206,795
DHS - South Central HSC	14,741,738	39,527	14,781,265
DHS - West Central HSC	20,768,172	45,769	20,813,941
DHS - Badlands HSC	9,848,996	14,054	9,863,050
Total all funds	$127,918,652	$294,232	$128,212,884
FTE	838.73	0.00	838.73

[1] Adds funding to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase. The increases by human service center include:

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$20,375		$20,375
North Central	45,571		45,571
Lake Region	29,754		29,754
Northeast	33,696	$4,165	37,861
Southeast	61,321		61,321
South Central	29,250	10,277	39,527
West Central	29,292	16,477	45,769
Badlands	13,914	140	14,054
Total	$263,173	$31,059	$294,232

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 1st amendment . 0114

Action Taken do pass the amendment.

Motion Made By Fischer Seconded By Bowman

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) ✓ No

Absent

Floor Assignment

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

78036.0115
Title.
Fiscal No. 5

Prepared by the Legislative Council staff for
Senate Appropriations
February 14, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2012

Page 1, line 2, after the first semicolon insert "to provide statements of legislative intent; to provide for a legislative council report; to provide for a legislative council study;"

Page 1, line 4, after the second comma insert "26.1-45-13," and remove the second "and"

Page 1, line 5, after "50-06-01.4" insert ", subsection 6 of section 50-06.2-02, subsection 5 of section 50-06.2-03, subsection 3 of section 50-06.2-04, sections 50-06.2-06 and 50-24.4-15, subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03"

Page 1, line 7, after "services" insert ", qualified service providers, and to nursing home property-related costs" and remove "and"

Page 1, line 8, after "children" insert "; and to provide an effective date"

Page 3, line 4, replace "Base level" with "Adjustments/enhancements"

Page 3, line 5, replace "Base level" with "Adjustments/enhancements"

Page 3, line 6, replace "Base level" with "Adjustments/enhancements"

Page 3, line 9, replace "2,781,084" with "2,856,130"

Page 3, line 10, replace "25,780,421" with "26,576,252"

Page 3, line 12, replace "6,596,812" with "8,938,273"

Page 3, line 13, replace "95,019,114" with "132,453,022"

Page 3, line 14, replace "Base level" with "Adjustments/enhancements" and replace "130,143,966" with "170,790,212"

Page 3, line 15, replace "Base level" with "Adjustments/enhancements" and replace "67,877,108" with "92,129,556"

Page 3, line 16, replace "Base level" with "Adjustments/enhancements" and replace "62,266,858" with "78,660,656"

Page 3, line 19, replace "173,279" with "193,654"

Page 3, line 20, replace "1,495,051" with "1,540,622"

Page 3, line 21, replace "709,912" with "739,666"

Page 3, line 22, replace "1,609,474" with "1,647,335"

Page 3, line 23, replace "2,379,710" with "2,441,031"

Page 3, line 24, replace "2,545,091" with "2,584,618"

Page 3, line 25, replace "2,180,703" with "2,226,472"

Page 3, line 26, replace "607,598" with "621,652"

Page 3, line 27, replace "17,041,951" with "17,209,433"

Page 3, line 29, replace "34,774,099" with "35,235,813"

Page 3, line 30, replace "4,431,229" with "4,462,288"

Page 3, line 31, replace "30,342,870" with "30,773,525"

Page 4, line 1, replace "94,096,292" with "110,920,745"

Page 4, line 2, replace "43,239,761" with "67,523,268"

Page 4, line 3, replace "137,336,053" with "178,444,013"

Page 4, line 15, remove "- Base level"

Page 4, line 16, remove "- Base level"

Page 4, line 17, remove "- Base level"

Page 4, line 20, replace "25,593,565" with "25,668,611"

Page 4, line 21, replace "65,561,106" with "66,356,937"

Page 4, line 23, replace "339,435,262" with "341,776,723"

Page 4, line 24, replace "1,101,375,452" with "1,138,809,360"

Page 4, line 25, remove "- Base level" and replace "1,531,965,784" with "1,572,612,030"

Page 4, line 26, remove "- Base level" and replace "1,103,015,555" with "1,127,268,003"

Page 4, line 27, remove "- Base level" and replace "428,950,229" with "445,344,027"

Page 4, line 30, replace "7,525,581" with "7,545,956"

Page 4, line 31, replace "16,842,742" with "16,888,313"

Page 5, line 1, replace "9,853,344" with "9,883,098"

Page 5, line 2, replace "22,192,605" with "22,230,466"

Page 5, line 3, replace "26,145,474" with "26,206,795"

Page 5, line 4, replace "14,741,738" with "14,781,265"

Page 5, line 5, replace "20,768,172" with "20,813,941"

Page 5, line 6, replace "9,848,996" with "9,863,050"

Page 5, line 7, replace "64,959,122" with "65,126,604"

Page 5, line 9, replace "241,334,386" with "241,796,100"

Page 5, line 10, replace "112,779,874" with "112,810,933"

Page 5, line 11, replace "128,554,512" with "128,985,167"

Page 5, line 12, replace "578,517,766" with "595,342,219"

Page 5, line 13, replace "1,238,880,594" with "1,263,164,101"

Page 5, line 14, replace "1,817,398,360" with "1,858,506,320"

Page 5, after line 26, insert:

"**SECTION 5. CONTINUOUS MEDICAID ELIGIBILITY FOR CHILDREN - REPORT TO LEGISLATIVE COUNCIL - LIMIT ON USE OF UNSPENT GENERAL FUND APPROPRIATIONS.** The department of human services shall monitor expenditures relating to allowing continuous medicaid eligibility for children under nineteen years of age for the biennium beginning July 1, 2007, and ending June 30, 2009. The department shall provide periodic reports on the status of these expenditures to the legislative council. The department may not spend any unused general fund appropriation authority resulting from these expenditures being less than appropriated for other purposes.

SECTION 6. LEGISLATIVE INTENT - ESTIMATED COST OF REBASING MEDICAID INPATIENT HOSPITAL PAYMENT RATES. It is the intent of the sixtieth legislative assembly that the department of human services, during the 2007-08 interim, determine the estimated cost of rebasing medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the appropriations committees of the sixty-first legislative assembly.

SECTION 7. METHAMPHETAMINE TREATMENT SERVICES. The department of human services shall use the $700,000 from the general fund included in the operating expenses line item in subdivision 2 of section 3 of this Act for increasing the number of individuals receiving treatment services under contract with the Robinson recovery center for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND. The estimated income line item in subdivision 2 of section 3 of this Act includes $170,500 from the health care trust fund. The department of human services expenditures from this fund may not exceed this amount for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 9. LEGISLATIVE INTENT - STATE CHILDREN'S HEALTH INSURANCE PROGRAM. The funding appropriated in subdivision 2 of section 3 of this Act includes $453,000 for a state children's health insurance program outreach program. It is the intent of the sixtieth legislative assembly that the department of human services provide this funding to an entity that focuses on statewide community health care initiatives and issues.

SECTION 10. LEGISLATIVE COUNCIL STUDY - USE OF PROPERTY TAX REVENUE FOR COUNTY HUMAN SERVICES PROGRAMS. The legislative council shall consider studying, during the 2007-08 interim, the use of local property tax revenue to finance the delivery of human services on an individual county basis."

Page 9, after line 27, insert:

"**SECTION 15. AMENDMENT.** Section 26.1-45-13 of the North Dakota Century Code is amended and reenacted as follows:

26.1-45-13. ~~Qualified~~ Home service providers. Any insurance company providing long-term care coverage for home and community-based services shall pay a provider meeting ~~qualified~~ home service provider standards a daily payment allowance as defined in the policy or certificate. "~~Qualified~~ Home service provider" means a county agency or independent contractor that agrees to meet standards for personal attendant care service as established by the department of human services."

Page 12, after line 2, insert:

"**SECTION 18. AMENDMENT.** Subsection 6 of section 50-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

6. "~~Qualified~~ Home service provider" means a county agency or independent contractor which agrees to meet standards for service and operations established by the state agency.

SECTION 19. AMENDMENT. Subsection 5 of section 50-06.2-03 of the North Dakota Century Code is amended and reenacted as follows:

5. Within the limits of legislative appropriations and at rates determined payable by the state agency, to pay ~~qualified~~ home service providers, which meet standards for services and operations, for the provision of the following services as defined in the comprehensive human services plan which are provided to individuals who, on the basis of functional assessments, income, and resources, are determined eligible for the services in accordance with rules adopted by the state agency:

    a. Homemaker services;

    b. Chore services;

    c. Respite care;

    d. Home health aide services;

    e. Case management;

    f. Family home care;

    g. Personal attendant care;

    h. Adult family foster care; and

    i. Such other services as the state agency determines to be essential and appropriate to sustain individuals in their homes and in their communities and to delay or prevent institutional care.

SECTION 20. AMENDMENT. Subsection 3 of section 50-06.2-04 of the North Dakota Century Code is amended and reenacted as follows:

3. To make available the human services detailed in the comprehensive human services plan which the county agency has included in the approved county plan and to provide such other human services as the county agency determines essential in effectuating the purposes of this chapter within the county. To the extent funding is available under section 50-06.2-03 and chapter 50-24.1, the county plan must include the services enumerated in those sections. The county agency shall make these services available to any individual requesting service and determined

eligible on the basis of functional assessment. The individual shall pay for the services in accordance with a fee scale based on family size and income. The county agency may contract with any ~~qualified~~ home service provider in its provision of those enumerated services.

SECTION 21. AMENDMENT. Section 50-06.2-06 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-06. Freedom of choice. Each person eligible for services under this chapter, or the person's representative, must be free to choose among available ~~qualified~~ home service providers that offer competitively priced services. The county agency shall inform each eligible applicant for services, provided under this chapter, of the identity of ~~qualified~~ home service providers available to provide the service required by the applicant. The county agency shall make and document reasonable efforts to inform potential service providers of the anticipated need for services in the county.

SECTION 22. AMENDMENT. Section 50-24.4-15 of the North Dakota Century Code is amended and reenacted as follows:

50-24.4-15. Property-related costs.

1. The department shall include in the ratesetting system for nursing homes a payment mechanism for the use of real and personal property which provides for depreciation and related interest costs. The property cost payment mechanism must:

   a. Recognize the valuation basis of assets acquired in a bona fide transaction as an ongoing operation after July 1, 1985, limited to the lowest of:

      (1) Purchase price paid by the purchaser;

      (2) Fair market value at the time of sale; or

      (3) Seller's cost basis, increased by one-half of the increase in the consumer price index for all urban consumers (United States city average) from the date of acquisition by the seller to the date of acquisition by the buyer, less accumulated depreciation.

   b. Recognize depreciation on land improvements, buildings, and fixed equipment acquired, as an ongoing operation over the estimated useful remaining life of the asset as determined by a qualified appraiser.

   c. Recognize depreciation on movable equipment acquired as an ongoing operation after August 1, 1995, over a composite remaining useful life.

   d. Provide for an interest expense limitation determined by the department and established by rule.

   e. Establish a per bed property cost limitation considering single and double occupancy construction.

   f. Recognize increased lease costs of a nursing home operator to the extent the lessor has incurred increased costs related to the ownership of the facility, the increased costs are charged to the lessee, and the increased costs would be allowable had they been incurred directly by the lessee.

g. Recognize any mandated costs, fees, or other moneys paid to the attorney general through transactions under sections 10-33-144 through 10-33-149.

2. For rate years beginning after December 31, 2003, the limitations of paragraph 3 of subdivision a of subsection 1 do not apply to the valuation basis of assets purchased between July 1, 1985, and July 1, 2000. The provisions of this subsection may not be applied retroactively to any rate year before July 1, 2005.

3. For rate years beginning after December 31, 2007, the limitations of subdivision e of subsection 1 do not apply to the valuation basis of assets acquired as a result of a natural disaster prior to December 31, 2006. The provisions of this subsection may not be applied retroactively to any rate year before January 1, 2008.

SECTION 23. AMENDMENT. Subsection 4 of section 50-24.5-02 of the North Dakota Century Code is amended and reenacted as follows:

4. Pay ~~qualified~~ home service providers at rates determined by the department, within the limits of legislative appropriation, for the provision of the following services provided to an eligible beneficiary to the extent that the eligible beneficiary lacks income sufficient to meet the cost of these services:

   a. Homemaker services;

   b. Chore services;

   c. Respite care;

   d. Home health aide services;

   e. Case management;

   f. Family home care;

   g. Personal attendant care;

   h. Adult family foster care;

   i. Adaptive assessment; and

   j. Other services the department determines to be essential and appropriate to sustain an individual in the individual's home and community and to delay or prevent institutional care.

SECTION 24. AMENDMENT. Subsection 2 of section 50-24.5-03 of the North Dakota Century Code is amended and reenacted as follows:

2. Provide the services described in this chapter. The county agency may contract with a ~~qualified~~ home service provider in the provision of those services."

Page 12, after line 3, insert:

"**SECTION 26. EFFECTIVE DATE.** Sections 15, 18, 19, 20, 21, 23, and 24 of this Act become effective July 1, 2008."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
DHS - Management			
Total all funds	$44,098,190	$0	$44,098,190
Less estimated income	23,085,165		23,085,165
General fund	$21,013,025	$0	$21,013,025
DHS - Program and Policy			
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
DHS - State Hospital			
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
DHS - Developmental Center			
Total all funds	$48,456,612	$0	$48,456,612
Less estimated income	33,243,690		33,243,690
General fund	$15,212,922	$0	$15,212,922
DHS - Northwest HSC			
Total all funds	$7,525,581	$20,375	$7,545,956
Less estimated income	3,136,258		3,136,258
General fund	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC			
Total all funds	$16,842,742	$45,571	$16,888,313
Less estimated income	7,917,967		7,917,967
General fund	$8,924,775	$45,571	$8,970,346
DHS - Lake Region HSC			
Total all funds	$9,853,344	$29,754	$9,883,098
Less estimated income	4,417,334		4,417,334
General fund	$5,436,010	$29,754	$5,465,764
DHS - Northeast HSC			
Total all funds	$22,192,605	$37,861	$22,230,466
Less estimated income	12,256,322	4,165	12,260,487
General fund	$9,936,283	$33,696	$9,969,979
DHS - Southeast HSC			
Total all funds	$26,145,474	$61,321	$26,206,795
Less estimated income	14,296,599		14,296,599
General fund	$11,848,875	$61,321	$11,910,196
DHS - South Central HSC			
Total all funds	$14,741,738	$39,527	$14,781,265
Less estimated income	6,450,546	10,277	6,460,823
General fund	$8,291,192	$29,250	$8,320,442
DHS - West Central HSC			
Total all funds	$20,768,172	$45,769	$20,813,941
Less estimated income	10,327,232	16,477	10,343,709
General fund	$10,440,940	$29,292	$10,470,232
DHS - Badlands HSC			
Total all funds	$9,848,996	$14,054	$9,863,050
Less estimated income	4,845,616	140	4,845,756
General fund	$5,003,380	$13,914	$5,017,294
Bill Total			
Total all funds	$1,817,398,360	$41,107,960	$1,858,506,320
Less estimated income	1,238,880,594	24,283,507	1,263,164,101
General fund	$578,517,766	$16,824,453	$595,342,219

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$25,593,565	$75,046	$25,668,611
Operating expenses	65,561,106	795,831	66,356,937
Capital assets	399		399
Grants	339,435,262	2,341,461	341,776,723
Grants - Medical assistance	1,101,375,452	37,433,908	1,138,809,360
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
FTE	230.30	1.00	231.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **Program and Policy - Senate Changes:**				
Economic Assistance Policy Program No changes				
Child Support Program No Changes				
Medical Services Program Adds funding to provide a 4 percent annual inflationary increase for medical services providers. The executive budget provided a 3 percent annual inflationary increase.		$1,545,512	$3,127,127	$4,672,639
Adds funding for grants - Medical assistance to increase medically needy income levels from 61 to 83 percent of poverty beginning July 2007		2,529,690	4,493,325	7,023,015
Adds funding for grants - Medical assistance to provide for continuous Medicaid eligibility for children under 19 years of age who are either categorically needy or optionally categorically needy beginning January 2008. A section is added that the department monitor the additional expenditures resulting from this change, report to an interim legislative committee on the status of these expenditures, and turn back to the general fund any unused appropriation authority.		2,281,110	4,051,789	6,332,899
Adds funding for increasing Medicaid eligibility for children under 19 years of age to 133 percent of poverty and the children's health insurance program net income eligibility to 150 percent of poverty in accordance with provisions of House Bill No. 1463		833,039	701,775	1,534,814
Adds funding for the children's health insurance program to make policies relating to disregards similar to the Medicaid program		393,005	1,165,922	1,558,927
Adds operating expense funding for providing additional outreach relating to the children's health insurance program. A section of legislative intent is added that the department provide this funding to an entity that focuses on statewide community health care initiatives and issues.		114,201	338,799	453,000
Adds salaries and wages funding for 1 additional FTE position for administration of the children's health insurance program	1.00	18,919	56,127	75,046
Removes funding added in the executive budget for registering and conducting background checks on certified nurse aides		(75,081)	(225,176)	(300,257)
Long-Term Care Program Adds funding to provide a 4 percent annual inflationary increase for long-term care service providers. The executive budget provided a 3 percent annual inflationary increase.		3,075,412	5,011,150	8,086,562
Adds funding for grants - Medical assistance to provide that home service providers be paid using a fee-for-service method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases, for each 15-minute unit of service be as follows: Agency home service provider - $4.50 Individual home service provider - $3.16 Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate.		2,154,808	1,983,921	4,138,729
Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by $5 per month, from $50 to $55, beginning July 1, 2007. Of the estimated income amount, $170,500 is from the health care trust fund.			499,850	499,850
Adds funding to provide for the transition of selected Developmental Center residents to community programs		900,000	1,598,612	2,498,612

Adds funding for grants - Medical assistance for increasing payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children		300,000	532,871	832,871
Adds funding for grants - Medical assistance for increasing payment rates for facilities serving children with behavioral challenges		200,000	355,247	555,247
Aging Services Program No changes				
Children and Family Services Program Adds funding to provide a 4 percent annual inflationary increase for children and family service providers. The executive budget provided a 3 percent annual inflationary increase.		284,277	561,109	845,386
Adds grants funding to provide a total of $500,000 from the general fund for the Children's Advocacy Centers in Bismarck and Fargo		400,000		400,000
Adds funding for grants for the Healthy Families program - A home visitation program for newborns and their parents		300,000		300,000
Mental Health and Substance Abuse Program Adjusts funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		(9,600)		(9,600)
Adds operating expenses funding for increasing the department's contract for substance abuse treatment services at the Robinson Recovery Center prior to any inflationary or other legislative increases		134,000		134,000
Developmental Disabilities Council No changes				
Disabilities Program Adds funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		14,506		14,506
Adds grants funding to supporting and maintaining assistive technology services for the elderly and disabled provided through the interagency program for assistive technology		500,000		500,000
Adds grants funding to provide a total of $1,631,457, of which $796,040 is from the general fund for the centers for independent living		500,000		500,000
Total Senate Changes - Program and Policy	1.00	$16,393,798	$24,252,448	$40,646,246

Other Changes Affecting Program and Policy Programs:

Sections are added that:

- Provide legislative intent that the department estimate the costs of rebasing Medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the Appropriations Committees during the 2009 legislative session.
- Specify the use of the additional $700,000 from the general fund added in the executive budget for methamphetamine treatment services for increasing the contract with the Robinson Recovery Center to provide treatment services to more individuals.
- Provide for a Legislative Council study of the use of local property tax revenue to finance the delivery of human services on an individual county basis.
- Amend North Dakota Century Code Section 50-24.4-15 to change the nursing home property cost values relating to assets acquired as a result of a natural disaster.
- Change the statutory name of qualified service providers to home service providers beginning July 1, 2008.

Senate Bill No. 2012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Traditional	$52,371,738		$52,371,738
Secure	12,587,384		12,587,384
Institutions		$167,482	167,482
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
FTE	465.01	1.50	466.51

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] **State Hospital - Senate Changes:**				
Adds funding for increasing security in the secure services unit	1.50	$167,482	$0	$167,482

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC	8,924,775	45,571	8,970,346
DHS - Lake Region HSC	5,436,010	29,754	5,465,764
DHS - Northeast HSC	9,936,283	33,696	9,969,979
DHS - Southeast HSC	11,848,875	61,321	11,910,196
DHS - South Central HSC	8,291,192	29,250	8,320,442
DHS - West Central HSC	10,440,940	29,292	10,470,232
DHS - Badlands HSC	5,003,380	13,914	5,017,294
Total general fund	$64,270,778	$263,173	$64,533,951

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	$4,165	12,260,487
DHS - Southeast HSC	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	10,277	6,460,823
DHS - West Central HSC	10,327,232	16,477	10,343,709
DHS - Badlands HSC	4,845,616	140	4,845,756
Total other funds	$63,647,874	$31,059	$63,678,933

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$7,525,581	$20,375	$7,545,956
DHS - North Central HSC	16,842,742	45,571	16,888,313
DHS - Lake Region HSC	9,853,344	29,754	9,883,098
DHS - Northeast HSC	22,192,605	37,861	22,230,466
DHS - Southeast HSC	26,145,474	61,321	26,206,795
DHS - South Central HSC	14,741,738	39,527	14,781,265
DHS - West Central HSC	20,768,172	45,769	20,813,941
DHS - Badlands HSC	9,848,996	14,054	9,863,050
Total all funds	$127,918,652	$294,232	$128,212,884
FTE	838.73	0.00	838.73

[1] Adds funding to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase. The increases by human service center include:

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$20,375		$20,375
North Central	45,571		45,571
Lake Region	29,754		29,754
Northeast	33,696	$4,165	37,861
Southeast	61,321		61,321
South Central	29,250	10,277	39,527
West Central	29,292	16,477	45,769
Badlands	13,914	140	14,054
Total	$263,173	$31,059	$294,232

Date: 2/13/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 78036.0116. Title

Action Taken do pass on Bill as amended ~~on Bill~~.

Motion Made By Christmann Seconded By Mathern

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Kilzer

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

REPORT OF STANDING COMMITTEE

SB 2012: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to provide statements of legislative intent; to provide for a legislative council report; to provide for a legislative council study;"

Page 1, line 4, after the second comma insert "26.1-45-13,"

Page 1, line 5, after "50-06-01.4" insert ", subsection 6 of section 50-06.2-02, subsection 5 of section 50-06.2-03, subsection 3 of section 50-06.2-04, sections 50-06.2-06 and 50-24.4-15, subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03"

Page 1, line 6, replace "and" with a comma

Page 1, line 7, after "services" insert ", qualified service providers, and to nursing home property-related costs" and remove "and"

Page 1, line 8, after "children" insert "; and to provide an effective date"

Page 3, line 4, replace "Base level" with "Adjustments/enhancements"

Page 3, line 5, replace "Base level" with "Adjustments/enhancements"

Page 3, line 6, replace "Base level" with "Adjustments/enhancements"

Page 3, line 9, replace "2,781,084" with "2,856,130"

Page 3, line 10, replace "25,780,421" with "26,576,252"

Page 3, line 12, replace "6,596,812" with "8,938,273"

Page 3, line 13, replace "95,019,114" with "132,453,022"

Page 3, line 14, replace "Base level" with "Adjustments/enhancements" and replace "130,143,966" with "170,790,212"

Page 3, line 15, replace "Base level" with "Adjustments/enhancements" and replace "67,877,108" with "92,129,556"

Page 3, line 16, replace "Base level" with "Adjustments/enhancements" and replace "62,266,858" with "78,660,656"

Page 3, line 19, replace "173,279" with "193,654"

Page 3, line 20, replace "1,495,051" with "1,540,622"

Page 3, line 21, replace "709,912" with "739,666"

Page 3, line 22, replace "1,609,474" with "1,647,335"

Page 3, line 23, replace "2,379,710" with "2,441,031"

Page 3, line 24, replace "2,545,091" with "2,584,618"

Page 3, line 25, replace "2,180,703" with "2,226,472"

Page 3, line 26, replace "607,598" with "621,652"

Page 3, line 27, replace "17,041,951" with "17,209,433"

Page 3, line 29, replace "34,774,099" with "35,235,813"

Page 3, line 30, replace "4,431,229" with "4,462,288"

Page 3, line 31, replace "30,342,870" with "30,773,525"

Page 4, line 1, replace "94,096,292" with "110,920,745"

Page 4, line 2, replace "43,239,761" with "67,523,268"

Page 4, line 3, replace "137,336,053" with "178,444,013"

Page 4, line 15, remove "- Base level"

Page 4, line 16, remove "- Base level"

Page 4, line 17, remove "- Base level"

Page 4, line 20, replace "25,593,565" with "25,668,611"

Page 4, line 21, replace "65,561,106" with "66,356,937"

Page 4, line 23, replace "339,435,262" with "341,776,723"

Page 4, line 24, replace "1,101,375,452" with "1,138,809,360"

Page 4, line 25, remove "- Base level" and replace "1,531,965,784" with "1,572,612,030"

Page 4, line 26, remove "- Base level" and replace "1,103,015,555" with "1,127,268,003"

Page 4, line 27, remove "- Base level" and replace "428,950,229" with "445,344,027"

Page 4, line 30, replace "7,525,581" with "7,545,956"

Page 4, line 31, replace "16,842,742" with "16,888,313"

Page 5, line 1, replace "9,853,344" with "9,883,098"

Page 5, line 2, replace "22,192,605" with "22,230,466"

Page 5, line 3, replace "26,145,474" with "26,206,795"

Page 5, line 4, replace "14,741,738" with "14,781,265"

Page 5, line 5, replace "20,768,172" with "20,813,941"

Page 5, line 6, replace "9,848,996" with "9,863,050"

Page 5, line 7, replace "64,959,122" with "65,126,604"

Page 5, line 9, replace "241,334,386" with "241,796,100"

Page 5, line 10, replace "112,779,874" with "112,810,933"

Page 5, line 11, replace "128,554,512" with "128,985,167"

Page 5, line 12, replace "578,517,766" with "595,342,219"

Page 5, line 13, replace "1,238,880,594" with "1,263,164,101"

Page 5, line 14, replace "1,817,398,360" with "1,858,506,320"

Page 5, after line 26, insert:

"**SECTION 5. CONTINUOUS MEDICAID ELIGIBILITY FOR CHILDREN - REPORT TO LEGISLATIVE COUNCIL - LIMIT ON USE OF UNSPENT GENERAL FUND APPROPRIATIONS.** The department of human services shall monitor expenditures relating to allowing continuous medicaid eligibility for children under nineteen years of age for the biennium beginning July 1, 2007, and ending June 30, 2009. The department shall provide periodic reports on the status of these expenditures to the legislative council. The department may not spend any unused general fund appropriation authority resulting from these expenditures being less than appropriated for other purposes.

SECTION 6. LEGISLATIVE INTENT - ESTIMATED COST OF REBASING MEDICAID INPATIENT HOSPITAL PAYMENT RATES. It is the intent of the sixtieth legislative assembly that the department of human services, during the 2007-08 interim, determine the estimated cost of rebasing medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the appropriations committees of the sixty-first legislative assembly.

SECTION 7. METHAMPHETAMINE TREATMENT SERVICES. The department of human services shall use the $700,000 from the general fund included in the operating expenses line item in subdivision 2 of section 3 of this Act for increasing the number of individuals receiving treatment services under contract with the Robinson recovery center for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND. The estimated income line item in subdivision 2 of section 3 of this Act includes $170,500 from the health care trust fund. The department of human services expenditures from this fund may not exceed this amount for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 9. LEGISLATIVE INTENT - STATE CHILDREN'S HEALTH INSURANCE PROGRAM. The funding appropriated in subdivision 2 of section 3 of this Act includes $453,000 for a state children's health insurance program outreach program. It is the intent of the sixtieth legislative assembly that the department of human services provide this funding to an entity that focuses on statewide community health care initiatives and issues.

SECTION 10. LEGISLATIVE COUNCIL STUDY - USE OF PROPERTY TAX REVENUE FOR COUNTY HUMAN SERVICES PROGRAMS. The legislative council shall consider studying, during the 2007-08 interim, the use of local property tax revenue to finance the delivery of human services on an individual county basis. The legislative council shall report its findings and recommendations, together with any

legislation required to implement the recommendations, to the sixty-first legislative assembly."

Page 9, after line 27, insert:

"**SECTION 15. AMENDMENT.** Section 26.1-45-13 of the North Dakota Century Code is amended and reenacted as follows:

26.1-45-13. ~~Qualified~~ Home service providers. Any insurance company providing long-term care coverage for home and community-based services shall pay a provider meeting ~~qualified~~ home service provider standards a daily payment allowance as defined in the policy or certificate. "~~Qualified~~ Home service provider" means a county agency or independent contractor that agrees to meet standards for personal attendant care service as established by the department of human services."

Page 12, after line 2, insert:

"**SECTION 18. AMENDMENT.** Subsection 6 of section 50-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

6. "~~Qualified~~ Home service provider" means a county agency or independent contractor which agrees to meet standards for service and operations established by the state agency.

SECTION 19. AMENDMENT. Subsection 5 of section 50-06.2-03 of the North Dakota Century Code is amended and reenacted as follows:

5. Within the limits of legislative appropriations and at rates determined payable by the state agency, to pay ~~qualified~~ home service providers, which meet standards for services and operations, for the provision of the following services as defined in the comprehensive human services plan which are provided to individuals who, on the basis of functional assessments, income, and resources, are determined eligible for the services in accordance with rules adopted by the state agency:

   a. Homemaker services;

   b. Chore services;

   c. Respite care;

   d. Home health aide services;

   e. Case management;

   f. Family home care;

   g. Personal attendant care;

   h. Adult family foster care; and

   i. Such other services as the state agency determines to be essential and appropriate to sustain individuals in their homes and in their communities and to delay or prevent institutional care.

SECTION 20. AMENDMENT. Subsection 3 of section 50-06.2-04 of the North Dakota Century Code is amended and reenacted as follows:

3. To make available the human services detailed in the comprehensive human services plan which the county agency has included in the approved county plan and to provide such other human services as the county agency determines essential in effectuating the purposes of this chapter within the county. To the extent funding is available under section 50-06.2-03 and chapter 50-24.1, the county plan must include the services enumerated in those sections. The county agency shall make these services available to any individual requesting service and determined eligible on the basis of functional assessment. The individual shall pay for the services in accordance with a fee scale based on family size and income. The county agency may contract with any ~~qualified~~ home service provider in its provision of those enumerated services.

SECTION 21. AMENDMENT. Section 50-06.2-06 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-06. Freedom of choice. Each person eligible for services under this chapter, or the person's representative, must be free to choose among available ~~qualified~~ home service providers that offer competitively priced services. The county agency shall inform each eligible applicant for services, provided under this chapter, of the identity of ~~qualified~~ home service providers available to provide the service required by the applicant. The county agency shall make and document reasonable efforts to inform potential service providers of the anticipated need for services in the county.

SECTION 22. AMENDMENT. Section 50-24.4-15 of the North Dakota Century Code is amended and reenacted as follows:

50-24.4-15. Property-related costs.

1. The department shall include in the ratesetting system for nursing homes a payment mechanism for the use of real and personal property which provides for depreciation and related interest costs. The property cost payment mechanism must:

   a. Recognize the valuation basis of assets acquired in a bona fide transaction as an ongoing operation after July 1, 1985, limited to the lowest of:

      (1) Purchase price paid by the purchaser;

      (2) Fair market value at the time of sale; or

      (3) Seller's cost basis, increased by one-half of the increase in the consumer price index for all urban consumers (United States city average) from the date of acquisition by the seller to the date of acquisition by the buyer, less accumulated depreciation.

   b. Recognize depreciation on land improvements, buildings, and fixed equipment acquired, as an ongoing operation over the estimated useful remaining life of the asset as determined by a qualified appraiser.

   c. Recognize depreciation on movable equipment acquired as an ongoing operation after August 1, 1995, over a composite remaining useful life.

d. Provide for an interest expense limitation determined by the department and established by rule.

e. Establish a per bed property cost limitation considering single and double occupancy construction.

f. Recognize increased lease costs of a nursing home operator to the extent the lessor has incurred increased costs related to the ownership of the facility, the increased costs are charged to the lessee, and the increased costs would be allowable had they been incurred directly by the lessee.

g. Recognize any mandated costs, fees, or other moneys paid to the attorney general through transactions under sections 10-33-144 through 10-33-149.

2. For rate years beginning after December 31, 2003, the limitations of paragraph 3 of subdivision a of subsection 1 do not apply to the valuation basis of assets purchased between July 1, 1985, and July 1, 2000. The provisions of this subsection may not be applied retroactively to any rate year before July 1, 2005.

3. For rate years beginning after December 31, 2007, the limitations of subdivision e of subsection 1 do not apply to the valuation basis of assets acquired as a result of a natural disaster before December 31, 2006. The provisions of this subsection may not be applied retroactively to any rate year before January 1, 2008.

SECTION 23. AMENDMENT. Subsection 4 of section 50-24.5-02 of the North Dakota Century Code is amended and reenacted as follows:

4. Pay ~~qualified~~ home service providers at rates determined by the department, within the limits of legislative appropriation, for the provision of the following services provided to an eligible beneficiary to the extent that the eligible beneficiary lacks income sufficient to meet the cost of these services:

   a. Homemaker services;

   b. Chore services;

   c. Respite care;

   d. Home health aide services;

   e. Case management;

   f. Family home care;

   g. Personal attendant care;

   h. Adult family foster care;

   i. Adaptive assessment; and

j. Other services the department determines to be essential and appropriate to sustain an individual in the individual's home and community and to delay or prevent institutional care.

SECTION 24. AMENDMENT. Subsection 2 of section 50-24.5-03 of the North Dakota Century Code is amended and reenacted as follows:

2. Provide the services described in this chapter. The county agency may contract with a ~~qualified~~ home service provider in the provision of those services."

Page 12, after line 3, insert:

"**SECTION 26. EFFECTIVE DATE.** Sections 15, 18, 19, 20, 21, 23, and 24 of this Act become effective July 1, 2008."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
DHS - Management			
Total all funds	$44,098,190	$0	$44,098,190
Less estimated income	23,085,165		23,085,165
General fund	$21,013,025	$0	$21,013,025
DHS - Program and Policy			
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
DHS - State Hospital			
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
DHS - Developmental Center			
Total all funds	$48,456,612	$0	$48,456,612
Less estimated income	33,243,690		33,243,690
General fund	$15,212,922	$0	$15,212,922
DHS - Northwest HSC			
Total all funds	$7,525,581	$20,375	$7,545,956
Less estimated income	3,136,258		3,136,258
General fund	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC			
Total all funds	$16,842,742	$45,571	$16,888,313
Less estimated income	7,917,967		7,917,967
General fund	$8,924,775	$45,571	$8,970,346
DHS - Lake Region HSC			
Total all funds	$9,853,344	$29,754	$9,883,098
Less estimated income	4,417,334		4,417,334
General fund	$5,436,010	$29,754	$5,465,764
DHS - Northeast HSC			
Total all funds	$22,192,605	$37,861	$22,230,466
Less estimated income	12,256,322	4,165	12,260,487
General fund	$9,936,283	$33,696	$9,969,979
DHS - Southeast HSC			
Total all funds	$26,145,474	$61,321	$26,206,795
Less estimated income	14,296,599		14,296,599
General fund	$11,848,875	$61,321	$11,910,196
DHS - South Central HSC			
Total all funds	$14,741,738	$39,527	$14,781,265
Less estimated income	6,450,546	10,277	6,460,823

General fund	$8,291,192	$29,250	$8,320,442
DHS - West Central HSC			
Total all funds	$20,768,172	$45,769	$20,813,941
Less estimated income	10,327,232	16,477	10,343,709
General fund	$10,440,940	$29,292	$10,470,232
DHS - Badlands HSC			
Total all funds	$9,848,996	$14,054	$9,863,050
Less estimated income	4,845,616	140	4,845,756
General fund	$5,003,380	$13,914	$5,017,294
Bill Total			
Total all funds	$1,817,398,360	$41,107,960	$1,858,506,320
Less estimated income	1,238,880,594	24,283,507	1,263,164,101
General fund	$578,517,766	$16,824,453	$595,342,219

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Salaries and wages	$25,593,565	$75,046	$25,668,611
Operating expenses	65,561,106	795,831	66,356,937
Capital assets	399		399
Grants	339,435,262	2,341,461	341,776,723
Grants - Medical assistance	1,101,375,452	37,433,908	1,138,809,360
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
FTE	230.30	1.00	231.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1] Program and Policy - Senate Changes:				
Economic Assistance Policy Program No changes				
Child Support Program No Changes				
Medical Services Program				
Adds funding to provide a 4 percent annual inflationary increase for medical services providers. The executive budget provided a 3 percent annual inflationary increase.		$1,545,512	$3,127,127	$4,672,639
Adds funding for grants - Medical assistance to increase medically needy income levels from 61 to 83 percent of poverty beginning July 2007		2,529,690	4,493,325	7,023,015
Adds funding for grants - Medical assistance to provide for continuous Medicaid eligibility for children under 19 years of age who are either categorically needy or optionally categorically needy beginning January 2008. A section is added that the department monitor the additional expenditures resulting from this change, report to an interim legislative committee on the status of these expenditures, and turn back to the general fund any unused appropriation authority.		2,281,110	4,051,789	6,332,899
Adds funding for increasing Medicaid eligibility for children under 19 years of age to 133 percent of poverty and the children's health insurance program net income eligibility to 150 percent of poverty in accordance with provisions of House Bill No. 1463		833,039	701,775	1,534,814
Adds funding for the children's health insurance program to make policies relating to disregards similar to the Medicaid program		393,005	1,165,922	1,558,927
Adds operating expense funding for providing additional outreach relating to the children's health insurance program. A section of legislative intent is added that the department provide this funding to an entity that focuses on statewide community health care initiatives and issues.		114,201	338,799	453,000

	FTE	General Fund	Other Funds	Total
Adds salaries and wages funding for 1 additional FTE position for administration of the children's health insurance program	1.00	18,919	56,127	75,046
Removes funding added in the executive budget for registering and conducting background checks on certified nurse aides		(75,081)	(225,176)	(300,257)
Long-Term Care Program				
Adds funding to provide a 4 percent annual inflationary increase for long-term care service providers. The executive budget provided a 3 percent annual inflationary increase.		3,075,412	5,011,150	8,086,562
Adds funding for grants - Medical assistance to provide that home service providers be paid using a fee-for-service method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases, for each 15-minute unit of service be as follows: Agency home service provider - $4.50 Individual home service provider - $3.16 Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate.		2,154,808	1,983,921	4,138,729
Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by $5 per month, from $50 to $55, beginning July 1, 2007. Of the estimated income amount, $170,500 is from the health care trust fund.			499,850	499,850
Adds funding to provide for the transition of selected Developmental Center residents to community programs		900,000	1,598,612	2,498,612
Adds funding for grants - Medical assistance for increasing payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children		300,000	532,871	832,871
Adds funding for grants - Medical assistance for increasing payment rates for facilities serving children with behavioral challenges		200,000	355,247	555,247
Aging Services Program No changes				
Children and Family Services Program				
Adds funding to provide a 4 percent annual inflationary increase for children and family service providers. The executive budget provided a 3 percent annual inflationary increase.		284,277	561,109	845,386
Adds grants funding to provide a total of $500,000 from the general fund for the Children's Advocacy Centers in Bismarck and Fargo		400,000		400,000
Adds funding for grants for the Healthy Families program - A home visitation program for newborns and their parents		300,000		300,000
Mental Health and Substance Abuse Program				
Adjusts funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		(9,600)		(9,600)
Adds operating expenses funding for increasing the department's contract for substance abuse treatment services at the Robinson Recovery Center prior to any inflationary or other legislative increases		134,000		134,000
Developmental Disabilities Council No changes				
Disabilities Program				
Adds funding to provide a 4 percent annual inflationary increase for the department's		14,506		14,506

contract service providers. The executive budget provided a 3 percent annual inflationary increase.				
Adds grants funding to supporting and maintaining assistive technology services for the elderly and disabled provided through the interagency program for assistive technology		500,000		500,000
Adds grants funding to provide a total of $1,631,457, of which $796,040 is from the general fund for the centers for independent living		500,000		500,000
Total Senate Changes - Program and Policy	1.00	$16,393,798	$24,252,448	$40,646,246

Other Changes Affecting Program and Policy Programs:

Sections are added that:

- Provide legislative intent that the department estimate the costs of rebasing Medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the Appropriations Committees during the 2009 legislative session.
- Specify the use of the additional $700,000 from the general fund added in the executive budget for methamphetamine treatment services for increasing the contract with the Robinson Recovery Center to provide treatment services to more individuals.
- Provide for a Legislative Council study of the use of local property tax revenue to finance the delivery of human services on an individual county basis.
- Amend North Dakota Century Code Section 50-24.4-15 to change the nursing home property cost values relating to assets acquired as a result of a natural disaster.
- Change the statutory name of qualified service providers to home service providers beginning July 1, 2008.

Senate Bill No. 2012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
Traditional	$52,371,738		$52,371,738
Secure	12,587,384		12,587,384
Institutions		$167,482	167,482
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310		15,888,310
General fund	$49,070,812	$167,482	$49,238,294
FTE	465.01	1.50	466.51

[1] **State Hospital - Senate Changes:**	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Adds funding for increasing security in the secure services unit	1.50	$167,482	$0	$167,482

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC	8,924,775	45,571	8,970,346
DHS - Lake Region HSC	5,436,010	29,754	5,465,764
DHS - Northeast HSC	9,936,283	33,696	9,969,979
DHS - Southeast HSC	11,848,875	61,321	11,910,196
DHS - South Central HSC	8,291,192	29,250	8,320,442
DHS - West Central HSC	10,440,940	29,292	10,470,232
DHS - Badlands HSC	5,003,380	13,914	5,017,294
Total general fund	$64,270,778	$263,173	$64,533,951

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	$4,165	12,260,487
DHS - Southeast HSC	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	10,277	6,460,823
DHS - West Central HSC	10,327,232	16,477	10,343,709
DHS - Badlands HSC	4,845,616	140	4,845,756
Total other funds	$63,647,874	$31,059	$63,678,933

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES [1]	SENATE VERSION
DHS - Northwest HSC	$7,525,581	$20,375	$7,545,956
DHS - North Central HSC	16,842,742	45,571	16,888,313
DHS - Lake Region HSC	9,853,344	29,754	9,883,098
DHS - Northeast HSC	22,192,605	37,861	22,230,466
DHS - Southeast HSC	26,145,474	61,321	26,206,795
DHS - South Central HSC	14,741,738	39,527	14,781,265
DHS - West Central HSC	20,768,172	45,769	20,813,941
DHS - Badlands HSC	9,848,996	14,054	9,863,050
Total all funds	$127,918,652	$294,232	$128,212,884
FTE	838.73	0.00	838.73

[1] Adds funding to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase. The increases by human service center include:

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$20,375		$20,375
North Central	45,571		45,571
Lake Region	29,754		29,754
Northeast	33,696	$4,165	37,861
Southeast	61,321		61,321
South Central	29,250	10,277	39,527
West Central	29,292	16,477	45,769
Badlands	13,914	140	14,054
Total	$263,173	$31,059	$294,232

2007 HOUSE APPROPRIATIONS

SB 2012

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 21, 2007 - Time: 9 am

Recorder Job Number: 3516

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Allen Knudson, Legislative Council, gave an explanation on the "Analysis of Changes to the Governor's Budget." (Copy of booklet attached)

Carol Olson, Executive Director of Human Services, testified. (Written testimony provided) Questions were answered regarding the MMIS schedule to be completed July, 2009 … other drugs in ND - alcohol being No. 1 … whether sex offender unit switched.

Brenda Weisz, Chief Financial Officer for the DHS, gave an overview of the 2007-09 budget request along with the fiscal impact of SB 2024. (Written testimony attached) She explained the three distinct policy changes which are reflected in the numbers.

Questions and answers were given regarding child support payments uncollected ... where provider assessment comes from ... Percent taxing now at 6.

Brenda continued with explanation on the Executive Budget. Refer: 45:00. Questions and answers regarding 1% reduction ... Senate appropriated money to Robinson Recovery Center ...home and community based services. Brenda referred to the attachments on the back of her written testimony and explained the difference for DD grants. She explained the changes of the Summary of Senate Action on Attachment C. The OARs were reviewed on Attachment D. Questions and answers regarding the adjustments. Overall Senate Changes totaled $41,107,960.

Chairman Pollert inquired as to what part of the 10 million equity does the DHS get.

Allen Knudson stated the tentative plan was 3.2 million to DHS - 1.6 million from the General Fund.

Brenda stated in response to **Chairman Pollert** inquiry that there would be 6.9 million turn back and explained. She continued to explain the OARs on Attachment D. Referred to Attachment E to show where the money goes.

Brenda gave the handouts **"Changes in Major Department Grants", "Comparison of Current 2005-07 Budget to 2007-09 Budget to Senate", and "2007 Legislative Session Bill."** A summary was given of each sheet. (Attached)

Recess until 11 am.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 21, 2007 - Time: 11 am

Recorder Job Number: 3588

Committee Clerk Signature Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Blaine Nordwall, Director of Economic Assistance Policy Division, of DHS, began his testimony with an overview of the budget area of Economic Assistance. (Written testimony provided) He stated that his remarks and all of the staff's testimony appear on the department's website at www.nd.gov. Questions and answers during his testimony regarding

work activity definition … how long a person can be in a program … request for chart numbers of people in programs for 5 years.

Chairman Pollert acknowledged and welcomed the **Linton High School students**.

Blaine Nordwall continued with his overview on Basic Care Assistance, Child Care Assistance, Food Stamps, Energy Assistance, and TANF with the major program changes and challenges. An overview of Budget Changes, Budget Changes from Current Budget to Executive Budget, and the Senate Changes. Questions and answers during his testimony regarding alternatives to abortion … increase in general funds … JOBS transportation … capital assets … bonds being paid off … TANF in Rolette County.

Adjournment until 2 pm this afternoon.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 21, 2007 - Time: 2 pm

Recorder Job Number: 3614

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Mike Schwindt, Child Support Enforcement Program Director, DHS, testified presenting an overview of the CSE program. (Written testimony and copies of articles from The Forum are attached) Questions and answers during his testimony regarding IV-D … fees for non IV-D cases … funding for Rainbow Bridge Exchange programs - what other states are doing …

benchmark in support payments … SB 2205 explained … change in using Social Security numbers … arrears in collections.

Maggie Anderson, Director of Medical Services, DHS, provided testimony. (Written testimony on the Long-Term Care Continuum overview) Maggie began the overview describing Attachment C and Attachment D - Healthy Steps enrollment has increased since the beginning of biennium. Sections 11-14, 16-17 of SB 2012 outline changes to move CSHS to the DOH. Dual eligibility was explained - persons qualifying for both Medicare and Medicaid. As of July '06, an individual must provide document of citizenship and identity (Deficit Reduction Act). The Budget Changes were reviewed from current budget to executive budget (see chart page 5). Claw back payment is in this budget. Referred to Attachement E. (Refer: 52:45)

Maggie continued with reference Attachment E-1. It was rebates are so far behind, it's still showing a savings. The phased-down contribution is also causing the cost projections. Brand new medication costs are increasing for Medicaid. It is difficult to compare past and current growth rates because of past Part D era. Healthy Steps request is $19.7 million.
An explanation of "Healthy Steps" was it is a stand-alone program. It is the equivalent of a managed case program.

Maggie referred to Attachments E and F and were explained. The Senate Changes were reviewed. Questions and answers regarding how 83% was chosen … why emphasis on children's areas.

Maggie gave a handout on her testimony on Long-Term Care Continuum Budget. (Attached) She explained long-term care covers nursing facilities, basic care facilities and home and community-based services programs. Refer: 082:25 Maggie explained SPED and Expanded SPED (alternative to the Basic Care Assistance program) Program Trends were reviewed.

Questions were asked about the 77% occupancy ... average length of stay ... reluctance to transfer beds ... listing of nursing facilities in the state. Information to be provided. Attachment A reviewed.

Basic Care was explained and questions were answered regarding responsibility in inspections of LTC facilities.

Home and Community Based Services were described.

Developmental Disabilities was reviewed with questions and answers regarding study done showing why ND ranks #1 in country for placement in residential - ND doing a good job. Reference to Attachment B.

Questions and answers regarding increasing life span for developmentally disabled ,,, request for history of DV providers and rankings of other states ... limitations on SPED and ExSPED.

Maggie continued with an Overview of Budget Changes. Referred to Attachment C. Reviewed Home and Community Based Care Services (page 8 of her written testimony). Net change is a decrease of .9 million - services were added to the budget for the aged and disabled waiver - SPED budget reflects decrease in cases - ExSPED has 125 currently receiving services.

Developmental Disabilities section was reviewed. There have been increases of $55.8 million from changes in caseload, cost changes, inflation and increase for DD staff.

Senate Changes were reviewed with questions regarding personal care allowance and average QSP salary with information to be forthcoming.

Brenda Weisz stated the quarterly budget insight would be documented on the website and explained how to access the information.

Meeting adjourned.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 22, 2007 - Time: 8:30 am

Recorder Job Number: 3268

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Tom Wallner, Executive Director of the North Dakota State council on Developmental Disabilities, testified pertaining to the DD Council's Budget request. (Written testimony provided) Questions and answers regarding retirement … autism services in Fargo … grants being cut.

Linda Wright, Director of Aging Services Division, gave an overview of the Aging Services Division budget. (Written testimony attached) Questions and discussion regarding people using aging services ... income levels for services - people over 60 ... difference between QSPs and Long-Term Care persons ... 1200 QSPs in state - average salary $9.92 per hr. ($2.48 per 15 min.) ... mileage paid ... travel out in rural areas ... Department of Transportation funding ... proposed amendment to SB 2012 ... match requirement of Transportation funds.

Brenda Weisz stated $300,000 a year from the Older Americans Act through the Department of Transportation is focused on meal delivery.

Linda Wright explained the handout of the proposed amendment to SB 2012 (attached). Questions and discussion regarding the guardianship rates ...shifting funds ... $40,000 sum.

Linda Wright continued with the explanation on the Older Americans Act Amendments. Questions and answers regarding problems with services ... "one stop shop" model ... mix of models implemented ... county social services stigma - variety of situations ... SB 2070 - pilot project ... need system.

Linda Wright explained the Overview of Budget Changes and the Budget Changes from Current Budget to Executive Budget. Questions and answers regarding the mill levy ... outreach for Alzheimer's ... decreased federal funding and general funds.

Carol Olson, Executive Director of DHS, made a comment about ADRC single point of entry. It is a switch in the direction ND has taken in regard as to where do our seniors go as they start aging. For years, it has been our standard response to go to a nursing home. Nursing homes are very significant in the care of our senior population. The point is: we have to start figuring out a way to address the needs of our aging population as they start aging. How do we incrementally figure out a way to meet their needs as they progress through their

aging years. A single-point-of-entry will allow us to pave the road. Planning to put together a structure. Single-point-of-entry will be map that our aging population can follow. It will be a balancing of our funding. Carol mentioned she will be calling Senator Conrad regarding getting money for ADRC.

Questions and discussion followed regarding philosophy changing regarding nursing homes … counties handling "single-point-of-entry" … task force working with counties … Human Services income increased in the last biennium by 70 million dollars - with the Senate changes the increase is to $115 million and still the counties say they have more increased costs.

Adjournment for a break.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 22, 2007 - Time: 10 am

Recorder Job Number: 3698

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Paul Ronningen, Director, Children and Family Services, provided an overview of the Division of Children and Family Services. (Written testimony) During his presentation, there were questions and answers on when a "kid" is at risk - community reports … adoption of a child being "spendy" in ND - … refugee services after 9-11 - numbers dropping off … capacity of refugee resettlement … numbers on child abuse and severity with "infusion of meth" … state

hospital does provide beds ... 18 children placed out of state ... out-of-state facilities ... number of children placed compared to other states ... number of foster children in a year ... Cass County Funds ... Federal IV-E Audit ... women with children under age 6 data.

Paul Ronningen continued with the Overview of Budget Changes with the salaries and wages explained. There were questions and discussion regarding retirement affecting salary requirements ... unexpected sick leave ... flexibility ... reference to SB 2186 ... amount appropriated in budget.

Paul Ronningen reviewed Attachment A. Questions and answers regarding the guidelines for subsidized adoption ... reimbursement to counties ... refugee payments ... 4 million budgeted - period of time spread ... TANF program assistance.

JoAnne Hoesel, Division Director, Mental Health and Substance Abuse, testified. (Written testimony provided) An overview of the Division of Mental Health & Substance Abuse Services was given. Questions and answers were discussed during her testimony regarding PRTFs - one step down from inpatient hospital care ... dollars spent on meth and alcohol ratio ... treatment and prevention costs differ ... MATRIX treatment ... success ratio of programs - Robinson and Tompkins ... statistical analysis of mental illness recoveries ...

JoAnne referred to handouts **"What are the Average Costs of Substance Abuse Treatment in the Public Sector in North Dakota?" and "Trends in Admissions and Primary Substance of Abuse at the Regional Human Service Centers. Also given were "Matrix Model" and "IDDT-Integrated Dual Disorder Treatment."** (copies attached)

JoAnne continued her testimony with the Overview of Budget Changes and reviewed. There were questions and answers regarding 3rd party payment for substance abuse ... employee transfers.

JoAnne reviewed Operating Expenses with questions and answers regarding where persons are treated and figures of what money agencies are receiving … where is compulsive gambling program money.

JoAnne continued with Grants and Senate Changes and explained.

Yvonne Smith, Disability Services Division Director for the Department of Human Services, testified. (Copy of written testimony provided) The DSD contains three units: Developmental Disabilities, Vocational Rehabilitation, and Disability Determination Services. The department units' overviews were given. Questions and answers during her testimony ensued regarding numbers of persons injured on the job and in vocational rehabilitation … $500,000 added to grant lines and how distributed - plan developed.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 22, 2007 - Time: 2 pm

Recorder Job Number 3719

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. All division members present: **Representatives Larry Bellew, Vice Chairman, James Kerzman, Ralph Metcalf, Mary Ekstrom, Jon Nelson, Gary Kreidt, and Alon Wieland.**

Nancy McKenzie, Director of the Regional Human Service Center for the Department of Human Services, presented an overview of statewide service trends and programmatic direction in the (8) regional centers. (Written testimony provided) The committee will receive specific testimony from each of the center directors. She began with functions of the Human Service Centers and Clients Served. Questions and answers during her testimony were

discussed regarding persons who are in substance abuse treatment ... treatment of out-of-state persons ... self referred persons - where they start ... possible 3-4 human service centers directors ... outreach centers ... referrals trends - more from criminal justice ... triage system.

Nancy continued with Statewide Trends, Accomplishments, Overview of Budget Changes, Budget Changes from Current Budget to the Executive Budget, and Senate Changes. Questions regarding increased FTEs - sex offender treatment in HS centers - separate dollars ... analysis of positions needed.

Alex C. Schweitzer, Superintendent of the North Dakota State Hospital and Developmental Center of the Department of Human Services, testified giving an overview of the North Dakota State Hospital and North Dakota Developmental Center. (Written testimony attached) Alex started with the **State Hospital** and referred to attachments. Questions and answers ensued regarding whether beds in the Tompkins unit were part of the hospital unit ... number of wards ... "measuring stick" for addictions - 60% rate of recovery ... 15 persons with serious and mental illnesses ... high, high risk sex offenders and other facilities out of state with bed space ... higher rate in ND ... SB 2136 - policy bill ... number of psychiatrists ... number of FTEs ... one-time spending ... anticipated caseload.

Alex continued with Budget Changes from Current Budget to Executive Budget and answered questions regarding information on accounts receivable ... length of term for sex offenders. The **North Dakota Developmental Center** was reviewed next. Questions and answers ensued regarding the people who have died ... trend lines ... control over who comes back ... ages of patients. The Budget was explained and questions answered regarding what areas that were short of staff.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 23, 2007 - Time: 9 am

Recorder Job Number 3738

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Representatives James Kerzman, Mary Ekstrom, Jon Nelson, and Alon Wieland. Absent: Gary Kreidt, Larry Bellew and Ralph Metcalf.**
Brenda Weisz, Chief Financial Officer, for the Department of Human Services, testified giving an overview of the Administration/Support area. (Written testimony attached)
There were questions and answers regarding billing/collection practices or procedures, retirement payouts and salaries.

Doug McCrory, Assistant Director of the Information Technology Services Division of the Department of Human Services, presented an overview of the Information Technology

Services budget. (Written testimony attached) There were questions and discussion regarding staff function.

Carol Lee Adam, Quality Insurance Budget Manager on Medicaid Assistance Project, explained work details of the data entry staff.

Continued discussion with **Brenda Weisz** regarding the data entry staff ... regional automation project ... pull systems together across the state ... ITD and DOCR mesh systems - some coordination ... FTEs - where they would be used.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 26, 2007 - Time: 3 pm

Recorder Job Number 3894

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Representatives James Kerzman, Mary Ekstrom, Jon Nelson, and Alon Wieland. Absent: Gary Kreidt, Larry Bellew and Ralph Metcalf.**

Brenda Weisz, Chief Financial Officer, for the Department of Human Services, handed out **"Summary by Subdivision(OMB's Budget Level) and Budget Account Codes with Funding Sources For the 2007-2009 Biennium Budget."** An explanation was given of what would reviewed in the next couple of days.

Blaine Nordwall, Director of Economic Assistance Policy, handed out **"Economic Assistance Policy Division" organization chart.** He began a review to explain the

organization chart. Questions and answers about TANIF positions - how long vacant ... classifications ... salaries.

"Economic Assistance Grants for LIHEAP, Food Stamps, Child Care Assistance, TANF, Kinship Care" handout was given and explained. Each program change was indicated and the eligibility factors. The charts indicating the average caseload by state fiscal year for the past five years.

Questions and answers regarding qualifications for financial aid ... food stamp eligibility ... travel by motor pool ... spend down ... request for list of all grants ... temporary salaries ... re-procurement meaning ... study to save money ... requests for more information on breakdown of grants and rental leases.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 27, 2007 - Time: 8:30 am

Recorder Job Number 3918

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Representatives James Kerzman, Mary Ekstrom, Jon Nelson, and Alon Wieland, Gary Kreidt, Vice Chairman Larry Bellew and Ralph Metcalf.**

Debra McDermott, Assistance Director of Fiscal Administration, stated more information needed to be assembled and would be brought into the committee.

Blaine Nordwall, Director of Economic Assistance Policy, began with an overview on the **"Detail of Budget Account Code 582000 - Rentals/Leases"** and then the **"Detail of Budget Account Code 621000 - Operating Fees & Services."** Questions were asked regarding

about the rental cost numbers ... determining what charges to Federal and what to General ... the history of JPMorgan ... operating fee reductions ... areas to learn about human service programs.

Debra McDermott continued with an explanation on the **"Funding of Temporary Salaries"** handout. Questions were asked regarding potential savings. She continued with **"Summary by Subdivision."** Questions were asked about the salary line item.

"Grants Summary" was reviewed next and explained by **Blaine**. The first one was "Child Care" and a question was answered regarding the reason for increases or decreases.

Chairman Pollert acknowledged the Parshall High School students.

Blaine continued with Food Stamps stating there was an increase. The Indian County Allocation was reviewed. Questions asked on how it works - answer that it is limited to counties with land held in trust - allocation to those counties who have difficulty in raising property tax dollars.

Debra explained how it was calculated.

Blaine reviewed JOBS - Transportation and Kinship Care. Question was asked regarding administrative costs.

Low Income Home Energy Assistance Program explained. Questions asked about increased utilization and increased costs.

Blaine continued with Miscellaneous Grants, Nutrition Education Plan and TANF Benefit and explained. Question was asked regarding the TANF Benefit funding. **Debra** explained how the funding worked, the spending and the timing of expenditures.

A request was made for a maintenance list. Question was asked about the numbers generated. Laurie of OMB stated the agency is the expert. It was stated that the numbers had been "played with before, especially with waivers." **Debra** stated a schedule would be done.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 27, 2007 - Time: 10 am

Recorder Job Number 3959

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Mike Schwindt, Director of Child Support, gave a handout on the Child Support Division organizational chart and reviewed. (Copy attached) A question was asked about SB 2205. **Mike** handed out **"Detail of Budget Account Code 621000 - Operating Fees & Services.** (Attached) He explained the expenditures starting with the Advantage Credit Bureau and explained. The total funds amount was $2,231,101. He stated that were $258 million in

receivables accumulated over a 35-year period. Mike stated they need some help in collecting these arrears. There were questions regarding Devils Lake performance ... Federal funds.

Speaker of the House, Jeff Delzer, was present and asked a question regarding funding level - at 34% or spending more general fund dollars. **Mike** responded saying incentive money was used and stating where they were at present. Discussion on what was spent and the money in general funds. (Refer: 015:40)

Mike referred to the handout **"Comparison OCSE 157 Incentive Measures"** and explained. (Attached) Incentive payouts schedule was requested.

Mr. Speaker asked if state takes over child support, what would be the costs. In answer to the question, **Mike** explained the SB 2205 (who was involved in drafting the bill) and which reads as follows: Relating to employment of special assistant attorneys general; relating to state administration of the child support enforcement program; relating to administration of child support enforcement activities; to provide for a transfer of employees and equipment; to provide for payment and transfer of unused leave; to provide for a transfer of budgeted funds and unexpended child support incentive funds; to provide an appropriation; and to provide a continuing appropriation.

Mike stated the current structure between the counties and state has been fraught with fighting. Suggestions were made to make adjustments. Refer: 21:40

The Final Report of the Child Support Enforcement Task Force Summary of Recommendations was handed out and explained. (Copy attached) Question on the figures difference.

Mr. Speaker questioned the 122 county employees being switched to state and how they would match up on the pay grades. **Mike** explained the salaries, benefits, and pay ranges.

Discussion on the SB 2205 hearing tomorrow and discussion on what would happen if the bill passes. Questions were asked and discussion about the collective numbers ... priority ... writing off arrears ... last year's adjusted balance ... reducing debts ... using tools.

Mike handed out a **"Detail of Budget account Code 5820000 - Rental/Lease Building and Land"** sheet and **"Detail of Budget Account Code 621000 - Operating Fees & Services"** (Attached) Questions regarding increases in operating fees ... collecting receivables ... social security payments ... benefit of spending $80,000 ... federal money ... collecting child support keeps people off assistance ... postage costs ... fiscal note.

Mike reviewed the two grants and explained. Question was asked about incentives to counties.

Chairman Pollert switched over to Medical Services.

Maggie Anderson, Director, explained the personnel chart of the Medical Services Division. (Attached) Questions were answered about continuity of employees and how positions were filled - promotions within ... FTE position ... revision of salaries.

Maggie continued with Operating Fees & Services and explained each service. (Attachment) Questions were asked about 2 million increase in budget ... who handles SCHIP ... who does outreach ... spend down explanation ... "claw back payments" ... savings on Medicare Part D ... 19 million catch up with claw back ... SCHIP - $453,000 ... steering committee for SCHIP. Request for critical access hospitals list to bring to the Medicare Reimbursement Rate.

Recess.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 27, 2007 - Time: 2 pm

Recorder Job Number 4020

Committee Clerk Signature Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Maggie Anderson, Director of Medical Services, continued the budget for Medical Services reviewing SCHIP outreach and the SCHIP policy changes (State Children's Health Insurance Program or Healthy Steps). **Chairman Pollert** asked for an explanation of the 1.6 million general funds. **Maggie** stated that it was the Healthy Steps Enhancement to the policy changes. The Senate funded an OAR that the department had built with regard to these

changes. What the changes would do is to align the SCHIP policies for income disregards, more similar to Medicaid income disregards. It would be specifically in three areas. It would allow a $30 work or training disregard. There would be a $50 child support disregard and the medical insurance premium or medical expenses of the family could also be disregarded. This would cover 113 children over the course of the biennium receiving services through the Healthy Steps program. (See Attachment "Healthy Steps Enhancements")

Questions were answered regarding number of children that haven't taken advantage … number of children to be covered …poverty level … eligibility criteria of SCHIP … income disregards consistent with Medicaid … meaning of income disregards.

Maggie continued with the Traditional Medicaid (attachment) showing the 2005-2007 Appropriation, Cost Changes, Caseload/Utilization Changes/ FMAP/ 3%/3% Inflationary Increase, Total Changes, 2207-2009 to Senate, Senate Adj. 4%/4% Inflation & Other, 2007-2009 to House.

Maggie continued in answering questions about dental reimbursement (explained the new "Dental Bill") … inpatient and outpatient services … 85% fee schedule plus inflation … base year for fee schedule … rebasing.

Barb Fischer, Assistant Director of Medical Services Division, explained "rebasing" on nursing homes, and answered questions regarding rebasing of nursing homes (who equalization rates) and not hospitals.

Maggie started explaining the services beginning with **Inpatient Hospital** from the **Traditional Medicaid sheet** handout. Questions were answered regarding reimbursement for hospitals - emergency room usage … percentage of charges paid by Medicaid … emergency room coding … move to critical access reimbursement.

Outpatient Hospital was explained with questions regarding how the 3%/3% was figured … fee schedule costs … fee schedule effect on medical costs.

Physician Services will be reviewed later. **Maggie** gave the percentages of what the different medical services receive from Medicaid.

Questions were answered regarding occupational therapy … independent clinic … drug caseload utilization changes.

Maggie explained the "Healthy Steps" program cost changes, caseload changes, and cost per child.

A question was answered regarding Disease Management Program with an explanation about the new program being implemented in the near future focusing on Medicaid population disease management.

Maggie explained the **Senate Adjustments**.

Questions were asked regarding increased funding for Women's Way program and whether there is inpatient treatment.

Deb McDermott, Assistant Director of Fiscal Administration, handed out **"Inflation Scenarios 2007-2009 Budget To House"** sheet and reviewed.

Maggie continued with an explanation about Medicare and information in the "millennium report" as a result of HB 1460 to prepare a fee schedule comparing to surrounding states. (Refer: 078:18) Questions were answered regarding general funds money … Remedial Blind Program … payment of DOH survey … background checks.

Maggie returned to the Budget Sheet for Medical Services, answering and discussing with the committee specific questions regarding FTE … travel expense … rental leases … temporary salaries increase due to backlog of claims … MA grants … deleted IGT funds.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee 8:30

Hearing Date: February 28, 2007 8:30 AM

Recorder Job Number: 4068

Committee Clerk Signature

Minutes:

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Helen Bechold: I live in Grand Forks, ND. I was born in Minot, ND. I did not get to live with my parent at home because of the medical conditions. I went to Grafton when I was three years old; lived at Grafton for 30 years. Got out in 1975 and there was no choice, I had to do

what I was told. Get up, go to bed, what to eat and what not to eat; what to wear and what not to wear. I had to do a lot of work on the wards and everything. I went to school; kindergarten through 1st grade. Then I couldn't finish my schooling because I had cataracts in my eyes. After I got out of Grafton I wanted to finish my schooling so I went to Adult Learning Center, Grand Forks and I graduated and got my high school diploma and I like living in Grand Forks. I feel like I am free now and I was in Grafton I felt like I was in prison. Thank You.

Beverley Kal: I was born in Fargo. Then I was in Grafton when I was a small kid. I did like it there because people treat you like a human being. Then I was 19 I got out of there; Grafton to Grand Forks and I worked at the Holiday Inn for 16 years, but I am not working right now. I help everyone out. I have a lot of friends in the world.

Janell Regimbal: Lutheran Social Services (see testimony) ND is very fortunate to have a primary prevention program like ours and people in our community who took the initiative to have this going for the past 6 years; but now we need assistance.

Rep. Ekstrom: You mentioned there are national programs that are happening in other states. Do you know how they are funding these efforts? I agree preventive care is our best bet and great cost benefit.

Janell Regimbal: Programs across the nation are really funded in a variety of ways. They use things like tana, tobacco settlement money, private dollars; different title funds. In fact I believe one of my addends may show the information about other states and their funding forces. We have been on of the few projects that have operated as long as we have using 100% private dollars. At the national level there has been a little surprise that we have been able to carry out a program for as long as we have without any type of support from outside that realm. That is not one of them I did provide for you but I will make sure that information is available to you.

Rep. Nelson: I see you have 3 FTE workers. What is the background of your current staff? What educational background do you require?

Janell Regimbal: One of our collative group of 15 organizations did when we started this program in 2000; we spent a lot of time researching the certain models of home visitation programs because there are a number of them. We choose the Healthy Family American model because it was a model that utilized paraprofessionals. There are other models out there that use nursing staff or social worker staff, but we choose a paraprofessional model for a couple of reasons. We felt paraprofessionals with proper training would be more welcomed in the home. We work with families for three years. It is also a more cost effective way. Those that are caring on their behalf are degreed. You could consider they are over qualified for their positions. They are in a par position and paid at a par level.

Rep. Nelson: If this line was to be funded, what is your next area that you intend to go into?

Janell Regimbal: We did apply for a Federal grant this past fall and we had to decide where our expansion site would be. We choose the Bismarck-Mandan area as a second location. We have the support of Burleigh-Morton county area. A formal decision has not been made because obviously we need to have funds to expand, but that would be targeted location that we certainly consider as very valuable because of the support they have already shown.

Rep. Nelson: If there is any federal money that can be leveraged what about around some reservations as well. Is that a possibility?

Janell Regimbal: We weren't successful in our bid for the federal grant that I mentioned. It was a very competitive process; there was only a hand full of grants funded across the nation. Our's was not one that was chosen. We will continue to watch and apply for those opportunities.

Rep. Ekstrom: How do people find out about your services.

Janell Regimbal: When we first started our program we began serving just at birth so all our clients were referred to at the time of birth through a screening process that our health care providers do. We have now started to work with prenatal and health care providers as well as county social services because often those parents may come in an apply for assistance.

Rep. Kerzman: Looks like a lot of states that work with families and try to encourage them to carry health coverage so what do you do if they are uninsured or underinsured? How do you encourage them to examinations and prenatal checks and stuff?

Janell Regimal: Having that long term relationship with our families we make sure they excess the types of things that they can to make sure their children are covered. Most of the time they are eligible for services. Many of the families that we work with are families in poverty. We might notice that hardly anyone that leaves our program is enrolled in TANA. They are self sufficient. Through their work place they are able to get health insurance and employee assistance programs and those kinds of things.

Shari Doe: Director of Burleigh County Social Services: I stand in support of expansion of the Healthy Families Program. It could be a good thing for our county. As you know Burleigh County does all the children protection and assessment work that is being done in this county. We go in at the worst possible time and a program like Healthy Families can go in and make a difference so I just wanted to lend my support publicly for that program.

Rep. Nelson: With the funding the Senate provide; the $300,000; what would that amount of money, what would that do for you?

Shari Doe: Without the additional money they would not be able to expand to Bismarck as far as I understand.

Rep. Ekstrom: You come at the worst time. Generally speaking these children are being referred to you by health care professionals at the emergency room. Give me a range of where those referrals are coming from.

Sheri Doe: We get reports from all over the community. Primary from schools, law enforcement and health care.

Anna Johnson: Sharehouse Director of Operations, Robinson Recovery Center (see testimony).

Rep. Kerzman: We hear a lot about this Metric's Model from Los Angels. Can you put it in layman's terms, what that involves or how does it work. Is it based like the step process in AA?

Anna Johnson: The Metric Model addresses the amount of brain damage that the meth addicts experiences. Not only are they utilizing one best practice but they are utilizing several best practice techniques. In layman's terms here is a piece of paper and this is what I am going to cover today in group. I am giving you this piece of paper. I want you to answer these two questions. I first want you to answer them verbally and then I want you to write them down. It requires a different process than if you were to write them down. We want to track the coincident deficient of a client. The second thing they use is praise. They simply praise the client four times. Repeat what you say in group four times. This is what we want you to repeat. There are four major things: higher brain, lower brain functioning; you are going to repeat the coincident processing of a meth addict and you are going to repeat the praise. We do that for at least 60 days; after the 60 days you need to get a job and you are going to struggle and then we are going to repeat it four or five more times that day. It is repetition to them. The next thing we try is contingency management is a very real thing. It means something of value to you right now because your level of impulsivity is so high that I need to

reward you concretely. Gave an example of its use just in cleaning their rooms. Then we showed them how to clean their rooms, make their bed. Without the level of contingency management I said for every apartment that is clean. At the end of the week you have five potential ways to get in the fish bowl. When your room is clean; the apartment is clean, your apartment number goes in the fish bowl. You have five changes to win. On Friday we pick a number and you get $20 gift certificate for Domino's or for Papa Murphy's Pizza Hut. I have never seen these apartments so clean.

Rep. Kerzman: For the meth addict for the brain to get back on track it takes about a year. You are telling us that five six months will do it with your program?

Anna Johnson: Five or six months will not do it. Not sure about the length of time. Depends or recovery and transitional living center. Many have gone from recovery to Sister's Path for as long as they need to remain there. They stay 9 months or longer at Sister's Path. The longer we can maintain them at a treatment center where they get after care the better their outcome will be long term.

Rep Metcalf: People that have convictions; what changes do you see as far as your program is concerned, as far as people that have convictions, I know you have a problem keeping those people in your facility. How about the involvement of probation officers? Are we going to expand that or what are your thoughts there?

Anna Johnson: I am assuming by convictions you mean convictions to use again?

Rep. Metcalf: I am talking about convictions by criminal authority.

Anna Johnson: People that are convicted, what you see in our outcome reports; when you take a look at the illegal which is identified on page 4. Legal count admissions remain the same. There were 20 people that had legal convictions; 23 that had none and 20 that were on probation. I think your question is when people are involved in the legal system is there a

motivation difference in those people. We have found out it is not. We have actually found a higher level of motivation because they want to get their selves out of that circumstance. We found that the number of convictions does increase the difficulty of working with them and engage them in the treatment process. The probation officers have been extremely easy to work with. We have learned a lot of the probation officer. PRCU located in James has a fantastic program that actually engages the probation officer in their treatment program. Making direct use of extrinsic and intrinsic motivation for the addict. When you have that kind of combination it is a very powerful tool. We utilize those probation officers on a regular basis.

Rep. Metcalf: Do you have a problem getting in contact with a probation officer that can serve your needs?

Anna Johnson: There are times when we are unable to contact a primary probation officer. We then go to the next person on the list. If think the probation officers in the Cass County region is over taxed with our project. They have had to come and handcuff some of our clients and have dealt with potential violent crimes on site. We have been able to get a hold of them when needed.

Rep. Nelson: Are they civilly committed or court ordered? How do they get to Robinson Recovery?

Anna Johnson: I do not believe we have had a civilly or court ordered one. They are awaiting sentencing based on how they do in our program. That gives us time to evaluate the client and keep them as long as necessary so that they get the best treatment.

Rep. Nelson: I see your average age is 28. Do you provide services for people younger and how does that work with Teen Challenge and some of the other programs that deal with meth addition?

Anna Johnson: Our age is 18 and up. Our oldest has been 54 years of age. Teen Challenge is not a sexual program and about 90 days. Our program probably not address the spiritually component although we do have a spiritual component to our program.

Rep. Wieland: You mentioned in your testimony, if given the opportunity, you could expand Robinson Recovery Center, you indicated that you don't feel that you should have the combination of men and women in the same facility. If you expand, would you have a separate off campus facility or would it be on hand or all women or how would that work for you?

Anna Johnson: To segregate by gender. To not choose one gender, but to open it fully for every alcoholic female there is typically seven alcoholic men. When you take a look at Canada's for every woman there is about four men. For every meth addict woman there is one meth addict man. That is a national statistic. When you take a look at the women's prison population has increased a lot; enough to require a woman's prison. We would prefer to move the men off campus and are prepared to do that.

Chairman Pollert: This program started January 3,, 2006. A successful completion program takes five and one half months. It is too early to access the program yet. Have you had any that have failed after the successful completion of the program that have not made it? Because it is about 45-46% completion. Have some fallen off the wagon?

Anna Johnson: 2 of the 21 have not made it. When you take a look at the bottom number, which is 18 that could potentially return; to date 8 of those 18 are not engaged in the treatment process again.

Chairman Pollert: Is there a national statistic since Robinson has engaged in this?

Anna Johnson: When you take a look at residential treatment as a whole you are looking at the highest level of care. The lowest level of care is psyco education; then you have out

patient treatment; then you have day treatment, which would be 20 hours a week; then you have half-way house and then you have residential treatment. When you get to the highest level of care you are literally dealing with the worst of the worst. How engaging will you be with all of those people? With the 21 successful treatments we maintain contact with them; we have to or they will fall off. Now with that kind of intensive service when you are looking at 20 people in and having 21 people successfully complete our caseloads will be the people who have successfully completed. That is how we know the 2 out of 21 have not done well.

Bill Lopez: Executive Director of Sharehouse-Robinson Recovery (see handout in packet) Went over the handout. If we would go to another location we would have a startup expense that is not included in this information. Having it on the Sharehouse Campus helps us utilize services that are currently in place. We have a registered nurse that is able to see the other individuals at Robinson. We have also placed people in other programs like Sister's Care without putting those costs onto the state. This is obviously a great investment for the state of North Dakota. There are only three programs in the US like this that we are aware of.

Chairman Pollert: Are these numbers yearly?

Bill Lopez: Yes, they are annual.

Chairman Pollert: When we did this two years ago what was the projected per diem cost of the program. Do you remember?

Bill Lopez: Because you are not doubling up your per diem cost have dropped significantly. Probably into the mid to upper seventy dollar a day range. I do not recall the first request, what it was. It could have been possibly $102/day, if I recall.

Chairman Pollert: Yes, I think I was a email saying the cost was $102.58, is that correct?

Bill Lopez: That could have been the first RFP, yes. The reason for the drop is you have more clients and you are not adding more expense so your average drops.

Rep. Nelson: Andi said if this expansion was given it would be better given off campus. Most of the budgeting you have done appears to be an on campus site. Can this work on campus; can it work as well.

Bill Lopez: We can make it work. The best case scenario is that we do gender specific program and do separate the programs. If it is the desire of this Legislative body to have the Robinson Recovery Center remain on the Sharehouse Campus as a whole we will go through structurally and figure out how we can segregate those population the best we can. We have done a pretty good job now by adding additional security measures and security systems. We have a lot of staff presence and that helps allot. We have keep individuals busy so they do not have time on their hands.

Rep. Nelson: Can you give me a couple examples of how you would provide that secured segregation?

Bill Lopez: We have two entrances to the building so we would require individuals to use the different entrances; for example, the females may use that and the males would have to use the south exit. We would also put staffing offices on the floors; on the different levels so that we would have a continual professional staff presence there as well as paraprofessional staff. In addition to that we would provide additional security cameras to monitor so that we can observe the comings and goings of all the residence.

Rep. Nelson: So you would have a camera's at each entrance.

Bill Lopez: We do have that right now. We would place some cameras on the different floors which we currently don't have right now.

Chairman Pollert: You don't know if these are general fund state dollars or federal dollars?

Bill Lopez: I believe Joann can answer that question.

Chairman Pollert: The people who are admitted; is there any third party payers?

Bill Lopez: I believe there have been two third party pay. The first year I wrote a grant to the Burmeer Foundation to make up for the shortfall. In writing that grant I had to convince the Burmeer Foundation that this would be a project that would be continually supported in its effort because they like to invest in programs and keep them going, but not to continually support them. I may be able to go back in for a little bit. Not for that large amount which was approximately $174,000. I requested and did receive that for an 18 month period.

Dianne Sheppard, Executive Director, The Arc, Upper Valley in Grand Forks: (handed out testimony) (handed out material on the Developmental Center)

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: February 28, 2007 10:00 A.M.

Recorder Job Number: 4069

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Cal Rolfson: Anne Carlsen Center for Children in Jamestown, ND (enclosed booklet-Statement of Need to: Anne Carlsen Center) Witness's will only commit on some of the things in this book. We hope that you will review the balance of it at your leisure.

Han Howell: chief Executive Officer of the Anne Carlsen Center for Children: (see written testimony) Referred to the booklet.

Dr. Myra Quanrud: Pediatrician and Medical Director at the Anne Carlsen Center for Children: (see written testimony) Referred to the booklet.

Cal Rolfson: Conclusion remarks: These medical fragile children require a step down ICU type of setting that the center provides. The center loses $900,000 each biennium just to care for seven kids. If these seven kids were not at the center they would be in an ICU setting in a hospital and it would be three to four times the cost for the state. It is a great investment of our tax dollars, if for nothing else. First, the center loses about ½ million dollars each year for these seven kids; but the mission says we wont't say no and so we hope you will understand that unique characteristic that we face. You heard the story last session about Arianna. It was an intriguing and heart rendering story about her. You have to be billed $3,000 a day and pay them $2,000 a day. When she came to the Anne Carlsen Center for the same care we were paid at that time $375/day and loosing money on it. With regard to behaviorally challenged children I would only ask you to look at one more tab and that is Tab 4; the third page. Look at the chart there; level one, two and three children you will see there are in the right hand portions of that chart. Notice the increase of intensity. Why all of a sudden behaviorally challenged children are increasing in severity and the needs they provide almost expeditiously. Please look at the rest of this material on your own time. You are all invited to tour the Anne Carlsen Center.

Chairman Pollert: Mr. Howell, please come forward. I know you have an endowment fund, but that is used for capital projects, if I am correct.

Dan Howell: We have been very blessed for the past 65 years for people for needs of special children. We do have an endowment. That endowment is used, the interest off the endowment, is helped to curb our operating loses today. We would like to use it for capital expansion and renovation. Over the past decade we spent about $8 million in interest earnings help with capital expenditures along with 2-2.5 million a year to help support our capital needs as well as helping to stem some of the operating loses.

Tom Neuberger: Spoke for Russell Thane from Wapheton: (see written testimony)

I do not have any prepared testimony of my own. The needs are very real out there.

Kim Wraalstad: Administrator of Presentation Medical Center (see written testimony)

Rep. Nelson: You mentioned last fiscal year you had almost an $800,000 loss. How you were able to absorb that lose and how does that affect staffing from physicians as well as nursing staff in your hospital?

Kim Wraalstad: We tried to limit dollars in all areas. Our staff is where we make up the deficient. We also have the problem of needing to be competitive with human health services. I can't pay that and we are not even close. That also creates issues to us. In the years when we had good years we put money aside and that is what we are using this last year to continue to operate. We switched to critical excess hospital July 1, 2001. The importance of critical care hospitals is if you are setting with 80-90% of your patient volume, it will cover a majority of your costs. The reason the Strong Water Report was done is because most of my piers were complaining about BCBS reimbursement because their number of Medicaid patients is so low. BCBS was that they were not paying us appropriately with what we needed to be paid. That is why the ND critical care hospitals were having that negative margin. In our case, BCBS listened to us.

Chairman Pollert: Do you feel urban hospitals, such as Fargo and Bismarck, have a better chance of private pairs paying than rural hospitals do?

Kimber Wraalstad: They have a greater population and therefore probably have greater excess to jobs and insurance. The way the reimbursement is structured in health care we are all fighting for the dollars. I don't want this to be a situation where urban vs. rural. We had this conversation with BCBS. As they have been changing their fee schedules over the years and their index; what we were finding was reimbursement for the basic bread and butter stuff. Urban areas also have the opportunities to do other stuff like open heart that we don't have.

I don't want this to be a situation to say they don't have a need, because I am sure they do.

Chairman Pollert: Who has got more excess to private pay and who doesn't?

Rep. Nelson: Cost shifting is one of the options you have making your facility profitable. In Rolla you have the unique situation where cost shifting is not much of an option. In your presentation you mentioned that your third party providers, BCBS and Medicaid are two of your options. Yesterday the department gave us numbers that even showed more of a discount; we were provided 40% reimbursement for inpatient and 50% in out patient services as an average. I am curious, what does BCBS fit into your total cost picture. What do they pay and how much do they discount the costs or charges?

Kimber Wraalstad: We do not calculate it in that way because we don't do cost reports. We have never done it with BCBS. We actually got a 4.6% increase in 2007. Is that good enough? I don't necessarily think so. If you pay BCBS for your insurance you are going to complain on the other side that you don't want to pay any more for your insurance.

Chairman Pollert: So with the 4.6% increase, what does that do to the Presentation Medical Center?

Kimber Wraalstad: Right now we have an operating loss of $40,000.

Chairman Pollert: But you said the 4.6% increase started in 2007. If you looked at 2006 how many total dollars would that have brought in?

Kimber Wraalstad: It would be $56,303. Realize I don't have the patient volume in BCBS.

Rep. Nelson: We did ask for information from the department to bring Medicaid reimbursements up to Medicare reimbursements for critical excess hospitals and we have not gotten that material yet, but probably we will have it by tomorrow. Medicare doesn't pay your total charges as well. I think that would be quite a boost in your profitability. Would that satisfy you?

Kimber Wraalstad: Actually yes; pay us in the same manner Medicare does. I write a lot of grants in a lot of other areas and that is really what we are asking for in that scenario. I also understand it might be difficult for the state to give you the exact dollars in the same manner that Medicare does because they have not kept their information in that form. We had to set down and do every remittance advice by hand and use the same cost charge ratio by department for Presentation Medical Center because they don't keep that statistic available. I think they can give you a good estimate.

Rep. Nelson: We just heard from the Anne Carlsen; as I did the quick numbers for reimbursement and they have an endowment for capital construction. How do you in your facility handle capital construction? As I understand in critical care there is not provision in their cost report for that. How do you work that into your budget when there is something you need to improve in your facility?

Kimber Wraalstad: Under the Medicare reimbursement structure depreciation is included as an allowed cost so when you purchase capitol items or do major construction costs that is allowed under Medicare reimbursement. They do disallow interest and they try to off set any interest we make. We do not have that.

Arnold "Chip"Thomas: President of ND Healthcare Association: (prepared testimony) Went over the testimony. What about sustainability? At least we could stand up here and say we are where we should have been the last biennium. The updates show the hospitals are actually losing ground based upon the current payment structure. There is no elsewhere. Currently state employees went up 18%. I have no issue with state employees or their insurance program, but the point is someone pays and whether you are in Rolla, ND or Fargo, ND and it costs you a $1 to open your doors and you are receiving 80 cents you must find that 20 cents somewhere. Either through Grants or you transfer that cost to someone else who is

willing to pay $1.20 to cover up the 20 cents shortfall. Smaller facilities have fewer options to shift that cost, but if you are in Fargo; while there may be greater coverage on the commercial market and that population, wouldn't you be angry that you are expected to not only pay your costs, but someone else because the state isn't meeting it's promises with an appropriation. My second series of handouts basically focus on that outline. (handed out blue folder) and went over it.

Rep. Kerzman: You say all medical providers, as you know some of them are optional.

Chip Thomas: What I have done are used medical providers that are currently participating in the medical program who also have a Medicare fee schedule. So we are not picking and choosing. The only group that would be noticeable absent from what we are doing would be dentists. They are not included because they do not have an equivalent Medicare fee schedule. I mentioned in my testimony there is a short fall in the general fund of about $11 or $11.5. That would be based on the study for all medical service providers and I am assuming that is absent dentists.

Rep. Ekstrom: I have been reading the Richard Ratske study on aging population in ND and his estimate right now is about every county; 28% of the people in those counties will be over the age of 65. As you are addressing this thing today, I understand the need; would you put it in some context of where we are headed?

Chip Thomas: This body and then the senate will try to wrestle with what is coming down that track and what are we going to do as a state to address it and that includes provider participation; that was health bill 1404, which is a follow up from an imitative that you launched in the last session that laid the ground work for why we are here today and that is we are here today based on facts and figures, which you authorized to be produced to get a quant dated look at what is coming our way. We need to add urgency to this problem and it concerns us as

well. That is also why in our address to you today we mentioned the three main revenue sources that are at play in ND. 1) Medicare, which is the largest percentage of power. We are very aggressive in Washington DC with respect to Medicare's treatment of the provider community and the beneficiaries in ND 2) The second largest revenue happens to come from the commercial sector of which BCBS is the largest entity. 3) Combination of Medicaid and workforce safety. Till the most recent past Medicaid has not been a significant issue for us in the hospital community until 2003. I will wrap my comments up as to why since 2003 Medicaid has become very important to hospitals.

Rep. Kertzman: You mentioned BCBS. How do their reimbursement rates compare with Medicaid or Medicare. They aren't 100%?

Chip Thomas: In the handout, it shows what hospitals and what they are; critical excess vs. non critical excess. Behind the first yellow sheet is my "Ole Story" and this will answer your question? Think of hospitals as a restaurant and we got a menu. We have to set a price for a meal. (see handout) Discussed the handout. Any time federal money decreases coming to ND because of an improvement in our economic condition there are big shifts in dollars and many have appeared before you asking for a replacement of those dollars simply because we have done well on economic growth, but there has been a proportional decrease from Washington because of that improvement in our condition.

Rep. Nelson: I noticed in the handout you just referenced you listed a pair of PPS hospitals, do you have one for critical care hospitals as well?

Chip Thomas: No, I do not, but I can produce that for you.

Rep. Nelson: What about the inability of facilities to cost share shifts. It would appear on the surface that those facilities that have a higher private pay or BCBS or Medicare schedule

would be the more likely to cost shift. Is that a fair statement and that would be the larger hospitals in the state?

Chip Thomas: The cost shift is currently built into the rate structure that is in play. We are finding that we are not able to increase as we lose ground with Medicaid. That is the issue and I will have a handout that will show you that you are actually paying us less over time than what has happened in surrounding states. Our ability to shift that is only on the self pay. We do not negotiate with BCBS. They tell us what they are going to pay and we have two options: accept it contractually, or we go non-par. If we go non-par that means to you as a covered line is that we come after you directly and ask you to pay us. BCBS pays you and then you in turn need to pay us.

Rep. Nelson: Medicare does pay at a higher rate than Medicaid, don't they?

Chip Thomas: Medicaid pays us 76 cents on the dollar; Medicare pays about another 14 cents higher than that.

Rep. Nelson: It is also"getting back to your Ole Story" pays more for the lutefisk meal in SD, Minnesota than they do in ND and so does BCBS.

Chip Thomas: That is true. All the major hospitals in ND are in par but if we compare the valley provider's for their examples with their emulates in Minnesota there is about $1500 - $10,000 difference for the same procedure. We have asked the BCBS to appear before you and I haven't seen what they are going to say. I am hoping what they will tell you is you fixing Medicaid will provide them with some additional with the pressure that the provider community to raise premiums.

Rep. Ekstrom: Chip, I want to go back to the presentation hospital scenarios just a little bit; how are they prepared a Mercy Hospital in Valley City.

Chip Thomas: Where a hospital happens to be located has a lot about how it is going to be paid. The Rolla area has an economic difference in that geographical part of the state, rather than where Rep. Metcalf happens to live. The level of coverage and who is responsible for paying for that coverage is going to be different in Rolla rather than in Valley City. It varies across the state. I believe what Ms. Rolfstad was telling you she has a few options simply because she is highly Medicaid dependent and she is very extra ordinary and close to 40% of her business is Medicaid funded. Secondedly, Medicare is followed by some BCBS; that would not be the same in Valley City.

Rep. Ekstrom: Rolla is a unique set of situations?

Chip Thomas: Rolla is reflective of what is going on. I can make the same argument that Ms. Rolfstad made for presentation for the largest hospital in ND.

Chairman Pollert: There is fierce competition between Jamestown and you are telling me that fierce competition is to make less money?

Chip Thomas: for years we have basically have been very much like farmers. We tried to make it up in volume when prices were low.

Yvonne Stiefel: (see written testimony). I really urge you to look at funding. At the end of this month Brad is going to have all new staff and I know they are not going to stay long. In fact a lot of the scheduling, because they do not even have a good pool to look at. The scheduling is according to the workers; not according to the needs of their clients.

Brian Arett: Executive Director of Fargo Senior Services: (see written testimony)

Rep. Bellew: These home delivered meals. My understanding is you can not charge for these and you can not turn any body down. Is that correct?

Brian Arett: Because of the Older American's Act Funding the federal dollars that our program sees through the department, we can not establish a set price for home delivered

meals or meals that we do at senior centers. We ask people to make a donation toward the cost of those meals. In our region we suggest $3 donation. The donations add up to about 40% of the revenues the program generates in a year so it is a significant part of our budget.

Rep. Nelson: When you say 40% of the budget, is that your food budget or your total budget.

Brian Arett: That is our total budget.

Hearing closed until this afternoon.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: Feb 28, 2007 2 pm

Recorder Job Number: 4153

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Larry Bernhardt: Co. Social Services Directors: President of the ND Co. Social Services Directors Association: (see testimony)

Diane Mortenson: Case Manager and Supervisor at Stark County Services: (see testimony)

Marie Thompson: Case Manager with the Home & Community Based Services Program at Burleigh County Services: (see testimony)

Chairman Pollert: We are talking about changes in ADL, is that a particular bill?

Marie Thompson: It is just in the 2012.

Larry Bernhardt: There are probably a couple obvious questions you would have and I am going to address them before you ask them. When you look at 2012 and there is about $98 million added from the last biennium, one would think that would be enough money to do just about everything one would need. The problem is that all of those funds that are in the departments budget in the increase, very little of those dollars actually come back to the counties to help us in the service delivery that we do. Recognize we are the front door of this welfare system. All the clients that are served; whether that be the 2600 people that are on temporary assistance and needy families; the 54,000 people in ND that are on medical assistance; the 19,000 people that are on food stamps, the 4,000 cases of child abuse or neglect that are assessed or the 1250 kids that are in foster care. All that work is being done by us in the county offices. The problem is that the dollars are not there to help us keep up with the costs of inflation and increased utilization either. In the departments budget there is a 4% increase of that 98 million dollars; for child abuse and neglect and family preservation. There is an increase for agency QSP increases. Other than that none of the other dollars flow to the counties. We need some help to substance our operation to the counties. Discussed county abuse and assessment and lack of increase in costs to the counties over the 18 year period. Family preservation, which is for family social workers and parent aids going in to help families so we don't have to put kids in foster care or return kids home that are in foster care; there is only 18 counties in the state that have that excess to those funds because they are capped. The state has not gotten additional money's to put into families services; other than

last biennium we did get a 2.65 inflator each year. We have many other counties that need those funds to provide those same services. Case Manager for our KPR kids; that has gotten to be more of a problem over recent years; we are getting more kids that have parental rights terminated and as a result of that we are case managing those kids until the adoption is finalized. All those costs are born by the county for those children even though the department has custody of those children. We do get some federal funds in 4E, but that is about 45% of the kids we serve. Case Management has been little funding. 65% of the cost is born by the counties. 33% is paid by state or federal dollars. Yes, 98 million dollars is a lot of money but it is for a lot of other things. The second question you would be asking is what happened to SPED? Over the last two years the budget has gone down and money has not been used for SPED in the last biennium. We made a major change in home community based programming over the last two years and adding personnel care under Medicaid and moved a lot of clients out of SPED and expanded SPED into the Medicaid waiver. We also eliminated shopping assistance and supervision as a service we were paying before that was no longer available so we lost some clients because of that. The last appraisal we had on this SPED program was in 2003 and I am not sure we fully recovered from that freeze. It has been very difficult to keep QSP's in the rural area due to funding. Problems with the program have been the new computer system and expanded SPED and wavered services and more difficult and different from each other and we got different resource levels for those various programs so the bureaucracy of doing has added to the dilemma. Last we have people who are low income; who have been stuck at that low income level for years and those people are the medically needy so those people had to make decisions do I pay the $150 to get home and community based services or do I pay the $150 to get my medication this month. That

problem will be solved in part by your leaving in the change in the budget to increase the income level for medical need.

Rep. Kreidt: I noticed there are six more counties that merged. Oliver, Mercy, they formed that merger is that correct? Is this going to be looked at as a test situation where other counties will look at that small counties and we will possible see more of this or what is your aspect on that?

Larry Bernhardt: The law that allowed multi county social service districts was passed in 1988. It has not been used, but as population and service delivery systems have changed and counties are having to merge for efficiency so I think you will start seeing more of that. The two districts that are in place as of January 1, 2007; the four county district of Mercer, McClain, Sheridan and Oliver; the two county district of Bowman and Slope so I think in the future you will see more of that happening.

"Chip" Arnold Thomas: Summarizing where we left off. We are focusing on all providers that have a Medicare fee schedule and we are asking that at least their direct costs be covered by Medicare payments. We are pegging our request, in terms of general fund dollars, to a study that was commissioned by you and administered by the department between the last biennium and this biennium, it is called the moment study. I had a member appear before you from Rolla to give an example of what payment below cost means in terms of day to day operations and potential threat to that institutions ability to contain and provide care in that geographical area if some attention is not given to the particular request that putting here before you. Behind the third yellow page in my handout I would like to call your attention to an example of a non critical excess hospital. And this is part of America from Rugby ND and basically the 3 and 4th handout in your packet show what that institution is paid for its must frequent DRG's by Medicaid, Medicare, and BCBS. There are two documents there; one is

what they are paid and the other is a percent difference between the pairs. I would just draw your addition to the disparities between Medicaid and Medicare. Medicare is not the golden norm. At least it is close to cost. Behind the 5th yellow sheet is basically is a national study that indicates the care provided in ND in terms of hospital based care ranks ND within the top 5 states nation wide on a variety of different outcome measures. That is a testimony to the practitioners that grace the institutions that I am fortunate to work for. We do provide the same care no matter who you are. The most important question that you can ask is do you have the tools you need to provide the medical care being rendered is medically appropriate and medically justified. If they do not have the resources, please provide them the necessary resources to make sure that question is continually addressed and the answers are satisfactory. Behind the 6th yellow sheet is an example of compensation rates. Others had told you how important adequate payment is for people. Our quality outcome goal is to sustain, if not even improve our rankings and we can't do that without adequate people. Rep. Ekstrom pointed out this morning that we do have a demographic challenge coming our way. One of the things that makes health care rather interesting is we no longer recruit on a local market basis. We recruit on a regional, national basis. It is particularly true with skilled professionals. By that I am going to start putting individuals in by skill; physicians, nurses and pharmacists and many of the technological supporting personnel are becoming more difficult to recruit as the demand national wide increases for that population. The younger generation is redefining what they are willing to commit themselves to in terms of employment. When I started doing what I am doing most of the people that I worked with or was trained by defined who they were by what they did. Hours of work were not a major factor. The people we are recruiting today are defining what they do on a much broader context than what they are being compensated for. They want other time for family and personal growth and they are working

the job into that discussion. As employer that is a challenge that we have faced in prior years and compensation is something we also have to be competitive. North Dakota has many advantages but it has many disadvantages to overcome to get people to just even appear in the state to see what we have to offer. If we can not even compete financially in terms of compensation and benefits we have a very steep hill to climb in terms of meeting our man power needs. Medicaid's contribution to that is important simply because the dollars you pay us go into the most important resource which is people. Behind that yellow sheet is an example of what our current compensation ranges are for personnel in hospitals and what the committee may find interesting down the road is that annually the association does a salary survey in the institutions and we share that information with other states across the country just to get an idea of what the market dynamic is. Behind the next sheet is a study I mentioned in my earlier testimony this morning that was done by legislative counsel. It says State Medicaid Expenditures by Services Years 2000 – 2004. It compares ND, SD, Minnesota and Montana payments. Payments are based on the 25 most frequently performed services in ND hospitals and compare those services with Medicaid services in the surrounding states. The bottom of that page will show you the change in position and payments in ND relative to those other states. Discussed the fact that we are losing ground. The next packet of handouts lead up a second request besides the questions to the department do they have sufficient resources for utilization review to make sure what is being provided to Medicaid recipients is medically appropriate. These are packets of charts that indicate utilization trends and revenue expenses and certain services provided in hospitals. This is on a small packet of data. This should be used helping to provide you with information relative to budgets and where programs are going over the short term and long term. My second request is the you include the necessary resources to engage an outside firm to project for the 09 and 011 sessions and report the

findings of that study to you. The last page is an article that was published in 2003 Bismarck Tribune. I mentioned up until 2003 the hospitals had very rarely appeared before appropriations relative to the Medicaid payment. There was a freeze; some reductions and money was brought back to the state of ND from Washington DC in response to that particular stress the state was experiencing. We had an expectation because of our involvement to bring from back to ND that some money would be put back in to relief some of the reductions in shortages that hospitals were experiencing. We were disappointed. We are not here today simply because we are trying to wrestle with revenue surpluses. We are here because of what happened in 2003. There was money that was brought back to the state and earmarked and targeted and then we can have a discussion as to whether or not it was put into the general fund or was applied to its intended purpose. We have differences of opinion as the article points out. We maintain that the funding that we are seeking today was already supplied to the state. If you are not paying costs then this is truly a random payment structure we have in place. You are paying 75%; why aren't you paying 50? That is why we are asking for the actuarial support to the department. Summary of four points: 1. funding at a cost level for all medical service providers. We believe that amount if $11.5 million. 2. That you make for sure the department has the necessary tools to ensure that the medical services rendered to Medicaid beneficiaries are medically appropriate. 3. That there be dollars made available to the department where they be directed however you may choose to engage the services of an actuarial firm to help project 09-11 utilization trends and budget implications of those trends for the medical service provider of beneficiaries. 4. Stand ready to assist you with further information requests you may have.

Bruce Levi, ND Medical Association: (see testimony) we look forward to working with you to get fair payments for Medicaid services.

Rod Aubin: ND Blue Cross Blue Shield: We stand in support of medical and health care in their request for medicinal funding. Why what difference does that make? There is actually a tremendous amount of cost share thing that is a result of health insurance we are paying for in one way or another. As an average we were reimbursing about 140% of what Medicare reimburses as an average. There are several that are a little higher; there are several that are lower, but as an average about 140%. As Mr. Thomas has given your some statistics about what Medicaid pays in relation to Medicare, you can see why it is significantly costly for the facilities for the Medicare and Medicaid patients. We understand the constraints that you are under, but this is a very serious thing. In our market, the new technology and higher utilization and everything involved here employers are really struggling to maintain this benefit so anything we can do to shift a little bit of this cost back to where it realistically should be I know our employer groups would really welcome this.

Rep. Kerzman: If this would happen, would we see a reduction in your BCBS premiums?

Rod Aubin: Yes, you will see a reduction, but is it dollar for dollar? That does not stop the general trend of utilization, but I can honestly say, yes you will see a reduction in terms of the amount of increase that you are going to see without a doubt.

Rep. Kerzman: How do we get a handle on controlling costs in utilization? The only way we can do it is by squeezing the prices basically. That is what you folks, I assume, try to do too.

Rep. Nelson: Rod are there reasons why you would like to see them stay here? Because you pay less for the same DRG in ND as you do in other states?

Rod Aubin: Yes, that is true. We participate in a blue card system so we design our own products and set up our own networks. The one advantage that the blue cross plans have through the association the blue card system. If you are a BCBS member of ND and you

receive services in another state, if you go to another state, we are able to get the BCBS of that states contractor rate rather than charges. In many states their rates are higher.

Rep. Nelson: Why are they higher in other states?

Rod Aubin: Part of it is the cost in ND are somewhat lower than other states as well. If you are going to pay higher it is going to be reflected in the premiums. In the blue plans we are the lowest national one.

Chairman Pollert: When a constituent of mine and says my hospital bill is outrageous. Would the fee schedule drop down just like what Rep. Kerzman asked the BCBS?

Chip Thomas: There would be a decrease in the transfer to the self pay patient. Would the Medicaid patient notice anything differently if there was no change in the co pay or the beneficiary liability the answer is no. The state of ND taxpayer would have increased it contribution to the Medicaid program. Your BCBS subscriber, it would all depend on how they rated their premiums based on the use of services for the group that they are underwriting. Indirectly as Mr. Aubin indicated, the pressure upon the plan to cover up the short falls from other payers would be reduced and that underscores the importance of the actuarial study that we are suggesting you engage. The point that the committee needs to understand is what an outside entity to the business and that is insurance. We are low cost and good value and quality. We want to sustain that, but we need you to recognize some of the expense that has been transferred from the state to other payers.

Judie Rep. Lee Kaldor, Executive Director, IPAT: (see testimony)

Bob Puryear: (see testimony) I am in full support of IPAT. I am blind and they assisted me in the operation of my phone. I was shown a phone with extra large keys and it repeats back to you the key that you just pressed. It works fabulous. A more technical solution may be the device I am using to read this testimony. I ask for your full support in funding the IPAT.

Mary Wahl: Lobbyist – Representing a daughter of a 96 year old. I have received help from IPAT and got advice, devices, technology, rentals and loan program help. IPAT is the only program in ND that has access to things they (elderly) need.

Chairman Pollert: Asked Bob to come up again. I have known Bob from about 15 years ago when we were interviewing for fertilizer manager. Then you went to work for the state in the health department doing some Ag stuff and came by the elevator. Now what are you doing?

Bob Vandal: I am teaching fertility and fertilizer class up at BSC.

Jillian Schaible: (see testimony)

Karen Cossette: (see written testimony)

DD Providers:

Mike Abmann: Executive Director of the Bismarck Early Childhood Education Program: (see testimony).

Rep. Nelson: Can you tell me what the total cost of this program?

Mike Abmann: My program is budgeted on $6.90,000. We provide for 184 kids; based on a rate of $14.78 per unit of service. $20 as a base rate; the ratio I have now is all my case managers are carrying about 20 kids in their case load. The federal standard is 11-1 ratio; I would require my staff to increase by 7 staff just to get to that.

Rep. Nelson: It looks like your program would get the bigger share of those dollars and those in 1,2 & 3 other regions would also contribute to that; you would get about 2/3 of the money?

Mike Abmann: This is right.

Rep. Kreidt: What is a unit?

Mike Abmann: The services are provided based on the individual service plan written with the family. A child is considered a unit and it is occupied by the number of days in the year. A full year is 232 days, I think it is. Every child has a different service plan. Some students get up to

two or three staff and maybe see them two or three times a week. It is a base rate based on the child count.

Roxane Romanick: (see testimony- has two handouts) Remember those taking care of their kids at home and how critically important inclusion is to making my Elizabeth to most contributing person to our society.

Barbara Murry, President of the ND assoc. of Community Facilities: (see testimony) Two of the most important things are to recruit and maintain staff.

Rep. Kerzman: $1.50 increase is that taking into account the .60 cents already and the 4 and 4; would you need another 90 cents?

Barbara Murry: Yes, it would be another .90 cents. I believe the department is preparing some figures they will share with you during detail to tell you the exact figures.

Rep. Nelson: What is your main priority?

Barbara Murry: Two most important to me are recruiting and retain staff. The 5% is really important because it gives us a little bit of wiggle room for the medical and fixed costs.

Tammy Ibach, testified in behalf of Developmental Disabilities- (see written testimony)

Jon Larson: Director of Enable, Inc.,(see written testimony)

Leanne Johnson: Employed by the Catholic Charities ND: (see written testimony- 2 parts)

Carlotta McCleary, Executive Director of ND Federation of Families for Children's Mental Health: (see written testimony)

Susan Heglund: Executive Director of the Mental health Association in ND: (see written testimony)

Bruce Murray: Attorney with Protection & Advocacy Project: (see written testimony)

The work that these providers perform with people with developmental disabilities is more than admirable, it is essential. It takes skill, patience, dedication, integrity and a sense of humor. In some cases physical strength. It is hard work. The high turn over rate that is experienced by providers is perhaps costing more than what a healthy pay increase would.

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 1, 2007 - Time: 8:30 am

Recorder Job Number 4201

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Linda Wurtz, Associate State Director for Advocacy for AARP of ND, testified. She reviewed a handout "Home & Community-Based Services" and gave the history of the SPED program. Referral made to another handout "Aging With Dignity" in a packet. (Attachment) She referred to the Century Code. SPED pays for the service of in-home providers. It is not adequately funded and is a most cost effective program. North Dakota is number 1 in the

nation for the population of 85 plus. We are number 2 in the nation for people who are 75 plus and live alone. We are 47 in the nation for dollars spent on the home and community based care.

Question regarding how we get people to utilize the SPED program. Linda responded saying the program has not been promoted. County Social Services is one way. SB 2070 is in the works and will be a step in a single point of entry.

Continued questions and discussion regarding nursing home insurance ... long-term care is getting too much - put more emphasis on home care ... reduction in the OMB budget ... amount of needed money ... if money is restored, assurance ... comparison to other states ... single point of entry evidence ... demographics ... QSPs quitting - adequate reimbursement ... long-term care reform.

Tammy Theurer, President of ND Association for Home Care, testified. The Home Care Association represents 24 of the 28 licensed home health agencies in North Dakota at 14 branch locations. (Written testimony attached) Refer: 39:20.

Questions and answers regarding list of agencies licensed ... variances of reimbursement rates ... standardized rate schedule ... losing QSPs ... curtailing losses of QSPs ... Home Care service fees.

Jack McDonald, Lobbyist for ARC, testified in behalf of increasing personal allowance for residents of intermediate care facilities. (Written testimony) Questions and discussion ensued. (Refer: 055:25)

Shelly Peterson, President of North Dakota Long Term Care Association, testified. (Written testimony) Refer: 65:00. Shelly reflected on the previous testimonies. In North Dakota, there 83 licensed nursing facilities representing 6384 beds. They are about 94% occupied. North Dakota has the some of the most stringent criteria. There is a "Medicaid

Waiver Program" which means every person that goes into a nursing home facility has the option to access the Medicaid Waiver Program. Shelly stated the state controls rates for all nursing facilities in ND. The Federal government determines the Medicare rates. The one inflator the legislature gives covers all the costs. Questions and answers regarding rates doubled since '95 ... survey for ND in number of beds... nursing home having foundations ... rebasing - rates done in 2006 - property left alone ... reason why hospitals not rebased since 1994 - only state that controls nursing home rebasing ... skilled nursing facilities in hospitals.

Shelly referred to the handout **"Who Will Care"** about staffing, wages, hospice care, nursing facilities, and property limits. (Attachment) Discussion with questions and answers regarding number of people who should not be in nursing homes ... "disincentive" to going into nursing homes is cost ... average length of stay - 98 days ... how can state continue? ... ND is one of two states having equalization of rates ... rate setting ... other alternatives to nursing home ... Federal criteria changes.

Shelly stated regulations and equalization of rates make them come to the legislature for support.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 1, 2007 - Time 10 am

Recorder Job Number 4201

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Curt Stoner, Administrator of the Williston Bethel Lutheran Home, testified telling about the home's setting. He stated their foundation owns 46 independent living apartments - keeping people out of the skilled nursing home care. Curt stated there is an oil boom in Williston which affects number of staffing. Cash reserves have been used and they have been under the rate system. Cost of care has risen dramatically. Curt asked for the 5% inflationary

adjustment. During his testimony, there were questions regarding the rental rate for the apartments ... currently handle CNAs - contract use of agencies ... fear that nursing homes will have to care for meth addicts.

Maggie Anderson, Long Term Care, testified. She began by review the handout **"Nursing Facility Data",** a listing of nursing facilities, town, region, licensed capacity and rate weight of 1 (average rate).

In answer to a question about "medium plus affect", **Barb Fischer, Assistant Director of Medical Services Division,** responded how the rebasing the limits last session changed the figures. Information data will be forthcoming.

Maggie reviewed the handout on "Occupancy for cost report year June 30, 2006." Questions and answers on the sale of beds ... amendment coming forward taking the moratorium off the Bismarck/Mandan area ... number of needed beds ... re-licensed beds ... handling of "swing beds."

Barb gave an explanation of what a "swing bed" is and what is paid.

Speaker of the House, Jeff Delzer, was present and asked a question regarding the budget being on 3600 beds and what amount are hospice or the breakdown.

Maggie explained the breakdown of 3609 beds - 3400 nursing facility beds - 9 beds at Dacotah Apha - 14 beds at the General Psychiatric Unit - 60 swing beds - 69 hospice room and board and 58 out of state.

Speaker of the House, Jeff Delzer asked what the occupancy rate was and Maggie replied the average was 94.3%. Jeff asked how many beds are being paid for each month and the answer was 3,478 beds since July, '06. Information requested was given on the past breakdown and the money spent to date.

Barb reviewed the **"Quarterly Budget Report"** and answered questions regarding the average usage per month referring to Attachment C stating there 39,269 people eligible and 39,700 receiving.

Brenda Weisz answered a question regarding **the turn back of 6.8 million**. She continued with reviewing the handout **"DHS Turnback Schedule"** (attachment) and answered a question regarding Title III ... amount of recipients - referral to Attachment C ... comparison to biennium ago ... pinpoint jump whether inpatient or outpatient.

"Line Chart" was quickly reviewed by **Maggie**. (Attachment)

Next the **"Qualified Service Providers (QSP) Billing on a 15-Minute Increment"** was reviewed by **Maggie.** (Attachment) Questions were asked regarding how Senate came up with amendments ... how rates are set ... split between percentages ... why two different models.

"List of ADLs and IADLs" was handed out and reviewed. (Attachment)

Handouts of **"Home & Community Based Services"**, **"Functional Eligibility Criteria Requirements Comparison"** and **"History of Increases to DD Providers"** were handed out to be reviewed at a later date.

"Residential Services for Persons with DD Status and Trends Through 2005" was handed out. Maggie referred to Page 4 of her overview testimony.

Last handout **'Long-Term Care Continuum"** to be reviewed and detailed again later.

Recess until 2:30 this afternoon.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 1, 2007 - Time 2 pm

Recorder Job Number 4227

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Linda Wright, Director of Aging Services Division, handed out **"Aging and Disability Resource Centers"** booklet and explained. (Attachment) Questions as to whether AARP would have access to ADRC "one-stop shopping" … fiscal note for federal funding. Linda explained the Aging and Disability Resource Center is now a federal requirement under the Old Americans Act. ADRCs are to be established in every state. They are established in 43

states. It is for a demonstration grant. It is for consumers to have better and easier access to services and eligibility, et cetera. Question asked whether Federal dollars are there and Linda explained the funds currently are not.

Linda gave a **"Schedule of Aging Mill Levy Distributions"** and explained. (Attachment) Question regarding distribution by county.

Handout **"Aging Services Division"** organizational chart was given. (Attachment) Question regarding the state ombudsmen.

Handout was given on **"Detail of Budget Code 621000 - Operating Fees & Services."** Linda went through the list explaining the services. Questions and answers regarding the Volunteer Program in regards to the Guardianship Program ... training for QSPs ... Meals on Wheels ... Older Americans Act Program ... Title III dollars ... Job Services discontinued funding ... operating fees - telecommunications.

Linda reviewed the spend down sheet starting with the Grants. Questions and explanations were given on Alzheimer Grants ... meals ... TRCC meals ... Meals on Wheels ... cost of meals ... ARDC fund ... vision of ARDC in every community.

Maggie Anderson, Medical Services, answered some previous questions and explained regarding eligibility in other states ... charging fees for the Home & Community Based Programs. Questions were asked about MMIS program ... rebasing nursing homes ... medication management.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 2, 2007 - Time: 8:00 am

Recorder Job Number 4256

Committee Clerk Signature Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Paul Ronningan, Director of Children & Family Services, testified. He began by answering questions that had been asked regarding adoption of foreign children ... how risk for children is determined ... foster care in surrounding states. Handouts were given: **"Number of Children in Out-of-Home Care, by Age Group, 2004", "Title IV-E Eligibility", and "Children & Family Services Division" organization chart.** These were reviewed. (Attachments)

A question was asked if CFS dealt with the "tribes." It was stated they do and maintain the IV-E dollars to the tribes and monitor their claims.

Paul Ronningan reviewed the spreadsheet for the salaries. Questions and answers regarding the Federal dollars overview and trends ... subsidized adoption - parents responsible ... what other states are doing ... retirements.

A review of the **Quarterly Sheet** was done and explained the projected numbers. CFS is currently at 831 in subsidized adoption. The budget for 07-09 is for 914 children. Discussion ensued on the requested funding amount and explanation. A request was made for a breakdown on the subsidized adoption numbers. Questions and answers regarding how long for the subsidized portion ... turn back of $600,000.

Paul began reviewing the spreadsheet with the Operating Budget including Travel, Printing, and Professional Development. A handout **"Operating Fees & Services"** (Attachment) was reviewed and explained. They have adoption contracts with Catholic Charities and family preservation contract with The Village.

Paul Ronningan continued reviewing Grants on the spreadsheet. Next, Adoption Services was reviewed and explained. Discussion on the federal grants not coming, Senate changes and the two advocacy centers. The $300,000 for Healthy Families was discussed. Questions were answered regarding what will be happening two years from now ... Early Childhood Services ... enhancement of other programs.

Meeting adjourned for a break.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 2, 2007 - Time: 10:00 am

Recorder Job Number 4257

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Joanne Hoesel, Director of Program and Policy for Mental Health, testified. She gave a handout **"Survey of Agency Alcohol, Drug, Tobacco, and Risk-Associated Behavior Prevention Programs"** which was reviewed and explained. (Attachment) Questions were answered regarding programs dealing with prevention … amount appropriated. The

Organization Chart was handed out and reviewed next. (Attachment) Questions were answered regarding FTE time ... vacant FTE ... how many offices.

A handout on **"Substance Abuse Service Reimbursement"** was given. (Attachment)

The spend-down chart was reviewed starting with Rent, Leases, and Land. Block Grants were explained. Questions and answers regarding perspective on Federal dollars - block grants ... compulsive gambling funds - where funds ... how spending funds ... how many people in treatment ... treatment through Lutheran Social Services ... how are figures are determined ... agency study ... how determined when a person is a compulsive gambler ... problems with compulsive gambling.

Operating General Funds were reviewed. Questions and answers regarding what happened last legislative session ... sex offender treatment explained ... turn back schedule explained ... increase in sex offenders - combination of hightened awareness, people bring concerns forward, and increase of judicial process ... increased funding for meth treatment - majority not used.

The decreases were explained on the budget. Questions and answers and on the 2.774 million - to be used on sex offender treatment - five therapists ... ratio of success ... $11,500 per person cost for treatment ... recidivism rate of less than 1% as long as a patient is in treatment.

Questions and answers regarding the Robinson Recovery Center costs ... $102.58 cost per day ... why people not served in State Hospital ... proposals by Robinson Recovery Center, State Hospital and Share House.

Mr. Speaker Delzer asked a question about the Robinson Recovery Center being mentioned in the bill - earmarking money for certain non-state agency.

Brenda Weisz of DSH explained the department did not do this, but it was the policy making body who did. Legislators can do this, she stated.

Continued discussion on the Robinson Recovery Center as to whether they have stuck to their proposal … added staff … to add 20 more beds ... how people enter the program … medical needs of patients at Robinson Recovery … 3rd party payments … array of services in the state … patients paying for costs.

The **Grants** item was reviewed. Questions and answers regarding Mental Health Consumer Services … the decreases.

Extended Services were explained.

The meeting was recessed until next week.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 5, 2007 8:30 AM

Recorder Job Number: 4350

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Tim Sauter: (see written testimony) Going over written information.

Rep. Nelson: Can you tell me who makes the case rational requirements?

Tim Sauter: The caseload standards that I am referring to are relating to developmental disability area and they came about after the PRC lawsuit and they are in administrative

rule. So it is a requirement that has to be met. (Continued going through written testimony).

Chairman Pollert: If we can go over the grants. I think these grants are also in the total grant summary. The committee can look through it and if there is a question to it we will ask the questions.

Rep. Nelson: I would not mind going through them item by item.

Tim Sauter: The adult protective services are an agreement we have with Grant County Social Services who does our initial investigation relative protective service cases that are identified in that area. The care coordination is a contract with the Mandan Public Schools; we have a care coordinator that is stationed in the Mandan Public Schools and that individual serves children who have severe emotional disturbances and some does some networking for those children so they receive appropriate services.

Rep. Nelson: That is a one position line item. You have a number of school districts in your service center; how do they provide outreach outside of Mandan? Do they travel and use some of the technology that is available as far as meeting with young people?

Tim Sauter: The rest of our care coordinators would travel out into the 10 counties and serve those children. We did have a partnership at one time with the Bismarck Public Schools where we paid a portion of some staff's salary to do care coordination and the high school paid another portion of that. They eventually absorbed all of that and have

their own care coordinators. We have seven care providers that assist in daily living skills outside the city.

Chairman Pollert: Are federal dollars dropping on that area also?

Tim Sauter: You can see that our federal funds have been reduced by $107,102. I think this relates to some of our Title 19 reimbursement and general how we fund out the budget. Our crisis care and safe beds, unfortunately this is the one area where we have not been able to find a provider at this point in time. They are there to provide a safe environment for children who are in crisis. That is where people are wanting about twice of what we are able to have in our budget at this point in time. Developmental disabilities services: There are two areas there; the interagency coordination and experienced care programs and that is with the Bismarck Public Schools; interagency coordination is program where they bring agencies together and work at being sure the children they are working with have the services they need. Experienced parent is a pier networking program where a parent who actually has a child with disabilities serves as a mentor and a person who assists the families in networking services. Detoxification; we have social detoxification and that is with the Dakota Foundation in what we call our alternative care services. We do social services detoxification there.

Rep. Nelson: In the DD services you lost almost half you're funding there; was the utilization being accomplished?

Tim Sauter: That is correct. The reduction is based on the utilization of the program so that is why there is a reduction. Evaluation services for vocational rehabilitation, we have a contract with St. Alexius to do psychological consultations so this individual would be a PHD psychologist that does the testing to help us determine their abilities and needs. There is an increase there and that is due to rate changes; had not had one in over 10 years. The flex funds; that is a program that deals with children that have severe emotional disturbances and those are basically to help close gaps in services and help to stabilize children and families so those funds are used for a variety of things. Inpatient hospitalization: contract with both St. Alexius and Med Center One and we did not have a change in there. We felt we could manage with them within their budget level. Sych Social Club: That is where people with severe mental illness go to again deal with life and social skills and those kinds of things. Psychiatric Services is a medication monitoring program and that is where we do monitor by having nurses go out into the homes to insure that people are being medication compliant because it is vital to helping people stay healthy and in the community. (Going through the grants summary handout)

Chairman Pollert: With the Dakota Foundation I am curious that they go out and RFP in some manner like that and how often are the contracts renewed or is there competition with providers for these contracts?

Tim Sauter: It really varies somewhat. When we start a program we often request a proposal. There are sometimes after an agency has made an investment in a building and those kinds of things and continuity of care kinds of things that we do not RFP it after the initial investments because of those two reasons.

Chairman Pollert: When you send out the initial RFP is there competing forces in the market place that bid on these contracts?

Tim Sauter: There are times when we may have multiply people who were responding to RFP. There are sometimes when we may only have one entity responding.

Chairman Pollert: Is that a biannual contract?

Tim Sauter: That is correct. The respite care is in the area of child welfare services and privates some respite in the primary care givers to spend some time away from them. (Continued going over the description on the grants summary).

Rep. Bellew: If you don't find providers for these grants do you just turn the money back next biennium or how does that work?

Tim Sauter: It depends on the situation. There are times when will carry it over into the next biennium or we will request it in the next biennium because we do feel it is really an important service and we will continue to try and find somebody. We may actually go out and talk with providers and say are you interested in this and are there some things we can do together to get you interested.

Chairman Pollert: One question on West Central. On your testimony under salaries, our budget changes to the current executive budget and the second point. You have got the one FTE there, but then you talk about realignment of staff to meet client needs and case ratio totaled $899,548 general funds so what are you saying there?

Tim Sauter: We do have some FTE's that are in this biennium's budget, but there was no funding for the positions and that came about again because of this case load standard that we have to meet administrative code. So there was like 4.75 FTE's for the case management that was added and a support person to assist with that. We also had 1.4 FTE's that were temporary salaries that we converted to regular to deal with the retention issues.

Chairman Pollert: You said there are 4.75 FTE's that were not hired; what are you doing with those salaries; enhancing some bodies salaries or what are you doing?

Tim Sauter: The FTE's are the ones we are in the process of hiring. I think we have hired them all but 1.75 of those FTE's.

Nancy McKenzie: We moved it to contract state wide. The money that was attached to those infant development positions needed to go to providers in the community that are doing that service. They were left with FTE's to help us with the fact that we over case load for many case loads so in essence we had the FTE's, we didn't have the funding so we spread the positions to where in the state they needed to be to meet those case load standards.

Moved to Badlands:

Tim Sauters: The Badland's Human Service Center serves the counties that are in my written testimony. We did see a 4.5% decrease in the number of people served at Badland's this past fiscal year. Our vocational rehabilitation numbers remains even. We saw 20 additional clients than the year before. As with the West Central Region we are seeing an increase in individuals coming to us with developmental disabilities and again that is children under the age of three. In 1998 we had 59 children and in 2006 we had 129; although my director has indicated that in the last six months we are starting to see that number even out. We have people coming to us with more complex problems including the dual diagnosis area and poly substance abuse. In the Badlands Region 48% of our adult addiction clients are coming from the Department of Corrections. We are seeing a need for increasing residential services; our beds are generally always full. We are going to consolidate our services into one program and we should be able to increase our beds from nine to fifteen beds while the budget remains the same. Four of our five addiction counselors are eligible for retirement. We are trying to start an addition training center out in the Dickinson area to help with the retirement problem. Having troubles recruiting a psychiatric counselor in the Dickinson area.

Chairman Pollert: Nancy, are you going to get me the case loads for human service center and also the number of FTE's to compare that to.

Rep. Kerzman: Are you still paying a portion of their salary? They use to have a contract agreement with the hospital at the Badlands. On these referrals on the Department of Correction, is that in the result of the women's prison out there; are they female?

Tim Sauter: The psychiatric services are provided with the contract with St. Joseph Hospital so we are paying for 40 hours of time with them. Some are coming out of the women's prison, but not strictly from them; it is some extra.

Rep. Nelson: The staff recruitment issues in the 2 human service centers that you are testifying on today. Is it more of a problem in Badland's than other areas?

Tim Sauter: There is no back up for psychiatric people because there is only one in the area. Salaries are an issue to because private providers can pay much better. We are increasing our residential beds and enhancing some of our outreach programs in Adams, Bowman, Hettinger and Golden Valley counties. We had an increase request to the Senate of $786,872 and the Senate added $14,054 to that amount so our request to you is $9,863,050.

Rep. Bellew: Where to the other funds come from?

Tim Sauter: The other funds are the funds generated by third party payers and private pay. Our FTD's are remaining the same so as we look at the changes to the executive budget our salaries and fringe benefits increased by $674,345; $5,796 of that is the governor's recommend salary and benefit package. $3,29 of that is general funds;

$121,549 of that is to sustain the 05-07 salary increase over the 24 months of this biennium and approximately $80,500 of that is general funds. (Went over summary sheet figures). Rents are going up from $8/sq.ft. to $9.50/sq.ft. We have not had an increase for quite some time there and based on the projected costs with fuel and other expenses that they are needing.

Rep. Nelson: We keep seeing the ITD rates. Is there any added service or are you paying for the same service and that are an increase over the last biennium in their costs?

Tim Sauters: No there is no increase in service; it is a rate change.

Chairman Pollert: Dig into DSU. What are you renting?

Tim Sauters: Our human service center, with the exception of our vocational rehab services unit is located in Pulder Hall, which is on the DSU campus.

Chairman Pollert: What would it cost in other parts of Dickinson?

Tim Sauters: I do not have any idea? I think it is a good rate; otherwise it does for about $12.50 publicly. (Continued to go over summary sheet).

Rep. Ekstrom: With your psychiatric elevations being done on a timely basis?

Tim Sauters: Right now we have 35 days to see a psychiatrist at this point in time. We are down on psychiatrist so there is a bit of a delay.

Rep. Bellew: I am looking at your travel budget and they seem high to me. Is it really necessary to do all this traveling?

Tim Sauters: The travel budget is primarily related to client transportation so it involves case managers and different people going out into the community and working with the clients and transporting them. It will also include staff training and it is a small amount of it. I do think it is necessary.

Chairman Pollert: The committee can go through them and bring up questions if they have any.

Tim Sauters: Discussed questions asked regarding the Grants Summary sheet and explained the items asked by the representatives. Stated age of clients could be from 18 to 80.

Rep. Nelson: In the area of addition counseling; the intensive counseling of meth has caused some strains on your staff? If they go through the court system and they go through a rehab program in one of the contracted areas, is there coordination between the human service centers in that area with counseling?

Tim Sauters: We do have an after care coordinator that works with the state hospital or any of those kinds of agencies so if somebody is going to be discharged from our region we have a phone conversation with the counselors from the other facility and learn about that person. We do have teams put together to talk about what is best for the client.

Rep. Bellew: I have go back to psych social club. I understand they are run by a private contractor.

Tim Sauters: Yes, it is a contract and Dickinson has the Community Action Program and Bismarck is the Dakota Foundation.

Rep. Weiland: Do they keep records of the number of people that are utilizing those facilities.

Tim Sauters: Yes we do a monthly report of attendance. Please have Loren do a report on this statewide so they have it.

Rep. Metcalf: I brought this up before and I talked to Carol Olson about this and my concern is we use to have 8 human service centers and 8 directors and since that time we have modified them where we still have 8 human service centers, but now we have 4 directors. I would like to know could you give me an idea of some positives for the way it is set up now and some negatives for the way it is set up now.

Tim Sauters: We are much better able to align our services and draw on them. As far as the two centers I have there have been some nice things happening. I have a number of administrators that we share between the two centers. I think that is going well. The down side is that you can not be as involved in the community.

Rep. Metcalf: You are saying the travel time; you do live in Bismarck.

Tim Sauters: I travel to Dickinson generally Wednesday and Thursday there. I think because of the good leadership I have at those centers it is very workable.

Rep. Metcalf: You say you have such good leaders there. Could they take over and run it just as well?

Tim Sauters: We function as a team so whether I am there are not we should be able to function just the same. You have to have an ultimate bottom line person; but we function very well when I am not there.

Rep. Metcalf: Does it operate better with 4 rather than 8 directors?

Tim Sauters: I think it has been working very well. I have been here 27 years so I have seen it both ways and I have been part of that leadership team both ways. I do fell we lose something center by center, but as a team across the state I think we are functioning very well.

Nancy McKenzie: The Department of Corrections and Department of Human Services and I can see by your questions and discussion you are trying to through what each ones responsibility is.(see written testimony)

Rep. Ekstrom: It is safe to say corrections is going out into the community and trying to contract for these services and the cost of that service is what a private contractor might charge. Can we say that one number is much higher?

Nancy Mckenzie: Often those correction people end up waiting for services and delaying people. They do purchase some if they have to do it immediately. Obviously they would prefer to come to us since it is not a contract and they are not paying us for those services.

Rep. Metcalf: Nancy, I have been looking at the situation with the patrol and probation officers and the fact that their caseload seems to be increasing at a fast rate. Eventually,

just this last month they have had over 100 parolees over and above they normally have and these eventually work their way down to social services. Do you have any comment in that? How could we improve that?

Nancy McKenzie: I think we have worked hard and are continuing to do more together to be sure we are not duplicating. We need the supervision piece that comes from corrections while the treatment piece comes from us. We have just this year, under taken the giant work groups are going to be strategic planning together throughout the two agencies so we can start to say we can't do everything for everybody. What is going to be high priority?

Rep. Metcalf: Do you see the probation officers working closely with you.

Nancy McKenzie: We do work closely with them. They are very responsible to use when we have critical issues. (Handout, Drug Court Funding.)

Chairman Pollert: This was not a item on the house side for treatment that we did not fund.

Nancy McKenzie: Explained how the directors are working.

Break:

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

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Hearing Date: March 5, 2007 10:00 AM

Recorder Job Number: 4351

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf**

Lynn Nelson: Director of Lake Region and South Central Human Service Center: (See written testimony)

Rep Kreidt: Do many of the human service centers participate in Medicare funding at all or is all Medicaid dollars that come in?

Lynn Nelson: Yes we do receive Medicare funding.

Chairman Pollert: I am looking at you're spend down figures. At first it was submitted at $24,000 on the grants, benefits and claims and then executive budget added another $89,000. I know the $29 is the one percent inflator.

Rep. Bellew: The 3/3 inflator. Tell me how you got that $89,000 figure and how you arrived at the $29,000 figure that the senate gave you.

Lynn Nelson: The $29,000 is just a flat 3% of the total is where it came across from the total of the grant of contractor services that we were putting out.

Rep. Bellew: Could you tell me exactly what those where? I want to know where you got $89,000 and I want to know why it is all general fund dollars too.

Lynn Nelson: I will have Mr. Clinton address that issue for you.

Clint Ferrier: We did not put the 3% on all the grants. The ones that are pass through things were we paid the tribes $100,000 a year to help their addiction programs keep going we did not include it in that. The reason ours are all general is our grants are largely A & D under the alcohol and drug and they are for the residential units. When people are staying in the units we basically get no money from them. It goes by the sliding fee scale and when the people are in there they are not working; from corrections or out of the courts system so we have no other money. On some of the other grants where there is federal money they are probably honored more toward the mentally challenged and we can charge part of that to Title 19 so that why ours would have been strictly general funds.

Rep. Bellew: I want the items line by line.

Clinton Ferrier: Went over the grants summary sheet and 3% inflation and which ones it was applied to and which ones it was not. If you put the 3% on the $89,000 it would have been larger. From the federal money end from A & D most of our money is in block grants. You do get some medical assistance from Title 19.

Rep. Bellew: I still did not get it. You can use general funds to leverage federal funds for these? Because you are doing the inflationary on the federal funds too and I don't see any of that inflationary charged to federal funds.

Clinton Ferrier: The federal funds in the residential unit are block funds. It costs more but the feds don't give us more money. If it was like a regular clinic where there are salary increases we are going to bring in more Title 19 because we can bill in the Title 19 so you do have more federal coming. The residential units Medicaid won't pay for that so there is no way we can bring in more federal money for that.

Joanne Hazel: Substance Prevention and Abuse: It does not matter how much we spend this is all the federal government has allocated.

Chairman Pollert: Any other questions from the committee? I am looking at Nancy's overview and it says remaining increase in general fund is a result of the decrease in the social services block grant. We are going to see this throughout all the service centers? Joanne, what was your fund again?

Joanne Hazel: Substance Abuse & Prevention: Was her funds.

Rep. Nelson: What is Progress Enterprises?

Lynn Nelson: Progress Enterprises is a private non profit formed in the 1970s in Jamestown, ND and its initial purpose was to apply for some federal grants that were not available to the private mental health center that operated in those days. Over the years they have developed programming to supplement what human service centers have had to offer in the regions that they operate. Currently they operate psycho service centers, crisis residential units, they have a work program in Jamestown, but it is a private non profit organization.

Chairman Pollert: Is that a permanent fixture in Rolla and Devils Lake? You talked about Lake Region and it has been occupied for 8 years; if we do authorize the one FTE shouldn't your temporary salaries drop, yet they are increasing?

Lynn Nelson: Temporary salaries funding is for other case aid positions as well that will still remain temporary in the area of addiction. We are doing some with mentally duly diagnosed chemically dependent and mentally ill as well. The increase for converting the partnership aid to a permanent position is actually in line item 51, 1000 because it was a funded FTE all this time. It was an authorized FTE so they weren't listed as an FTE. They were a temp position and they aren't included within our allocated 61.25 FTE's. The addition to this is to cover the fringe benefits.

Chairman Pollert: Let's just go through the grants part and if some one wants to go over it we will.

Rep. Nelson: In the residential services it looks like you were able to excess federal dollars to replace general fund dollars in that line item.

Lynn Nelson: I believe it is how those federal dollars were allocated to us as to what we can cover for the crisis residential units.

South Central Human Service Center:

Lynn Nelson: Is a little larger region in terms that we have 9 counties out of there. The population base over the years has continually dropped in the South Central region. 26.2% of the total population are over 60 and it is predicted that by the year 2015 that will grow up to 17%; meaning that in less than 10 years 35% of the population will be over 60. Does not have any psychiatric facility and subsequently we use the state hospital primarily there. 33% of the admissions to the state hospital come from Region 6. We have the only full time psychologist

in this region. Adult abuse has increased 143 cases in 2006. Addiction counselors have addressed this a little earlier. Lynn explained the process of admittance and treatment.

Chairman Pollert: The idea of the 1.5 million is to reduce the pressure for the state hospital so that they can take the more serious clients.

Lynn Nelson: Hospitals always take the most serious clients.

Candace Fuglesten: Director of SEHSC. (See written handouts) Jeff Gebhardt our business manager will help answer questions. Went over the testimony.

Chairman Pollert: What do you pay for sq. footage?

Candace Fuglesten: The rental facility is paid by footage and it is $11.00/sq.ft.

Rep. Nelson: Could we get ITD in here? There is no increase in service, but the costs went way up.

Rep. Wieland: When was the Human Service Building constructed and where do we stand with that?

Jim Gebhardt: Fiscal Manager: That facility is 7,775 sq.ft. and we are paying $11.00 per sq.ft. for rent. The bond issue was supposed to be retired in 2012, but the bond was refinanced in 1998 or 1999 at a lower rate and the bond issue itself will be paid off in December 2007. We have $50,000 left and then the state will own the building. ITD told us the phones were going to increase so much a month along with the voice mail so we were told to put them in our budget.

Candace Fuglesten: continued to go over the budget operating expenses.

Chairman Pollert: Is there ever a turn back of general grant dollars?

Candace Fuglesten: Depending on the funding the dollars just won't be accessed. We are just allowed to carry over some dollars.

Rep. Bellew: That $528,000; where does that show up in your budget?

Candace Fuglesten: Go to the grant summary. That shows up in the very bottom of the page. We consider that residential services. The increase is the 7 crisis beds. In our CD residential we contract with Share House, New Life and Dakota Foundation for supportive living. In the SMI residential we contract with Dakota Foundation and they are also the provider of our crisis beds which fall under that category.

Grants

Candace Fuglesten: Under our car coordination grants you will see that we have West Fargo at $54,000. With West Fargo we contract with them for two positions which are in the schools. In the Fargo School district they pay us so we have a revenue contract for 3 care coordinators and what we do is split the costs of those positions and that allows us to provide those care coordination services in those area. Respite Care is listed and it is federal funds, but there needs to be a 25% match of general funds Cass County did pay for the match. We picked it up the second year of the biennium with the understanding that we would move the services to the human service center and provide those services.

Rep. Bellew: On those abuse beds could you give us a breakdown on what is federal?

Jim Gebhardt: I believe when I put that in the budget I put in a 50% federal money.

Chairman Pollert: To get back to the 3 SMI workers, it is just because of increased workload. How many do you have there now?

Candace Fugelsten: We currently in our extended care unit work with individuals who have severe mental illness and also severe mental illness and addiction; a dual diagnosis, we have 36 type five FTE's right now. As I mentioned we have three temporary positions, but they are not reflected on our chart. They are also working in this area now. If they become permanent positions we need to open them up and hopefully those individuals would apply and get the jobs. We do have a decrease in the temporary salaries.

Rep. Metcalf: We have a consideration about the prices being paid to our psychiatrists and how many do you have employed with the human service center?

Candace Fugelsted: We have 6 psychiatrists who are 5.2 FTE's; 5 of those FTE's are for Southeast and .2 is reflected in the services provided to South Central and our Valley City location. In terms of salaries we always, when we look at demand and capacity, we look at whether we are better to contract or to bring somebody on full time. The last time we looked at this and made that decision the beginning salary for psychiatrists was $190,000. We pay at a minimum $30,000 less than that. Usually we can get them because they have worked with us as residence and they know what mental health services are and that is where they want to be. We are not associated with the hospitals so they do not have to do on call so that also helps us in terms of our recruitment.

Chairman Pollert: They probably don't have to send out any bills?

Candace Fugelsted: they do need to do an activity log for who they are seeing and who long they are seeing them and what they are seeing them for. Then it is handled by our business office. We have three licensed clinical psychiatrists; we are about $30,000 out of the market for beginning clinical psychiatrists.

Chairman Pollert: What is the normal price for psychiatrists?

Candace Fugelsted: Some are at $105,000. I think within the merit care system they have been close to $65,000-$73,000 area for an individual with no experience. They move up much faster in terms of salary. An advantage we have in terms of recruiting is we are a National Health Service court facility and that means that individuals are allowed loan forgiveness on their college debt. We have a lot of turn over; they are not open for long periods of time.

Chairman Pollert Recessed:

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

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Mike Ressler: Deputy CIO with the ITD: I believe you have a couple questions in regard to rate increases and telephone. (handed out Monthly Telephone Device Fee)

Rep. Nelson: Through out this entire budget there has been increased costs in ITD

This in the Human Service Centers we are being told is for telephone service and it is pretty significant increases. In my private life if I saw these I would get a different carrier. They can't so I just want to ask how you justify these increases with the same services being provided.

Mike Ressler: That is a fair question. Information Technology Department does provide all network conductivity for all of state government. It means all your computer and telephone services. On the charter that I handed out it shows what ITD has charged for phone service since 1989 so what we provide in our phone service is a total system so you get the telephone, the conductivity to longer distance and of course with network device you also get PC connection as well. The majority of our telephones and I believe we have 43 across the state of ND located in state agencies; many of them human service centers, they range any where from 15 to 18 years old and so for a number of years we have known we have had to upgrade those systems, but we have held off because there is a technology called Voice Over IP, but what it allows you to do is conduct your telephone service over the internet. Instead of investing in some new equipment we have held off so we could deploy this new technology. We are now starting a five year deployment of that technology, which will require us to replace all our telephone switches around the state as well as a lot of our land network conductivity stuff so we are going to spend about 6.5 million dollars. The way it works in state government is if this were private business what we would have done, if you look at the rate chart, you can see in 2001 we were up there to almost $20 a station and that is what we charge each agency per month for a phone line; knowing we had this large expenditure coming down the line, we would have taken the money and put it in the bank of ND; however, Federal Government doesn't allow to do that. All we can do is recovering our costs. Now we need to make an investment so we need to raise the rates and as you can see we are asking agencies to budget $24/per station per month. So when you look at what we are providing for $24/month

we have not been it any place in the state and we do look. Mid-continent provides telephone and as well as Quest so we make sure we can purchase the service cheaper by buying it in the outside than if we provide it ourselves and have determined that it is still in the best interest in the State of ND to go ahead, and put this infrastructure in place.

Chairman Pollert: So actually the service is being enhanced with the voice over technology that was being included in this. It is just the beginning stages of it. It is a five year plan.

Mike Ressler: What agencies are going to see as we do voice over IP; their long distances fees will go away. Under this new technology all long distance will be no charge. That is an enhanced feature for this system.

Rep. Wieland: There is a question I always wanted to ask the guys at IP and that is, most service we get on telephones and speed that we have today in other forms of technology. When is enough enough? When do we stop trying to get something faster? When is that going to stop and we have a level playing field?

Mike Ressler: I wish I had a good answer for you. I don't think it will ever stop. An example would be higher education today. There is something called Northern Pier, which is a high speed research and development network. So what is happening is technology is allowing us to move a lot of data quickly from location to location; whether across the country or over seas. I think as long as there is advancements in that area there will always be a need to make the pipes bigger so that we can get that stuff adequately. I think our younger population today; they are use to getting things right now. When I look at the costs, the costs are actually decreasing. We are only buying the same amount as we bought say two years ago. The problem is we are consuming allot more of the technology and so what you are seeing when agencies come in front of you and when ITD comes in front of you is the cost with what

technology is growing. I think what we are doing with it is so much more than what we did with it a year ago.

Rep. Wieland: Years ago we use to say when we have the technology we may not have to save on staff, but that is not happening either. When I was with the county that was one of the big selling points was that we will not see any increased staff. Well, technology has not replaced any people.

Mike Ressler: There are a couple of examples I can give in state government. I think the tax department has been an agency where they actually reduced staff to primarily part time help. Legislative Counsel is another example. I know you had a lot of clerks and secretarial type that assisted the legislatures at evening. I am being told today that technically has really reduced the amount of effort that you need to spend in that area. I think when you look at jobs they are being replaced with technology jobs and so it is really difficult to say are we growing. I would say it has because I think we would be growing at a much greater speed with regards with the number of resources than we are today, but you could debate that. I think your county is growing so that is why you see increases in resources that are being spent.

Rep. Wieland: They are growing, but they have added a lot of people in IT.

Rep. Metcalf: What about the veterans home in Lisbon. Down there it is like a hospital setting; they have phones in every room, but they don't have to have all those technical type situations that you have on the phones now a days. Is there is a way we can just get an extension of the phone so that we don't have to pay this price for something that we aren't going to use?

Mike Ressler: The way IT does it billing is we charge the individual the same amount; say $24/month in Lisbon or in Bismarck. The reason we do that is the federal government wants to make sure we are not charging federally funded programs at a disadvantage say over say a

general funded agency. So even though the cost to ITD to provide that in one location might be different than another location; just for simplicity sake we average it all out and come up with a per station fee. Then our challenge is to determine at what levels we should charge for, which is really what you getting to. What is the base level? These now include the general functions and features like speed dial and voice mail. I am estimating that for the next three biennium's it will stay at the $24 and then what I am hoping is that we can bring it back down.

Chairman Pollert: So from 2 bienniums from now we can hear Rep. Weiland say why are you going to $27?

Kate Kenna, Director of Northeast Human Service Center: (see testimony)

Rep. Ekstrom: Of the infant development program give me more background to why that was removed?

Kate Kenna: I think it was difficult decision to move infant development since it was such positive program for families and their children; however, the number of children coming into the program was far exceeding our ability to hire staff and meet those needs. There were private providers that were interested in the program.

Rep. Ekstrom: Their source of funding is what? Are they still provided the same kind of services with sliding fees all of that or how is the developed?

Kate Kenna: The children in the infant program have a waived excess to Title 19 services so they can get medical assistance. What the privates can do that we couldn't do was hire enough staff to keep up with the numbers of children who are coming in. My children will continue to get the service as will the families.

Rep. Ekstrom: On the basis they could pay them better, is that why they had the providers because they are paying better salaries?

Kate Kenna: Number of staff they could hire. Our utilities cost increased by $10,000 and part of that is the Ruth Meyers Adolescent Center. We also have an increase of $8,893 for our main office space. Our budget for IT was increased by $10,993; our inflationary increases for providers are 3% which equals $113,582. (Went over more of the handout).

Chairman Pollert: On the top of that page you talk about residential $540,000. Tell me a little bit about that.

Kate Kenna: That was included in our Governor's budget. They way we have chosen to show it at this time is on our grant summary at the very last item. We call it SMI Residential Beds Transitional/Supported Living Level.

Chairman Pollert: How many beds are currently there now and then is it increasing then?

Kate Kenna: We are planning to increase from 8-10 beds with that funding. We currently have an 8 bed facility that is operated and staffed by state staff in Grand Forks called Duane Dorgnheim Transitional Living Facility.

Kate Kenna: The changes then with the adjustment to 4% our budget increase was $37,861 and our general funds by $33,695.

Chairman Pollert: If I can back you up on this spend down item, we are covering that as your testimony is going we have one for the case manager and one for the drug court. Are those FTE's that are currently there now, or are they new FTE positions?

Kate Kenna: It will be new FTE's.

Chairman Pollert: So you are not filling any temporary position then? Then when I look at your temporary salaries, you are increasing temporary salaries as well. So you want two FTE's and you still want to increase the temporary salaries as well.

Kate Kenna: Ruth Meyer's facility does rely heavily on temporary staffs; who is most often university students who work with us maybe for a school year. The recruitment of those staff

has been very difficult and we just moved to a system where we would play them a differential and those kinds of things.

Rep. Nelson: The temporary staffs that you are able to draw from in Grand Forks, is that people that are in the type of program that would lead them into the social service type programs or counseling programs?

Kate Kenna: We do compete; not only with McDonald or Berger King, but also with the group home developmentally disabled and other facilities in town. We try to work with students that are in that field. We are thinking of trying to use retired professionals who might be interested in working at Ruth Meyers. Our salary has been $8.80/hr. We just are beginning with temporaries where we are going to be paying them $9.50/hr so they don't have any benefits. I should mention with Ruth Meyers Adolescence Center we did try twice to RFP it. That did not work out either time. It is a valuable service and kids to very well there.

Chairman Pollert: On their fringe benefits you show a negative for total budget changes and then a positive for the executive budget. One is a negative $239,000 and one is a positive $400,000. It just seems like it is an error, but it is not an error?

Leslie? The $239,000 was the reduction as we were down sizing or moving the infant program out of the human service center. That was one area that we took a large chuck off the revenues for. In other areas the salaries have been moved around to different places. Fringe benefits did end up with a big chuck of that.

Rep. Bellew: Most of your inflationary increases of general funds; however, in yours there are some federal funds there. How come you guys get federal funds and the other centers can not?

Leslie? The areas where you see general funds are the areas where we can generate the medical assistance revenue. If we increase our costs by $1; we will get .65 cents back in

federal revenue from the medical assistance. The other programs; the alcohol and drug ones that are based on the block grant are in the same boat with the other human services.

Rep. Bellew: I would like to ask somebody about the block grants. Can we get a break down of those grants and how they compare to last biennium to this one? This is to see if there is a trend.

Chairman Pollert: The grants are wrapped in certain segments and it would be nice for us to see where they are at. That is including the social services right?

Marilyn Rudolph: Director of Northwest & North Central Human Service Centers: (see written testimony)

Rep. Ekstrom: On this section 8 housing units; has that been fairly well received by the community or did you have a battle over where this might be constructed?

Marilyn Rudolph: We have not had a battle, but Williston has a very active provider ship in opportunity foundation and the major and the city counsel have been very activity involved with our process and so actually the city donated the land for this apartment complex. The human service center will provide the supportive services for this project. It will house eight individuals with service mental illness and it is going to cost $1 million to build this project. Our matching amount will be about $16,000 so it is a win win situation and as the project continues our match decreases. I have a deputy director in Williston who does a very good job of seeking out those opportunities and that has helped us. In Williston right now finding a place to live is very difficult. You can't find anything to rent and the average apartment rent is between $750-$800/month. Mercy Recovery continues to provide addiction services and this has been proven to be very economical for us. They do run a residential component and the individual is identified as needing that residential component in order to be successful in treatment. One of our challenges, as you heard all morning, will be the recruitment and retention of staff. Right

now we have a seasoned group of people. I have been there for 27 years and the majority of our staff have been there for at least that long; perhaps a couple for a couple years longer. Many of them are coming due to retire. Our budget is a little bit unusual because the governor's budget for salary and benefits includes general funds of $273,236 and federal funds of $90,815 and other funds of $5,725 for a total of $369,776. The proposed 3% inflationary increase if funded is $61,124 in general funds. Based on the state pay plan salaries and fringe benefits for the center will decrease $90,331. Some of that is because of the lose of the infant development program so those salaries were taken out of the human service center budget because it was privatized to Minot State University and again as the other regions where the programs are privatized the staff went with the program and did not lose benefits and maintained their salaries so it was a good thing. Minot State has the ability to hire staff with perhaps more ease than we do because they don't have to have approved FTE etc. We had a couple of individuals retired who were in the higher paid bracket and they were replaced with people who were not paid as much so that decreases our costs. Our pubic and private grants have decreased $50,407; $40,000 decrease is due to the moving of the Infant Development program and the Part C program to Minot State University. Our operating costs have decreased $30,141 in the operating fees and family care givers support program and in the infant development tattlers Part C program and a reduction in the semi structured room and board program. A number of our programs have seen reductions in federal funding. The biggest decrease was in title 19 collections amounting to $348,004 and that is because we are just not able to collect as much Title 19; we have too many people working.

Chairman Pollert: On page 2 of your testimony you said Mercy Recovery continues to provide addiction services with the guessing option? What do you mean by that?

Marilyn Rudolph: Mercy Recovery will provide guessing to individuals who come from out of town and need addiction services under our contract and so they basically have some beds set aside where individuals can stay while they are in treatment.

Chairman Pollert: How is that performing just like everything else?

Marilyn Rudolph: It is part of our contract. On our turn back Northwest cut it very close to the vest this time and we have no turn back. We have been fully staffed too.

North Central Health Service Center:

(Continued going through written testimony)

Chairman Pollert: Looking over your spend down, food and clothing is listed for $5,000, but I don't have any of the other human service centers having an increase in food and clothing for $5,000? This is kind of a strange thing.

Marilyn Rudolph: I am just wanted to clarify that it is accurate. This is Keith Welsh, my business manager.

Keith Welsh: The $5,000 is the center in Minot has two residential programs; a transitional living and an orphan program which we buy groceries for; that increase is because of those two programs.

Chairman Pollert: Printing was the other question, but when you have been setting at $16,000 and then suddenly you are going to $22,000. I think you have been $16,000 for the last two bienniums and it is going up $6,000.

Keith Welsh: That is because of usage. Letters, envelopes and most of it is done by the state printing down here.

Rep. Bellew: You said you are going to move into your new building in June. The rent costs about the same?

Marilyn Rudolph: The rent is lower; and there will be no escalator clause or rent adjustment. It is $9.25/sq.ft. and the landlord will maintain the space. We will not have to pay for every thing that is done to the building.

Rep. Bellew: These costs, do they reflect these cost changes?

Marilyn Rudolph: This budget was put together before those costs; however.

Keith Welsch: The rent is lower and we have no escalator clause, but we will be paying for the janitorial services, which we weren't paying for in the old building. It is sort of a trade off. Last year was a really bad year on our lease adjustment. It was $70,000 and won't be paying that for janitorial? Although we have not bid that out yet. The rent is lower but we will be paying for our own janitorial services.

Grant Summary Review:

Chairman Pollert: You want to go over the psychological services? Is it possible that the federal funds are dropping and the general funds are going up?

Marilyn Rudolph: What I can tell you about that is we lost a full time psychiatrist. Now we are contracting for psychiatric services and so we contract 24 hours a week with one and 8 hours a week with another. One is an adult specialist and one is a children and adolescent specialist and we have had to fill in with clinical nurse specialist and we are doing that with a contract with rural health consortium so that is where the money goes under that program. We also do teen evaluations under contract for the rural areas.

Chairman Pollert: I just see the whole grant has an increase of $240,000 between federal and general?

Rep. Kerzman: I would like to ask Nancy a question. I see a number of the centers have gotten up as high as 60% referrals coming out of DOCR for drugs etc. How much treatment in

institutions before they are getting released? I am trying to get a handle on this. Are they coming out partially cured?

Nancy McKenzie: Some times we see people for follow up and after care who did receive treatment while in the prison. Some do not. Obviously any one who has not been in jail; that might be at risk, so we will probably be their first treatment?

Rep. Kerzman: What percentage do you think have never been treated before within the system?

Nancy McKenzie: Probably at least half. Joanna, do you know of the people coming out of the prison, what the percentage that have received treatment?

Joanna: I don't.

Nancy McKenzie: It depends on the number coming out. If the sentence is less than a year; sometimes those people would not be able to participate in these treatment programs because of capacity. So they would be starting with an intensive out patient residential. They try to get them the kind of treatment inside the walls.

Rep. Kerzman: How receptive are those that have had some treatment inside; how receptive are they to further treatment?

Nancy McKenzie: It varies with individuals. We won't keep people in treatment slots if they are doing absolutely nothing.

Rep. Nelson: We went through the budget portion one of the things I thought was rather enlightening was the fact that some of the skills that are taught, either inside the walls, or through transition release work type of opportunities before release. Trying to put this whole puzzle together are you seeing a different client base because of this program?

Nancy McKenzie: In general our staff would say out clients we are working with are tougher; they have had multiply issues going on. We see some people have more treatment fall into prison and they are going to need a less level of care from us. They will need more after care compared to people who have had none.

Disability Division:

Yvonne Smith: (see Independent Living handout and organization chart of the division) Director of the Disability Division: Went over the handouts. The map shows what the proposal would be for where they would like to have greater services provided. Last map, the pink counties are those considered under served at this time. The gray are served well and all of the white area is considered unserved at this time.

Chairman Pollert: You said the senate put in $500,000 off this? How come I don't see that on the spend down? I suppose it is in the grants area? Yes, they got $1 million dollars so they have another $500,000 in there somewhere.

Yvonne Smith: $500,000 for independent living and $500,000 for IPAC.

This first part of the budget has to do with the salary increases and I did hand out the organization chart. Our FTE's stay the same from this to the next biennium. The increase in the salary line item is the result of the governor's salary package. Additional costs are for four expected retirements within the division. The largest number of FTE's are in the DDS unit within the disability services and it is all federally funded and that is the unit that does the determination of eligibility for FFI and FFCI. Operating: There is an increase in the travel line item and that is as a result of the need to assist the rehabilitation workers who work out of the human service centers in obtaining their masters degree. In order to do that the staff people have to travel out of state. We do not have any institutions of higher learning in ND that offers the degree that is required, which is to provide vocational rehabilitation counseling. The

federal requirement says you have to meet the certificated rehab counsel certification in order to continue to qualify for the federal funding that is available for the salaries and our agreement with the federal government is that within five years of hire a person will have that Master's degree. We usually can not hire people that who already have that degree so we assist them in obtaining it.

Chairman Pollert: Are you paying for their education?

Yvonne Smith: Yes we are plus travel and they sign an agreement that they agree to work for the state for equal months as provide the assistance for.

Chairman Pollert: Have you had anyone that gets their Master's leave after their time of service?

Yvonne Smith: We have had a couple of people leave prior to their fulfilling their commitment and then they have to ask for their money to be paid back.

Chairman Pollert: Did they get their money back then?

Yvonne Smith: Yes. Operating and professional supplies and material there is also an increase. Part of that is for the VR counselor training, about $13,000. There is also an increase in the educational information material for vocational rehabilitation. Part of our state plan requirement is that we provide public information in regard to the services of vocational rehabilitation, particularly in regard to the services we can offer to businesses. We publish pamphlets and CD's and that sort of thing. Our office space had a slight increase in the sq. footage requirements by the Disability Determination Services Unit. Professional Development, there are a tuition increase that we are paying for the 12 VR pamphlets? There was a time when the federal government provided scholarships for the staff, but they have gradually phased that out. We did it by providing it to various universities and they provided scholarships to the staff. Since we have phased that out it has become a state

responsibility. The match for VR is pretty good. It is close to 80% match and that is a good federal match. There is an increase in DDS costs for federally required conferences of about $13,000. DDS is one of those services that are highly federally regulated and there are several conferences that the staff is required to attend.

Chairman Pollert: Operating fees and services $390,000? Part of that are probably inflators? I want a break down of those services.

Rep. Nelson: Let's go back up to fees and services. Not so much what took place in this budget cycle, but what took place in the last one. That was down $50,000 between 2003-05 and 05-07, but if you compare the 03-05 to this one it is not much of an increase. What caused it to go down so much in the last budget cycle?

Yvonne Smith: I think that was when we moved from Dakota Foundation Office building into Prairie Hills Plaza and so there was a rental decrease.

Rep. Nelson: That number was decided as a fair rental cost and now why did it go up so significantly?

Yvonne Smith: Those are the actually costs the landlord is experiencing in terms of running the building. The original rental rate per square foot was an estimate and he has seen some high utility costs and he needs to raise the rent so it is being raised for all.

Lynn McDermott: Explained that when the move from one location to another the rent they were working on an estimate and that is how the changes came about.

Chairman Pollert: Why did the move take place originally?

Lynn McDermott: Yes, there were some concerns about the building we were previously in. It is the building down by Kirkwood Mall.

Chairman Pollert: Maybe we should get a sheet with other rental agreements just for comparison sake.

Lynn McDermott: The square footage was $13.51 for rental from 07-09. because of heating fuel etc.

Rep. Wieland: When you move into a new facility do you do a long term lease?

Lynn McDermott: Actually I don't work on the lease myself, but as I understand it basically we have a two year lease with approvals to extend it until such time as something occurs.

Rep. Wieland: When they continue them then they have the rights to adjust.

Rep. Nelson: Do you have negotiating authority in those agreements. What if we say no?

Lynn McDermott: Fiscal administration does the rental agreements through Linda Weiz's area and she is not here today.

Chairman Pollert: You are going to bring us a break down on the professional service fees and operating fees and services so we will wait with that.

Rep. Bellew: Yvonne I want to go back up to supplies; material and professional. Looks like there is a substantial increase in that category?

Yvonne Smith: that is all the public education materials that I mentioned for vocational rehabilitation for providing information to businesses as well as to schools etc. A lot of those are done through CD's and the cost attributed that in the up coming biennium is $23,000; the other large item in supply has to do with part C, the early intervention services for infants and infants development. There is expenditure for educational material in that regard of about $70,000. The books for the VR counselors and that is in the amount of $12,745.

Rep. Nelson: What is the anticipated reason for the increase here? You have $65,000 remaining in this biennium and you back to 05 and you spent only $26,000. That is a pretty significant increase.

Yvonne Smith: Public education materials are a relatively new expenditure. The $70,000 materials you end up buying those materials in bulk and you end up using them later on.

Chairman Pollert: Will you spend the $65,000 remaining on this biennium.

Yvonne Smith: I believe that is slated to be purchased.

Rep. Bellew: Yes I want a break down of that. Break down the federal and general fund in that category also.

Chairman Pollert: It is going to start on $1 millions on grants, benefits and claims. In order to go to that do I need to go to the grants item where it says interagency program for assistive technology? So 05-07 was $930,000; federal dollars had dropped $248,000 so the senate put in one half million, which was 25% of an OAR; is that correct? What about IPAD?

Yvonne Smith: That $500,000 was the total request that IPAD. It was requested to replace the lost of federal funds.

Chairman Pollert: The lost of federal funds was $249,000 so the senate put in an extra $250,000 basically.

Yvonne Smith: If you will look this was a provider requested OAR was for the $500,000 in order to provide for the level of service that was being demanded by the people needing the service.

Chairman Pollert: So if the funding would have stayed the same they would have been $750,000. Am I reading that wrong? Did the providers know of the $250,000 drop in federal funds? They did. So they were basically asking for a $250,000 from the previous biennium. Explain a little bit about the centers of independent living. What it is about.

Yvonne Smith: There are four centers for independent living that are located in ND; Grand Forks, Fargo, Minot and Bismarck. Their purpose is to provide services for independent living skills, training for people with a disability, advocacy to help people excess those kinds of services and obtain the kinds of things they need in order to maintain themselves in the

community. So these people are a different class of people than a DD person. It is a broader class of people with disabilities.

Chairman Pollert: The mental capacity of an independent living person is fine if he can live on his own and so clients of independent living they are trying to help accolade.

Yvonne Smith: A lot of people that are served with a physical disability; people because of an injury would be in a wheel chair or people who have a debilitation disease that is causing the difficulty for them to live in the community without resources.

Chairman Pollert: Human based services as an example. Is this something similar to that?

Yvonne Smith: The centers for independent living are not staffed to provide those kinds of services. They are staffed to help people excess those kinds of services that would be available and to assist them in finding their way through the system to get services that are being provided by other agencies. If they do need a homemaker service to help the individual get to the right place to apply for those services. They provide pier counseling which would be a person with a disability working with another person with newly acquired disability to help them in their adjustment.

Chairman Pollert: You issue grants. Where would that show under the grants line item?

Yvonne Smith: It is in the BR section. The direct client services part.

Chairman Pollert: So under direct client services part, what is included in this?

Yvonne Smith: I can bring in the break down tomorrow.

Chairman Pollert: Are there any other questions on the other grants that are there?

That is $15 million dollars worth so it would be nice to have a break down on it.

Yvonne Smith: About $13 million of that are VR grants. Do you want to do that right away in the morning before we get on state hospital and the developmental center?

Yvonne Smith: Yes

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 6, 2007 - Time: 8:00 am

Recorder Job Number 4476

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Yvonne Smith, Director of the Disability Services Division, gave four handouts of schedules which had been requested. (Attachments) Yvonne referred to an e-mail from Senator Lee regarding IPAT Senate appropriation and explained. Discussion.

Yvonne began the review and explained **the Detail of Budget Account Code 5320000 - Professional Supplies & Materials**. Questions and answers regarding the increase of

$47,000 … ongoing Vocational Rehabilitation staff people … 43 counselors … 12 people in training.

Next, **"Professional Development"** was reviewed and explanation of increases.

Operating Fees and Services was reviewed and explained. Guardianship contract increased and explained. $850 per petition for guardianship. Question regarding whether Protection and Advocacy could do this.

Theresa Larson, Executive Director of P&A, explained they do get involved in guardianships - limited to emergency situations.

Questions and answers regarding attorneys on staff … value of in-kind services of Catholic Family Services - their cost was $4.80 per day … cost explained of additional 35 people.

Grants Schedule was reviewed and explained next. Question answered regarding number of people who can get direct services - 4,600 people.

Chairman Pollert acknowledged Ashley High School students.

Yvonne Smith continued with her explanation of Grants. Questions answered regarding federal dollars … $500,000 increase … Older Blind explanation … raise in minimal wage effect … length of time staff involved … extended services time frame.

Continued on **Disability Determination Services - Early Intervention Services** and explained. Next **IPAT and Other Grants** were reviewed and explained.

Chairman Pollert turned to the State Hospital Section of the DHS.

Alex Schweitzer, Superintendent of DHS Institutions, testified. He handed out the **organizational flow charts** and explained. Also, given was **Summary by Subdivision.** (Attachments) Next, was the **Executive Summary at the Tompkins Rehabilitation Center.** **Discussion of Capacity, Multiple Admissions and Recidivism** was handed out. (Attachment)

Alex Schweitzer reviewed the recidivism chart and the other charts.

Kerry Wicks, Clinical Director of the Tompkins Program, testified. (Written Testimony)

He reviewed the graphs attached to his testimony and began the summary on the Tompkins Rehabilitation Center. Questions and answers regarding discharge stats ... treatment program in Rugby ... people placed in parole and probation - monitored ... field services under criticism-not having enough people ... involvement of family ... perception of meth users success ... explanation of brain functioning with meth use ... use of drugs in meth treatment not tolerated ... meth investment longer ... more physical effects-dental ... comparisons to Robinson Recovery ... success ratio.

Recess.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 6, 2007 - Time: 10 am

Recorder Job Number 4477

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Alex Schwietzer, Superintendent of DHS Institutions, continued with his testimony. He discussed and reviewed the handout on **"Recidivism."** Questions and answers regarding chronic readmits … alcohol abuse vs. alcohol dependence … public policy with sex offenders … clinicians level of training … national stats regarding discharge of sex offenders.

Chairman Pollert asked a question of **Allen Knutson** regarding the engrossed bill 2012 dealing with security. It was stated this bill was SB 2136.

Questions and answers regarding sex offenders in secured unit ... treatments that work ... 62 beds to 82 beds ... need for single rooms ... need for a 5th unit in 20 years.

Alex continued with a general overview of the Budget beginning the FTEs, salaries, motor pool, food and clothing. (Attachment) Questions and answers regarding motor pool costs ... meal costs ... dietary needs for some patients ... raw food costs ... clothing costs.

Chairman Pollert requested a detailed breakdown on food and clothing costs and numbers on patients in the State Hospital.

Alex stated in 2004 there were 188, in 2005 there were 231, 2006 - 253.

Chairman Pollert requested a detailed breakdown on professional services fee, medical, dental and optical fees.

Questions asked and answered regarding transferring long-term patients ... miscellaneous and office supplies.

Ken Schultz, Financial Officer, gave the listing of what supplies included and explained the convenience store and lunch counter they have at the hospital.

Continued questioning regarding whether self pay if patients buy ... patients' pay.

Alex continued with reviewing Capital Expenditures explaining a decrease. Alex stated they were looking at three major projects ... electrical service replacement, resurfacing streets and parking lot, and a new lift station. Questions and discussion on the electrical upgrade starting from Phase I. The switch gear had to be replaced. The second phase was the largest one in replacing all the underground wiring for the state hospital and configuring it in a loop. So, that if there was a problem in one section of the electrical system, it could be isolated. Continued discussion on the generator and the aluminum wiring and a possible phase three in the future.

Phase three, in a proposal from Ulteig Engineering, would be another electrical provider and this was explained. Questions were asked about the electrical system running through the tunnels ... whether this would be a problem with security.

Alex continued reviewing the budget on **Secures Services** which increased due to increased capacity. The FTE positions ... temporary salaries (psychiatrist) were reviewed and discussed.

There was a question about mental illness and medications.

Dr. Rosalie Etherington, Clinical Director for Inpatient Services at the State Hospital, stated patients are required to sign consent forms.

Alex continued with questions and explanation regarding professional services fees ... evaluations ... 3.1 million for new wing addition.

Alex reviewed the budget on the **Developmental Center**. He explained the transition of patients from the center to community programming. The goal of 127 individuals hoped to be reached in this biennium. Alex gave the numbers of patients in 2003 - 149, in 2006 - 131. Questions and answers regarding the goals ... FTEs unfilled positions ... labor pool ... underfund equating to 15 FTEs ... losing staff ... goal of getting down to 97 people ... closing a wing ... utilities ... coal costs.

Requests were made for breakdowns on the green sheet for numbers 2, 3, and 4. Also, for the repairs item.

Question was asked about a wing and the number of people living in a wing.

Sue Forester, Superintendent of Development Center, responded explaining the type of buildings they have. One has a living area which has 3 suites and 4 bedrooms. Depending on where you live, the setting is a little different it was stated.

Chairman Pollert adjourned for lunch.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 6, 2007 - Time: pm

Recorder Job Number 4480

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Jennie Witham, Director of Information Technology Services, testified. She handed out the **ITS organization chart** and sheets on **Temporary Salaries - Includes Fringe Benefits, Detail of Budget Account Code 621000 - Operating Fees & Services, and Detail of Budget Account Code 582000 - Rental/Leases - Bldg/Land.** (Attachments) Jennie gave a quick overview of the organization chart.

Representative Ekstrom questioned whether there were any new major systems coming.

Jennie responded saying DHS has several large systems, all of which are aging. The objective of the department is look at the eligibility system - right now 4 systems. One is Vision - temporary system for needy families and the majority of our Medicaid eligibility. Another called Techs which has Food Stamps as well as some other Medicaid components. Separate from those two, we have the Low Income Heating Program and the Child Care System. During '07-'09, we will start to do some planning to get our eligibility systems into a single system.

Representative Ekstrom inquired about how the Child Support System would be integrated into the state system.

Jennie responded saying the Child Support System would continue to use the application that is in place right now and no plans to replace the system. The weakest link is between our Children and Family Services component and our Child Welfare component and Child Support. Mike Schwindt has received a grant to look at how those systems complement each other and we will be focusing on that over the next 3 years. This is an enhancement to the interfaces between those systems.

Jennie gave an explanation and answered questions on the spend down beginning with Salaries and why 5 temporary staff. Next, she explained IT equipment under $5,000 and answered questions. The Operating Fees and Rental/Leases budgets were explained and questions answered regarding the MMIS system and the 5 some million dollars contingency.

Jennie stated there is a requirement to report to the budget section during the interim as well as to the Legislative committee. For any single expenditure that is over a half million dollars, we would go to the budget section for approval. She continued with an explanation on the carry over. She explained how and why the rental payments are made.

Maggie Anderson, Director of Medical Services, testified on **Long Term Care.** She handed out a **Summary of Long Term Care Continuum with Funding Sources** which covers all the services which includes Nursing Homes, Basic Care, SPED, Expanded SPED, Waiver - TBI, Waiver - Aged & Disabled, Targeted Case Management, Personal Care Services, and Developmental Disabilities. (Attachment) Also, **Quarterly Budget Insight** and the **Functional Eligibility Requirements Comparison** were given. (Attachments) She explained the rates and the comparisons on the Budget Insight document.

Chairman Pollert questioned the turn back of 11 million dollars in Long Term Care as to where it came from. Maggie explained that in the 11.6 million in Long Term Care, 5.7 million is Nursing Homes. Maggie continued to explain the amounts in the turn back. Refer: 36:44. She explained what the Personal Care Services were - to help individuals meet their ADL, their activities of daily living needs in their homes or in basic care facility and someone is providing assistance in their care needs. Maggie found she had reading the wrong numbers in the turn back and made the corrections. Refer: 41:14.

Maggie referred to the SPED columns and explained that it was not the same budgeting process as used for other programs like Nursing Homes. SPED table was explained.

There were questions and answers regarding one unit for SPED - 15 minute time frame and the formula for budget.

The ADL (Activity of Daily Living) services were explained and the need budget for the SPED program. There were questions and discussion about ADL's standards… people using SPED for the wrong reason … SPED program stagnant … how a person accesses SPED … type of person using the program.

Adjournment for the day.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 7, 2007

Recorder Job Number: 4550

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

John W. Johnson, with Centers for Independent Living in Grand Forks: (copies of charts). I am living in Grand Forks. There are four centers for independent living in ND. We have served these areas for many years. What we are asking and it is included in the Governor's budget for expansion dollars to cover the entire state. Right now as I go to this flow chart the purple areas show the areas where we fully provide our services. Reviewed the booklet and

went over it. We have a satellite office in Cavalier. On our expansion what we plan to do is open an office in Carrington, Devils Lake, and perhaps Mayville to expand out services. That would be the expansions for the other independent living. The chart outlines the map and then the scope of our services. We are a private non profit. We do not charge for our services. We represent all ages and all disability types.

Rep. Ekstrom: Your cost analysis was wonderful and that is for a single year?

John Johnson: That is from 10/01/04 to 9/30/06. We are asking you to invest people with disabilities and the elderly with the potential of a possible return for the state budget.

Chairman Pollert: The Senate put in .5 million?

John Johnson: That is correct.

Ken Tupa, ND Chiropractors Association: just introduced Jeff Askew.

Jeff Askew: (see written testimony)

Rep. Nelson: If you were raised to Medicare rates, what would your fee schedule be fore that procedure you just talked about?

Jeff Askew: Medicare rates are right in the neighborhood of $23.

Rep. Nelson: You are basically asking to raise it to Medicare equaling, is that correct?

Jeff Askew: Yes, but we are looking at using it as a percent of those services so we would have something to measure by.

Rep. Nelson: Usually there is a standard that should be set? Would it not make sense for all providers to be at an equal playing field whether it is a percentage or a reimbursement structure that you can use?

Jeff Askew: Are we being treated fairly compared to other providers and where that guide is applied to us.

Rep. Nelson: You turn away any patients now?

Jeff Askew: We try very hard not to.

Rep. Nelson: When the dentist came forward a problem they talked about was the no shows? Is that a problem with your business?

Jeff Askew: Yes, it is a problem. People who are getting the care paid for by someone else trend not to be as diligent in their attendance.

Rep. Kerzman: Is there an attempt by Medicaid patients to pick up a portion of their bill that is unpaid or is that even allowable?

Jeff Askew: Before Medicaid paid for our examinations we were allowed to bill them for the examination, but not any difference in the daily visit fee after that. The examination wasn't covered at all so the patient paid for that. I don't think we are allowed to bill a difference.

John Doherty: Chief Operating Officer of MeritCare Health System: (see written testimony).

Chairman Pollert: Does Minnesota have more mandates that could drive the cost up?

John Doherty: I don't have that data with me but I can get it and share it with you later. Even on very light care out costs are considerably less.

Rep. Kerzman: We are looking at 4-5 year old charts here. Is there any changes in the last couple of years.

John Doherty: There has been no changes in the organization of how we deliver health care or in the underlying payment policies or staffing. We firmly believe at MeritCare that the best way to provide value is in an integrated structure. In many states they are vary fragmented organizational care and that tends to drive costs up.

Rep. Nelson: Several years ago there was an attempt to bring the Medicaid dollars up almost 70 million dollars that came to the state. What happened to that money?

John Doherty: That money came into the state and was to be used for Medicaid utilization and reimbursement. I am also aware that from the provider prospective none of the money was used to increase our rates of payment in that period of time. We stayed at 2% services at that biennium.

Rep. Nelson: Your facilities and the facilities you are speaking with today probably have what percentage is a part of your case mix in your facility?

John Doherty: We border Minnesota-North Dakota and in total about 9% of our gross revenue is Medicaid. It is equally spread between the ND-Minnesota residences. Medicare doesn't come close to covering our actual costs of providing care. The longer term concern for the larger facilities is we are not getting our costs covered so when you combine both the governmental workers, Medicaid and Medicare, it becomes a challenge for private care providers.

Rep. Nelson: What is the difference in charged rates through BCBS Medicare, Medicaid?

John Doherty: Charge rates are not reflective of our costs with BCBS. Our reimbursement will be within the 85% charge rates. Medicaid reimbursement is between 40-45% charge rates. When you compare it to our costs BCBS of ND; our payment to them is probably 130% of our costs. Our Medicaid is in the 65%-75% of cost. Employers are not interested in the additional funding costs.

Chet Pulver, Public Policy Ass't, Mental Health Association: (see written testimony).

Kathy Mayer, Executive Director, Prevent Child Abuse North Dakota: (see written testimony)

Chairman Pollert: Was it in OAR the Senate put in $300,000, but the request was for $600,000.

Kathy Mayer: Yes that is correct.

James Moench, Ex. Director of ND Disabilities Advocacy Consortium: (see written testimony).

Valerie Eide, Administrator, Rock view Good Samitaritan Center – Parshall: (See written testimony)

Mike Schwab, Executive Director for the Arc of Bismarck: (see written testimony).

Chairman Pollert: When I read your letter it almost says you want to close all the smaller nursing homes and deposit them all in Bismarck?

Mike Schwab: That is what your statement says. I too am from a rural community. Don't get me wrong, but I do get a little offended about that. If you have that do you have the same thought about the small schools in the state of ND?

Mike Schwab: If I made that statement I am looking more at those that are having a hard time maintaining occupancy levels and maintaining financial stability. I guess at some point in time were going to have to come to that realization that we have seen this trend though out time, eventually we have to make that tough decision.

Chairman Pollert: So what you are saying is if there is a nursing home setting in Underwood or somewhere else that has got people coming in from Bismarck because there is a shortage of beds in Bismarck, yet there is one in Underwood; then should they have to give up their beds to give them to Bismarck even though that is probably keeping them alive and keeping people employed in the small town?

Mike Schwab: I would like to look at alternatives to care. Maybe that individual wouldn't have to move from Bismarck if we would have HCBS services in place in these communities currently, I guess.

Rep. Kreidt: You made a statement of interest to me in regards to the equalization of rates. A lot of the costs of nursing homes today are $159.96 that your referred to was because of

equalization of rates. I would like a magic answer to be able to say how do we get rid of equalization of rates?

Mike Schwab: I don't have a solution. We need to look at that issue. Maybe there is a little special treatment for nursing facilities by having this in place because we don't do that for health insurance, for example. Those that are underinsured or uninsured those costs are already factored into that when we go and purchase private insurance.

Rep. Kreidt: The increase of costs in nursing homes has some what to do with the problem.

Dave Zentner, Consultant with Minot State University, Medicaid Director: (see handout booklet). I was asked to prepare a report on long term care and that is what you have in front of you today. Nationally the planners have looked at baby boomers and thought about two areas of crisis and that is the social security system and Medicare. I offer that we have another crisis looming and that is the long term care crisis. The report points that out. We are going to have 9,000 more people over 85. We are going to have 151,000 people over 65 in 13 years, which is not a long time.

Chairman Pollert: Then we get on the other side where the private payers are going to be paying more dollars than the Medicaid people will be. So you are basically taxing the private payers or am I looking at that wrong too. We all want to find a solution.

Dave Zentner: You could restrict it. There were facilities out there that were very close to our rates. We had non-profit facilities that were charging 30-40% more than our rate. You could structure it so the private pay raise could not exceed by a certain percentage.

Rep. Ekstrom: Can you address the situation with SPED and where we are going with the program right now.

Dave Zentner: It is perplexing because we had a real strong program 3-4 years ago. I think there are several issues that entered into it. Personnel care option came about and that

caused some issues with how these individuals had to be medicated and had large recipient liabilities that we did not have to worry about before. ADL issue: 1) I think if you start early you instill in these individuals that fact that services are available in their homes and they are more likely to continue that when the agency places them. I would recommend that we do away with that issue of the ADL. 2) I am a county social service board member and we are concerned that when you remove these types of processes you push the process down to the counties. Those individuals that would ordinarily be eligible for SPED who don't have an ADL, the counties will have to pick that up or they are going to have to limit who they provide services to.

Rep. Kreidt: Couldn't one direction be to look at the classification category. Wouldn't that be a beginning step to try to get away from equalization of rates and tightening up administration to nursing homes.

Dave Zentner: In order to receive waivers for Medicaid waivers you have to be eligible to be screened Medicaid and be eligible to be in a nursing home. Those individuals who would ordinary be eligible for the waiver to receive wavered services would not get them any more. So that could cost some dollars on the federal stand point. Now that we have moved personnel care into an optional service it would be less of a factor, but it still would be a factor. You would likely lose some federal dollars because of that.

Rep. Kreidt: Once we initiated equalization rates things seem to go down hill. We are not doing as well as prior to that.

Rep. Kreidt: You have to buy nursing home insurance in this day and age and that would take a lot of relief to the Medicaid budget if people would plan ahead.

This needs to be done at a young age and that would help take the pressure off the program.

Dave Zentner: We will have a lot of people out there that do not have the assets out there or the ability to buy insurance and those are the people you are going to be paying for.

Muriel Peterson: Resident of District 47. (see written testimony). Add module to the training program that they reference for QSP's at Lake Region Junior College that deals with what is it to be an independent contractor. So they are better prepared to do that as operating a small business.

Break.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 7, 2007

Recorder Job Number: 4551

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman reopened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Lisa Vig, Program Director, Gamblers choice Lutheran Social Services of ND:

(See written testimony)

Chairman Pollert: The $400,000 comes out of some of the lottery proceeds.

Rep. Nelson: One aspect of the tribes gambling is that they would fund some compulsive gambling programs? Has that materialized?

Lisa Vig: Yes it has. They do give us money every year to support treatment. They even give mileage reimbursement for people to attend a session to travel to and from a treatment program.

Rep. Nelson: Has that been a consistent funding source for the programs you offer?

Lisa Vig: Yes it has.

Chairman Pollert: How many dollars do you get from them?

Lisa Vig: We get approximately $25,000 a year. We are asking for an increase in our budget of an additional $300,000.

Scott, a compulsive gambler: Testified and spoke about his life as a gambler.

Bonnie, Compulsive gambler, testified in behalf of funding. Shared her story.

Kathy, testified as a spouse of a compulsive gambler and alcoholic. (Pathological gambler). Told her story. . Concerned about the dangers of this gambling addiction.

Ruth, Compulsive Gambler, (escape gambler) testified about her story. Lutheran Social Services aided them in their healing and given them guidance.

Mindy, Compulsive Gambler, testified and told about her life. (Written testimony)

Linda, Compulsive Gambler, spoke of her life. (Written testimony)

Kenwood Larson: Compulsive Gambler spoke about being an alcoholic and gambler in Minnesota.

William J. Cook (written testimony)

Dean Lampe, Executive Director of the ND EMS Association: (Written testimony)

Carol Olson, Executive Director of Department of Human Services: (testified about the enhanced F-MAT. In June 2003 there was enhanced F-MAT that came to all the states. President Bush signed into law legislation relief an included in that was a temporary increase

in the Federal Matching Rate which we call the F-MAT for states under the Medicaid Program. We had deficient appropriations in Medicare in 2003 and hope that will never happen again. This money totaled $19.6 million dollars. The Governor did decide to approve $8 million 0f3-05 to maintain the care of the medically needy and seniors and families in nursing homes, personnel care, as well as other services. The $11.6 million was then held over and kept for the 2005-2007 bienniums so of the $19.6 million, $8 million dollars was devoted to the 03-05 biennium.

Rep. Nelson: When you said $11.6 was held over? Was that put in the general fund then?

Carol Olson: I think it went into the department general fund the next biennium. It was used across the board for Medicaid expenditures. We believe this funding was for Medicaid recipients across the board. Had we not used these funds in the manner we did, the Department of Human Services would have had to make reductions. Went into detail about the breakdown on the different areas that it would have affected. After you heard from all the different services and programs the Department of Human Services provides across the board in ND and you provide the appropriations for you realize it is not for one or two but for many providers and services.

Brenda Weisz: Administrative Support. Handouts "Flow chart" and Detail of Various Budget Account Codes" (see written testimony)

Rep. Bellew: The federal government seems to have no problem increasing fees and postage rates. Do you try to increase fees where you can?

Brenda Weisz: We are not taxing entities so we don't increase fees. We do fee rate setting.

Rep. Bellew: You could make recommendation to us?

Brenda Weisz: With our cliental we have to stay with the actual costs and our cliental can not afford to pay.

Rep. Nelson: Do you have any ability to medicate some of these increases through electronic means?

Brenda Weisz: Yes, we have done what we can electronically. We still have to mail certain items. A lot of your recipients do not have excess to computers. We could give you information that shows what are our costs to provide services and costs by county.

Chairman Pollert: In the 05-07 budgets the cost to run the DHS Administratively is like 4.85?

Brenda Weisz: It is in that handout I gave you. It is 5% for administration when we include this area. We also took into account the administrative staff and medical services child support, and the central offices and business office costs of the state hospital center, developmental center and human service centers. I think it was 5.8. Went over the budget handout.

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 7, 2007

Recorder Job Number: 4611

Committee Clerk Signature	

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Nancy McKenzie, (handed out HSC Caseload Averages information).

Joann Hazel: Division of Mental Health and Substance Abuse: (handed out testimony information on Sex Offender Treatment Contract information).and (sheet on Robinson Recovery Center substance abuse costs).

Rep. Nelson: Do you usually see that much difference in fees between two proposals when one is a state entity in an RFP situation like that?

Joanne Hazel: I think it is important to realize that we are talking about an institution that has fixed costs. We also have an entity that their budget is based on appropriated funding whereas share house has the ability to raise funds outside of that and write grants and those kinds of things. It would be very hard to do that on a competitive basis the way the funding was built. Based on an institution with the program mix, no that did not surprise me.

Rep. Bellew: When you send out an RFP and you get your bids back; do you just pay the $85 or how does that work?

Joanne Hazel: We can only spend $500,000 in general funds so that what our contract is with them. They had actually within the budget told us that they were going to use self pay, their reserves, and also insurance to cover the remainder. There was never an expectation that they would be coming to the state for that. There have been some efforts to address some of those additional costs that they have taken on so I guess that is a decision they have to make.

Chairman Pollert: I understand about the $85 going to $102, but aren't they asking for $100,000 and some thousand dollars to get them through the rest of the biennium for the contract that they had or am I wrong about that?

Joanne Hazel: No that is the upcoming biennium. We had $700,000 that was in the governor's budget that would go for methamphetamines residential. The senate added language to increase the capacity at Sharehouse. We are fine this biennium for this year.

Chairman Pollert: I thought we were talking there was $100,000 bill or something like that out there?

Joanne Hazel: That was the figure they gave the senate and then ultimately to describe what it would take to be fully funded in general funds on an annual basis.

Alex Schweitzer: **Superintendent of ND State Hospital, ND Developmental Center:** I am providing you with the information you requested yesterday during detail discussion. (Handout called ND State Hospital Traditional Services budget) It describes what they line item by line item. Reviewed and explained them. There were nine different sheets.

Rep. Nelson: Are you able to purchase with Department of Corrections with your drug costs, did you compare your purchasing agreement than what they have? What was comparison look like?

Alex Schweitzer: The use the same purchasing organization we do for drugs so we both use the same one. Went over various different costs and their cost changes. Explained all the changes.

Rep. Wieland: Do most Mental Health hearings still held in Stutsman County?

Alex Schweitzer: They are done by video. That saves money plus it is a real problem for some clients to travel; even though costs are $95,000 a patient. It is down significantly than what it was back then. We just are not engaging certain people in therapy. We are not going to spend the money for additional therapists who are not going to be involved. Some of those guys are going back to prison and they need to be in a more secure unit. The Developmental Center: did you want that too? (See handout) Shows a good detail of all the items and went through this.

Rep. Bellew: This is on the Developmental Center and operating fees and services. You have comment assessments. It is under the license and taxes.

Brenda Weisz: That relates to the provider tax that put on FCFMR beds. They do have to pay provider tax and it does have to come back into the states general fund.

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 8, 2007 - Time: 8 am

Recorder Job Number 4624 (no sound)

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Tom Wallner, Executive Director of the North Dakota State Council on Developmental Disabilities, came before the committee to answer questions regarding the Developmental Center at Grafton. He stated the council has never taken the position that the Center be phased out. Questions was asked about the Professional Development … Grants … whether

the facility of the Developmental Center was of value to which Tom replied it was cost effective.

Brenda Weisz will get a report on how many departments had a drop in Federal funds.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 8, 2007 - Time: am

Recorder Job Number 4625

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Maggie Anderson of Long Term Care continued with the review on Nursing Homes and Basic Care using the cost methodology sheet previously handed out. The rates limits were explained from the Grants Summary Sheet.

Barb Fischer explained thee cost per unit due to mass adjustment for the previous years of service. There were questions and answers regarding cost rebasing ... nursing homes having cost needs ... number of beds in 2005 - 07 ... Dec. '06 number of beds.

Maggie referred to a chart showing the number of beds. Discussion. She stated the total number of beds is 3,609. The average number of days stay in a nursing home (based on the information date they had) of 2,051 residents at the end of 2006 still in the facility is 1.79 years. The length of stay range is 1 day to 35 years. The number of individuals that have been there for more than 1 year is 823. She stated the beds stay full all of the time. More discussion on out-of-state residents ... swing beds - Medicare people ... eligibility of Medicare for nursing home beds.

Maggie began the review on Basic Care and explained how they arrived at the rates. Continued questions and discussion on the figures ... building of basic care beds. She referred to handouts she given "Billed to Paid Percentage by Provider Type" similar to Attachment C previously given. The second item "Comparison of Net Medicaid Eligibles" was also explained. Questions and answers regarding provider services ... why general hospitals paid differently ... units of hospitals ... projections of private pay and insurance.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 8 2007 - Time: 10 am

Recorder Job Number 4688

Committee Clerk Signature Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Carol Olson, Executive Director of DHS, asked to speak. She stated she had a meeting with **Governor Hoeven** and he had directed her to convey a message to the committee. "The governor does plan on visiting with the **Majority Leader Berg, House Appropriations Committee Chariman Svedjan, and Chairman Pollert**," she stated. The governor has directed the department to make the request to remove 1 ADL requirement from SPED. He

has met AARP and the governor believes that perhaps this is the best decision to make. There has a lot of discussion on it. Carol stated you may want to know where the 1.5 million dollars would be coming from to cover that change in the budget. She stated she was not certain what OMB had built into the budget for the agency turn back. But, she knew OMB really didn't have a turnback in the DHS budget because of the potential of a deficiency for the department due to the expenditures and the situation at the state hospital. As you heard, she said, and as has been presented by Brenda Weisz, the CFO, our turn back schedule right now is 6.8 million dollars. Carol stated she might suggest that could be a consideration to look in that direction.

There were questions regarding the turn back going back into general fund.

Carol continued saying there had been a great deal of discussion about this issue. She started the department started from scratch for over a year ago in putting together a budget ... maintaining the service level for the next biennium ... funding the 51 million shortage. When we started building the budget, she said, we had to look at everything. SPED is 90% general funds and 10% county. Things have changed dramatically.

Chairman Pollert: There is a misunderstanding among a lot of the public and the legislators of what's required of this budget just to continue the programs that we've started. And, then we look at what we're doing and this biennium is going to raise the bar further. So, it maybe won't be 51 million we'll need next session - maybe it's going to be 80 or 90 million. That's just to keep us going. I appreciate the governor and you coming forward. Thank you very much.

Chairman Pollert asked Maggie Anderson if this would be changing the numbers. Maggie replied the SPED tables that are in all of the documents that were provided would reflect the one ADL change, so it would change those numbers. Replacement tables would be provided.

Chairman Pollert acknowledged the high school students from **Tower City (Maple Valley) and UND.**

Representative Kerzman: Made a motion to remove the 1 ADL from the budget.

Maggie Anderson, of Long Term Care, continued in explaining the rates of QSP (Qualified Service Provider) services (An agency or independent contractor that agrees to meet standards for services and operations established by the DHS to provide home and community based long term services.), the billing for SPED and the difference between the agencies. Question asked what the average QSP provider makes. Maggie replied the current low is $1.80 - current high is $3.16; average is $2.40 per minute. This system says everybody is allowed to bill up to $3.16. (**Fee-For-Service Example** attached) She explained that if Medicaid does not cover, provider can charge his cost. She stated that the name change from QSP to HSP would involve staff time. Discussion.

Maggie gave a handout **entitled "Median Plus Used for establishing Nursing Facility Cost Category Limits" and "Nursing Facility Limited"** - nursing facilities that are exceeding the limits of nursing home costs. These were reviewed, explained and questions answered regarding median rather than average ... limit rate ... direct, indirect and other expenses.

Maggie, in regard to a question about property, said in SB 2012 there will be money available to rebase the property billing limits costs for nursing home.

Barb Fischer, Assistant Director of Medical Services Division, stated the building limits were established back in 1994. The property study committee was determined to stay with the costs. There was a per bed limit put on that point of time and it was established on single and double occupancy. It was based on construction at that time and has been inflated annually since then. Continued questions and discussion on new construction pass-through ... disparity

between lowest property rate and highest property rates ... purchasing beds ... use of beds or space ... relationship of costs.

Maggie explained the handout **"2007-2009 Turn back."**

Next, **Maggie** began to explain **SPED** budget page in the **Long Term Care Continuum** handout. Questions and answers regarding figures.

Next was **Expanded SPED** and the services. Eligibility is the same basic care. Questions and answers regarding federal government involvement for home modifications - DHS has applied for a grant ... average cost per unit formula. There was continued explanation with discussion on **Traumatically Brain Injured Waiver** services and **Aged & Disabled Waiver.** Questions on whether there are providers for people with ventilators ... whether demographics to cause a person to apply for a waiver ... under management of a respiratory therapist.

Chairman Pollert asked a question of **Brenda Weisz** regarding 51 million dollars turn back.

Chairman Pollert questioned Maggie about the Aged & Disabled turn back. Maggie said the program for the ventilator services was not in place yet. Continued discussion.

TCM Aged & Disabled services explained. Questions and answers with continued discussion regarding case managers being from the county offices ... money given to providers and no requirements ... targeted case management. **Linda Wright of Aging Services** explained that several years ago the Aging Services funded a couple of pilot projects called Expanded Case Management.

Personal Care Option was explained and **Maggie** stated there were two levels of Personal Care services - Level 1 and Level 2 determined by the functional criteria. Questions and answers regarding eligibility requirements for SPED and ExSPED.

Barb Fischer gave a brief history on SPED and ExSPED. Refer: 097:31. Questions and discussion on general fund and federal dollars coverage.

Speaker of the House Delzer gave an explanation of the entitlement and the qualifications.

Maggie continued with the explanation on funding of the Personal Care Option. Questions and answers regarding cost of units amount ... Home and Community Based Services.

A request was made for a chart on SPED and Personal Care actual expenditures.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 12, 2007 - Time: 8 am

Recorder Job Number 4861

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Maggie Anderson of Long Term Care continued with the detailing on **Developmental Disabled.** There were handouts **"Grant Summary," "Long Term Care Continuum," "DD Grant Scenarios," "Overview of Services for People with DD," "Biennial Budget Comparison."** (Attachments)

Chairman Pollert: If we were to consider the 80 cents from the 60, are you saying it would take approximately 1.9 million general funds to go up to 20 cents, or are you saying it would be 3.8 million dollars?

Maggie replied it would take 3.8 million dollars in general funds to go up the additional 20 cents.

Brenda Weisz explained the increase was for only one year as explained in the Executive Budget.

Continued discussion with questions and answers on the salary increase and different numbers used with the inflator. Numbers were given and the costs. Refer: 10:00

Maggie explained the **"Biennial Budget Comparison."**

Brenda Weisz answered a question regarding the increases for the human service centers. Some general fund money was moved into the DD grant.

Maggie reviewed the goldenrod sheets on the **Overview of Services for People with Development Disabilities.** There were questions and answers regarding drop in caseload ... what group will the Developmental Center people be coming from ... how many people transitioned at during past 4 years ... total number out who-need-care increased.

Yvonne Smith of Disability Services Division stated in 2003 there were 149 people served, 140 in 2004, 140 in 2005, 131 in 2006. We are down to 129 right now. There have been admissions, there have also been some deaths, and one of the things that was considered is the need for crisis services in the community so that people don't need to be readmitted into the developmental center. There continues to be a demand for services in the community from the bottom up - young people with developmental disabilities. Group homes - there is not a lot of growth.

Maggie answered a question regarding the numbers of the Developmental Center, congregate care, adult education transition services or day supports - whether the total number would be increasing. Maggie responded saying yes, it would be increasing - giving the numbers of each program. Refer: 33:30

Mark Kolling, Staff member of DDS, gave the expected new growth in the programs.

Brenda Weisz pointed out some of the individuals counted are not unduplicated as in congregate care and day supports.

Maggie continued explaining the Intermediate Care Facility for the Mentally Retarded and Individualized Supported Living Arrangement, and Minimally Supervised Living Arrangement with the differences between the programs.

Yvonne Smith answered a question about the difference between the ISLA and a Minimum being the cost per unit is more expensive for a minimally supervised than an individualized supervised person. Yvonne stated there are basically, in addition to the ICFMRs, are the institutional level of care in the group homes. In the budget, there are the minimally supervised living arrangements, congregate care, and transitional community living facilities. Those are all group homes - brick and motor places. ISLAs are individualized apartments - the costs vary depending on the amount of the service the individual needs. ISLA are the least restrictive.

Maggie continued with the explanation on Transitional Community Living Facility and Self Directed Supports with an expected growth.

Yvonne Smith in answer to a question about "growth explosion" stated there has been a growth in the 0 to 3 continue to be more children who are found to be in need of services because of developmental delays. Once a child reaches the age of 3, they become basically the responsibility of the public school system and they don't enter the DD system until they graduate when they become a part of the adult DD system.

Mark stated that on a national comparison our growth rate in North Dakota is probably less than the average across the country. The reason is further along in its community support system than most of the states in the country. Large populated states have waiting lists - people receiving no services at all. Our growth is much smaller in terms of the numbers and we no have waiting lists. We have the infants with the development delays on the front end and the back end, those individuals who are graduating from special education and now going into the adult service system. Requests have come from the Belcourt and the Lisbon area for individuals. In response to a question, Mark stated there was no change in eligibility criteria - no change in the definition of the developmental disability. In the '80s, there was a massive growth due to the closing of the home in Grafton. He said there are some individuals who are receiving residential support, but it is not their support of choice - individuals who are in group homes who would prefer to be living independently. Some are on a family subsidy list which Mark explained. Refer: 56:50

In response to a question regarding DD programs and SPED overlapping of services, Mark stated an individual in DD who has aged has needs that can met under either of the department's Medicaid waivers. Continued explanation - Refer: 59:50. They can never be in both at the same time.

Responding to a question about progression from one form of service to another, it is very individualized Mark said.

Maggie was asked a question about infant development number figures in a chart which she explained. A question was asked about the figures in Congregate Care and Mark explained the math and how they got to the 95.04. Refer: 71:40

A question was asked regarding flexibility in the budget and how grouped. **Brenda Weisz** said they track the services each month - the numbers are not locked in - they don't do a turn back by service - can transfer funds.

Break until 10 am.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 12, 2007 - Time: 10 am

Recorder Job Number 4864

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Chairman Pollert: Acknowledged the West Fargo High School Students.

Mark Kolling, Staff Member of DDS, responded to a question about the amount of clients in the DD program and how many are duplicative. As of January 1, 2007, there were 4,299 people receiving Developmental Disabilities case management services. There were 2,102 in the state fiscal year 2006 received residential and/or day services. These were adults and

there will be some adults who receive only day supports. They don't need or want residential supports. The vast majority will receive both day and residential supports. 1,854 families received one or more of the family support services. About 3,900 people total. When you look at the 4,299, not every person that is receiving DD case management services is also receiving residential day or family support service. This number does include those in Grafton. People in Grafton have to go through case management to go out into the community.

In answer to a question about the 2.7 million in money the Senate put into funds, to pay for 7-10 transitional people's costs of receiving services in the community.

Brenda Weisz in response to a question about whether transitional money was put into the governor's budget stated that it was not. The only things that was included in the governor's budget is the under funding of 1 million dollars to under fund the salaries at the Developmental Center for the transition. (Elimination of an FTE) Continued explanation. Refer: 10:40

Maggie Anderson of Long Term Care continued with reviewing the services for people with DD on the Day Supports and Extended Services. There were questions regarding the units ... supervised service. In response to a question about the $26 per hour - who gets the money ... Maggie stated it goes for staff costs, transportation and overhead to the organization.

Yvonne Smith, in response to a question regarding minimum wages for DD providers, stated there were a variety of minimum wage jobs. They are lower paid salaried.

Maggie reviewed Family Subsidy next and explained.

Mark Kolling in response to a question about the numbers explained the budget was built on the number of families and the bottom cost per unit. Explanation - reference 26:00.

Maggie continued with Family Support Services reviewed and explaining three tables.

Discussion on the number of clients and the rates.

Maggie reviewed the ICF/ MR for adults and children. There was a question and answer regarding the baseline to anticipate how children would be in the next budget cycle ... criteria. The ICF/MR Physically Handicapped was reviewed and discussed. Average monthly caseload is 121. Questions and answers regarding duplication ... people transitioned from DD center ... unit of service.

Infant Development was reviewed next and explained. **Mark** stated 50% of the total infant development caseload would be in the Human Service Center or 50% in the private providers - vary by the population.

Questions asked regarding whether we are spending enough to keep children out of institutions and the rate setting. **Yvonne Smith** responded saying money that goes into Infant Development is to help children who are identified as children who have developmental delays. There are services available to them to help them catch up. The model used to teach parents to help their children. There is enough money to do a good job. Rate setting is based on administrative code and historical data. Continued explanation - reference 045:50.

Maggie continued with Individualized Supported Living Arrangement, Minimally Supervised Living Arrangement and Specialized Placement explaining the rates and the number of clients. Question was asked about the difference between mental illness and mental retardation.

Yvonne Smith responded explaining the two are totally separate categories. The diagnosis for mental retardation has to do with delays in intellectual functioning so the person simply has a tough time keeping intellectually with their same age peers. The mental illness diagnosis has to do with the psychiatric diagnosis: major depression, schizophrenia, things that interfere with your thought process - emotional functioning.

Maggie continued reviewing the spend down and the costs. Next, she reviewed Supported Living Arrangement and Title XIX County Waivered Services.

Mark Kolling, in response to a question about Title XIX being a new program, why named and if the money goes directly to the counties, explained. He stated counties get paid for case management. Refer: 057:00

Questions were asked about the programs being geared for smaller communities and **Mark** explained. Question was asked about the Anne Carlson School - where it is shown. **Maggie** responded it was under ICF/MR and 54 beds would be funded.

In moving on to the Transitional Community Living Facilities, **Maggie** explained the program. She stated this program was more for the delayed or developmentally disabled population and the number averages out to 171.

Self Directed Supports was reviewed next. Two components - families and adults. This was a new waiver. Families - 241 individuals and for adults - 30. Costs were given and it is dependent upon what the individual needs. Refer: 065.30.

Mark, in response to a question about the total number of individuals, stated the budget for 07-07 projected a starting number of 210, phasing in an average of 2 a month and ending with 282. They were looking at transitioning about 62 families from Family Subsidy to Self Directed Supports. They can receive the same services and supports. But, because this is a waiver eligible service, the family can get "more bang for the buck." Now more Medicaid match - more available for the families. Continued explanation and discussion about self-directed supports as a new program approved last session. There were questions and explanation about the Family Subsidy numbers and dollars ... transferring all people out. Reference: 067:40.

Chairman Pollert: Stated he wondered why the transitions costs from the DD center are not in the executive budget.

Question was asked about Self Directed Supports Adults and the answer was they are not any enrolled families but 30 adults are expected.

The **Impact of QSPs to Home Based Care** handout was reviewed and explained.

(Attachment)

Maggie started the explanation on Medical Services beginning with Inpatient hospital.

(Attachment)

Refer: 083:50. There were questions regarding enrollment … discharge unit cost comparisons … conversion which was explained.

Answers to questions regarding "claw back" and whether Medicare Part D saving money were explained. Discussion.

Adjournment until 2:45 pm.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 12, 2007 - Time: 3 pm

Recorder Job Number 4947

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Maggie Anderson continued with the review on Medical Services budget beginning with Drugs. She explained the numbers that were used to come up with averages of costs. She said they come up with an average estimated cost per prescription of $49.98 - a combination of brand name and the generic and with the rebates added in.

Next, Physicians Services were reviewed. The average monthly caseload is estimated at 120,538 - equivalent of a visit per unit (a visit to the doctor's office). The budgeted average cost to OMB was $18.65, and to you in the house - $19.79. Continued questions and discussion regarding numbers. In regard to a question regarding the back log, **Maggie** stated they were around 40,000 claims in back log - most between 60 and 90 days old. There was continued discussion on the old MMIS accounts.

Outpatient Hospital Services reviewed. The budgeted cost going to OMB was $35.05 and then to the House at $37.18 which is reflective of the inflationary increases.

Questions and answers regarding the numbers … drop off of cost per unit … visitations higher - caseload growing … outpatient side growing.

Premiums section reviewed and explained by each program starting with Aids paying an average for 7 of $482 per month - all general funds. Next, premiums for Group Health for 25 averaging $599.75 - there is federal match for this area. For HMO, the premiums at the time the budget was submitted, there was a contract with AltruCare in Grand Forks with a managed care organization. We had budgeted for 25 individuals to be in that managed care organization, the average cost per person per month was $160.91. Altru has allowed that contract with the department to terminate. Those dollars that are in there are still needed because those individuals are still Medicaid eligible. They are just back in our fee for service program, so we need to use those dollars to cover their hospitalization, their physicians" services, whatever it may be. Looking for other entitles for managed care contract. This is also FMAT.

Next, the Qi1 are qualified individuals - Medicare eligible. They also happen to be between 100-135% of poverty. This is 100% federally funded area. The state is given an annual allotment for these premiums. We are estimating 310 individuals on average for the biennium

and the average premium at $113.05 per month. That same premium is also applicable to the qualified Medicare beneficiaries, the QMBs and the special low income Medicare beneficiaries - SLMBs. With the QMBs, they are below 100% poverty and we are required to cover this population. We pay their premiums and also process their claims for co-insurance and deductible. We are expecting an average of 2,564 individuals with average premium is $113.05 per person. The SLMBs is a required group for us to cover. This group is between 100 - 135% of poverty. Here we only cover their premiums. We do not process the claims. The caseload is 1,075 individuals per month and the average premium of $113.05. The last group is this area is the premiums for SSA, an average of 3,437 individuals for the same $113.05 premium.

Questions regarding eligibility for SSI ... explanation in determining the numbers on the averages for each program.

Indian Health Services was reviewed next and explained. The estimated monthly caseload at 1,900. The "encounter" rate is $426.94 and then with the increases, we are expecting that to be $452.90. This is a service that is 100% Federal funds.

Healthy Steps numbers are reflective of the Senate amendments. We are looking at a caseload of 3,958 children average. Now it is at 3,750 and it is related to HB 1463 that would expand Medicaid coverage. And, by expanding Medicaid coverage, you would some children from Healthy Steps to Medicaid. Senate allowed certain income deductions to make the Healthy Steps policies similar to the Medicaid policies. The premium is still the negotiated premium with BCBS. The HB 1463 was explained.

The PRTF is the Psychiatric Residential Treatment Facilities reviewed and explained. Federal match on entire rate. Question regarding units which is based on the 30 days in the month.

Dental Services was explained and reviewed. Question about whether the 1.5 million in HB 1246 would be reverted into this budget. The answer was yes, but it was not reflected in the numbers shown. If the bill passes, it will be added on to the budget.

Durable Medical Equipment was reviewed and explained. We are budgeting 47,776 units - a unit is an item. So, an item could be a battery for a hearing aid, it could be a diaper or it could be a wheelchair ... a big range of what the unit could be. Average cost per unit budgeted was $4.40 and to the House at $4.67.

Maggie gave handouts **"Hospitals By Medicare Designation," "Fiscal Impact of 4/4% to 5/5% increase to maximum base rate increase," and "Fiscal Impact of 10% increase to base rates for inpatient hospital services."** Explanation given on critical access hospitals. Hospital rates have not been rebased since 1994. The critical access hospitals are the facilities that are not at the maximum base rate. Continued explanation. Refer: 56:00 (Attachments)

Brenda Weisz answered a question about Child Protection Services - reimbursement rate increase ... total amount at $3,530,726.

Amendments on Monday.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 13, 2007 - Time: 9 am

Recorder Job Number 4948

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Brenda Weisz reviewed the bill sections beginning with **Section 4** which gives flexibility to transfer funding from one area of the budget to another when it comes to the Sections 1, 2, and 3. **Section 5** is an amendment that was added by the Senate and has to do with the continuous Medicaid eligibility for children, and a report has to be provided to Legislative Council.

Section 6 relates to the estimated cost of rebasing Medicaid Inpatient Hospital Payment Rate. The hospitals have not had their rates rebased since 1994. This would take a different look at it and, if we rebase their rates, it would give them a better reimbursement.

Section 7 is Methamphetamine Treatment Services. Question was asked about making reference to Robinson Recovery Center in this section. **Allen Knutson of the Legislative Council** stated he had been checking with some of the attorneys and there is provision in the Constitution where you can have special laws, but if it is challenged it may be upheld.

Section 8 is stating where the funding is going to come from in limiting the amount that will come from the Health Care Trust Fund for the increase in the personal care allowance.

Section 9 relates to the state children health insurance program. This intent is related to outreach programs and SCHIP and be done with an entity that focuses on statewide community health care initiatives and issues. With SCHIP, make a permanent FTE in the Medicaid area and continue the outreach efforts.

Section 10 is a study that came out to basically consider for study the use of local property tax revenue to finance the delivery of human services on an individual county basis. Question was asked about if there were a concurrent resolution and **Allen Knutson** stated the Legislative Council would decide which study they would want to do. Discussion. Brenda stated the study would on the impact of human service delivery by the counties and the costs of the counties … what it takes the human service programs at a county level. Refer: 09:30

Sections 11 - 17 exclusive of Section 15 which relates to the move to take children's special health services out of the department's budget and moved it to the Health Department. If you're going to make a change to a part of the Century Code, you have to include all sections and this is what **Section 11** does - **Section 12** does. **Section 13** is related to the change of moving the division to the Health Department. **Section 14** continues to move them. **Section**

15 is a discussion about qualified service providers - changing them to home - changing the definition. **Section 16** shifts back to the children's special health and on **Section 17. Section 18 and 19** - change "qualified service provider" to "home service provider" as does **Section 20 and 21. Brenda** to get the dollar figures cost for the change.

Section 22 - Amendment added by the Senate to deal with property issues with long term care specifically with the Woodside Village in Grand Forks. Explanation and discussion.

Section 23 and 24 - QSP changes to Home Service Providers.

Section 25 - Repeals the North Dakota Century Code that refers to the children's special health services based on the changes.

Section 26 - Effective date of July 1, 2008 to the QSP change to Home Service Providers.

There were continuing questions and discussion regarding QSP to Home intent ... the difference between 19 and 23 ... rebasing of $195,000 to Grand Forks Home ... Development Disabled - provider tax - how money flows.

Brenda explained the provider tax fund which is used specifically for Medicaid grants Questions asked regarding whether the budget is inflated ... DD pay back system ... how much money is outstanding ... where does the money go. **Brenda** stated they consider audit settlements - the money outstanding will be obtained.

Continued discussion regarding co-payments.

Brenda gave a handout **"Child Abuse & Neglect Assessment"** and explained. She stated it shows the number of cases they had budgeted and the cost per case. There are three types of child abuse and neglect cases. (Attachment) Question was asked regarding the amount of the OAR and the answer was $3,530,000.

The next handout was **"Developmental Disability Grant Scenarios."** (Attachment) This was explained. A handout **"Schedule of Federal Grant/Funding Decreases Offset by General Fund Increases"** was given and explained. (Attachment)

Maggie Anderson of Medical Services referred to Attachment B and explained co-payment limits and services. Information had asked as to whether they could increase the co-payments, any cost sharing and look at other services. She explained the Deficit Reduction Act did make a change of how co-payments can be applied to medical services. In the past, they operated under a nominal fee. The government set up a little different methodology where it ties back to family income. There are exempt populations from premiums and co-pays. You cannot impose premiums on individuals under 18 years of age that are required to be provided assistance with respect to Part B in Title IV. Other account limits explained such as exempt services and families between 100 and 150% of poverty, and how the co-payment rules apply. Refer: 44:00.

Continued discussion with questions and answers regarding whether $1 allowance can be collected ... scenario of 100% matrix numbers for a family of 4 ... correlation if co-payments are raised.

Question was asked about the new numbers in relation to Child Support Enforcement costs to the state. **Brenda Weisz** responded the fiscal note did change to 7.1 million dollars. So, the impact is 6,873,169 to the general fund.

Carol Olson thanked the chairman and members of the committee for their really having some very good discussion with the department, very courteous, the exchange very professional, and it was a pleasure to work with the committee.

Adjournment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 14, 2007

Recorder Job Number: 5069

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Maggie Anderson: Handouts: "Development Disability Audit Settlements" and Estimate of Costs Associated with Changing "QSPs" to "HSPs" Audit Settlements.

Explained the costs of the staff costs. They are already compensated for in our budget.

Rep. Eckstrom: Could we hold these books in advance and kill two birds at one time?

Maggie Anderson: This information just showed on the audit that at the end of the fiscal years the amount we have outstanding. It is not extra money. We know on average it is about 5 million dollars a year that comes back to cost settlement so we figure that back into the rate structure and when we are building the budget for the DD grants.

Chairman Pollert: Explained the handout is the bills that are out there and the general funds involved that are still out there and this has probably changed since March 8. Brenda dropped this off for me and I forgot to hand this out. (written request from Rep. Wieland) If any one had amendments bring them forward.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 15, 2007 3:15 pm

Recorder Job Number: 5176

Committee Clerk Signature

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

Brenda Weisz, Director of Human Services: did introductions and brought back information necessary for this bill.

JoAnn Hoesel: director of Mental Health and Substance Abuse: (see written handout-Comprehensive Gambling Treatment).

Rep. Bellew: I just was going to ask you about some of your spending plan like the treatment plan vouchers and the educational material for PRC, Please explain those to me.

JoAnn Hoesel: The treatment contract in 05-7 actually goes specific to Lutheran Social Services to pay for the professionals that provide treatment services to people that are experiencing problems with their gambling behavior. The Media and awareness we issued a request for proposal and awarded that to Audrey Advertising Agency. There are two things that come from that contract. First is they doing TV advertising for us. It has run three times and will end this spring. They also have developed a website and they also any calls that go to the 211 system in the state. So we get information from Audrey Advertising in terms of how many times the website is excesses and how many times the 211 line is excesses for gambling specific purposes. Then they go in and do a post campaign research finding and report and will provide a summary to the Division for the week of April 2 so that is not complete yet. It will be an over view of did the media campaign the website and the excess the 2 in 1 line and provide information to people about where they can seek help and what constitutes whether someone might be considered to be a compulsive gambler or not. It also directs people to the prevention resource center. We get many requests for brochures so the $6,000 is to replenish those educational materials in our library. The certification training program; we have very few people in the state that were specifically trained and knowledgeable in gambling treatment. So we contracted with the Institute of Compulsive Gambling to train 25 individuals in the state and they are now working toward national certification.

Chairman Pollert: That must also include the $150,000 from a handout? The AG's office transferred $400,000 and I thought we had a handout that had another $150,000 or some thousand dollars.

Rep. Bellew: Do you folks monitor these programs to see if they are successful?

JoAnn Hoesel: Yes we do. Lutheran Social Services does provide us information and then also the media campaign has a research component in it that shows, is it making a difference?

Rep. Bellew: I want to know if it is working by the people that have stopped gambling. Can we cure them?

JoAnn Hoesel: We do not have an extended long range study for this. We don't have the funding for it. If someone is not gambling today and have they stopped gambling for 3 years. I am not able to tell you that because we are not asking anyone to track that information.

Rep. Nelson: Does any of the tribal money flow through your department. Do you have any idea of what kind of services is being provided with the tribal casino money?

JoAnn Hoesel: Allen Stenehjem works with the tribal gaming commission and is a member of our advisory counsel. The department does not receive any money from the tribes for gambling treatment and those dollars are specifically for tribal members. There should be little, if any, duplication occurring.

Chairman Pollert: You must serve some tribal members too?

JoAnn Hoesel: Tribal gaming does pay for treatment so other people might receive payment through Allen Stenehjem and his group. They are paying for individual specifics so in that respect I don't believe there would be much duplication.

Rep. Metcalf: This basically coincides with Rep. Bellew's question: have you visited with Lutheran Social Services to the extent that you feel they are comfortable they are serving the populace that we need to have served, rather than just serving 10-12 people and calling it adequate or are there more people out there?

JoAnn Hoesel: They service 216 people and within that they bill us back per client so we are understanding and if a client is able to pay them off set what they ask from us for that kind of thing. When you take a look at 216 vs. how many we would anticipate having this kind of

problem in the state. No, this is certainly not reaching everyone. We get calls and so does Lutheran Social Services and that is why we have spent money to increase the number of people that even do this type of work. Insurance is not reimbursing this type of service and because it has financial implications people tend to not have a lot of dollars.

Rep. Metcalf: We are looking at this. They are spending more money by far than we are giving them. Is this something they are willing to do as a commitment of their social services and is it going to be something they are going to continue to do?

JoAnn Hoesel: I don't want to speak for Lutheran Social Services, but they were doing this work before we were funded to provide gambling treatment. So from that I would draw the conclusion that they are very committed. They have never approached the department to ask for additional money to fill in what they are getting from other sources. What they have done is they were offered the proposal and they were awarded the contract.

Nancy McKenzie: Long Term Care (Handout "OAR: to Partner with Long-Term Care to Provide Two Pilot Special Care Units for SMI Population") Reviewed the information. The point of the OAR is to have a couple of specialized units in the state. We would start by moving people from the state hospital that they have identified could live in a lesser restricted environment, if that were available,

Rep. Ekstrom: How did we come up with 30 beds?

Nancy McKenzie: We looked at 2 15 bed units because we do have the limits of if we went over 16 beds we run into the IMD exclusion and Medicaid would not be able to fund it.

Chairman Pollert: If it is approved in the budget we did propose to open some beds at the state hospital.

Nancy McKenzie: We currently have 15 beds under way at Jamestown that is supposed to open this spring so that would do a part of that.

Brenda Weisz: (handed out "Breakdown of Capital Improvements and Extra Ordinary Repairs") the roof repair is in the base budget for the state hospital.

Rep. Bellew: Basically you are saying we started work in this biennium and we have to finish it the next biennium?

Brenda Weisz: When we work with OMB and we get a whole even budget there was $180,000 of money in our budget already in 05-07 for other extra ordinary repairs and so in discussion with our budget analysis they decided to put that amount even so cover your first priority repair of the roof replacement. (Handed out the "Retained SWAP Funds.) Went over the funds.

Rep. Wieland: We could swap back in the middle 90s sometime. Why are we still keeping track of swap dollars?

Brenda Weisz: We are not keeping the scoreboard of who's winning in swap any more. These funds are actually incurred in the county for their administrative functions are still an allowable expenditure to claim to the federal government and we retain that then and use it as a general fund equitant so that is why they are in special funds and have schedules like this. (Handed out the TANF Expenditures) Reviewed the information. (Handed out the Grant Summary)

Rep. Nelson: Is that decrease based on more than just the $3? Are you using the same number of residence?

Brenda Weisz: Yes, everything in the first column under the blue where it talks about the average case load and reciprocates, that did not change, but the average cost of applying it to those case loads that is what changed. If you go to the far right under the blue heading, we broke it out between was there a change in the caseload when we looked at these numbers or was there a change in the cost, not the caseload.

Rep. Bellew: In the dental line looks like you are anticipating and increase in utilization, but a decrease in costs over your estimate. Now that is not taking into account the bill that is still alive and resides in the senate.

Brenda Weisz: We did not take into account any other bills.

Chairman Pollert: When we looking over the grants summary and the long term care continuance summary are wondering about the $400,000 difference on the family subsidy total dollars? When we look at the two and want to know why it is exactly $400,000 difference. I am talking general fund only.

Brenda Weisz: If you look at the total the total is the same.

Chairman Pollert: Under aged and disabled, on July 1 you talk about starting 3 individuals and going to 239 at the $900/monthly average. It looks like you start at 239 right off the bat. It looks like you are fully funded all the time?

Brenda Weisz: If we are expecting 3 individuals on July 1 to use our VENT services that we have in the waiver so we have built the costs in there for the entire 24 month biennium so you won't see any growth in the number because on July 1 we expect 239 and we don't expect those individuals to be removed from the waiver during that biennium.

Chairman Pollert: See where I am coming from. You don't have 239 individuals there right away. I understand you have some individuals because of the ventilators it is going to be really expensive. It seems like you are starting at 239 at the biennium and you are trying to get an average cost and you come out at $900.

Brenda Weisz: The 239 is an average over the 24 months because there are some months where we may have 220 people on the waiver and some months we may have 279 so it is built on an average of 239. It is up to the highest nursing home cost that we can pay. Per month average is $900.14 per individual.

Maggie: (Passed out a handout on SB 2326). (Hand out List of Hospitals and locations for 2012).

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 20, 2007 - Time: 8:00 am

Recorder Job Number 5306

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the meeting on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf. Absent: James Kerzman.**

Chairman Pollert requested all amendments by committee members to be submitted this morning. Discussion will be held tomorrow morning, Wednesday, after the Legislative Council gets the amendments in writing.

Representative Ekstrom submitted the first amendment in adding $5,273,280 to the 5% inflator. **Representatives Kerzman, Metcalf, and Ekstrom** had more amendments to

propose. **Representative Ekstrom** reviewed each one under Medical Services Program, Long Term Care Program, Aging Services Program, Children and Family Services Program, and Mental Health and Substance Abuse Program. No changes under the Economic Assistance Program or Developmental Disabilities Council. **(See Handout attached).**

Chairman Pollert asked about the 2nd and 3rd sections which will be in SB 2070.

Representative Nelson questioned Allen Knutson of Legislative Council regarding grants in the totals.

Representative Bellew proposed three amendments to Human Service Centers and Institutions. The Developmental Center in Grafton - remove 1 million from capital projects. From the state hospital, $536,510 remove from General funds (1.5 security positions, FTE from Vocational training position, and $300,000 of the road improvements).

Remove $800,000 of General Funds.

Representative Kreidt proposed three amendments: 1) Include the 5 and 5 for all the Medicaid providers - to use 1.4 million dollars out of the Health Care Trust Fund to provide the 5 and 5 for nursing facilities and the rest to come of our General Funds; Include the 4 and 4% inflator that has been provided for dentists be removed (no inflator); 2) Provide for a study of the equalization of rate systems for nursing homes and including a study of provider taxes or provider assessments - this study to be done during the interim, composed of legislators and with participation from the department and nursing facilities.

Chairman Pollert requested information from Legislative Council as to what the Trust Fund is doing at this time.

Representative Kreidt proposed the third amendment which would read to return the $170,500 to the Health Care Trust Fund that was to be used for the Personal Care Allowance.

Representative Wieland covered the increases proposed by the Senate. Remove line items: the Medically Needy 2.529690; change the Medicaid eligibility to a study on the 2.281110. On the transition for the Development Center, asking for an amendment to remove $700,000; Medical Assistance for Medical Fragile - to remove $100,000; Medical Assistance for Behavioral Challenge - remove $50,000; Child Advocacy Center - remove $300,000; Healthy Families - remove $300,000; Robinson Recovery Center - remain intact; IPAT - remove $250,000; Independent Living - remove $250,000. In addition, the changing of a QSP to HSP - remove back to QSP.

Representative Nelson asked for amendment to remove the client information sharing computer system line item of $423,800; amendment contingent to SB 2205 passing, the $215,016 (Item #9 on the green sheet) that goes to the Devils Lake Child Support Enforcement Unit be removed; remove item no. 10 (on green sheet) $197,810.

Chairman Pollert proposed an amendment (referring to SB 2012, page 5, section 4) to delete language "the director may hire full time equivalent positions." On page 6, remove section 10.

Chairman Pollert asked Allen Knutson of Legislative Council for some of the proposed amendments on the Senate changes and a "reimbursement sheet for services that are done by Medicaid providers" for discussion.

Representative Bellew proposed amendment under Long Term Care Continuum in Medical Grants, the total of $5,035,000 to be removed from General Funds due to anticipated reduction of caseloads. Under Long Term Care: nursing homes, aged and disabled laborers, basic care, and personal care option.

Representative Wieland referred to DD provider numbers. The total figure is 3.575 million.

Representative Nelson, under Grants Summary - Children & Family Services Adoption Services line item, proposed removing $800,000 of General Fund money.

Representative Bellew proposed amendments under the traditional Medicaid in Medical Services. The total amount is $5,149,360 reduction of General Funds. Reductions on Drugs, Healthy Steps, Durable Medical Equipment, and Inpatient Hospital.

Representative Nelson proposed adding in the Medicaid Hospital Services line item, to increase all hospitals to the maximum base rate - $1.365 million General Fund. Provide $50,000 in General Fund money for actuarial analysis to all Medicaid providers. He gave a brief explanation.

Representative Wieland stated he would like an amendment on Child Welfare funding that would provide an additional $100 to the Child Protection Services assessment - cost $770,800 TANIF funds. An amendment raising the rate on chiropractic medical assistance reimbursement to the rate of 60%. Regarding the 2.65 increase to DD providers, any money intended to go for raises for DD providers will go to them.

Representative Nelson would like an amendment prepared to add an additional physician's Medicaid reimbursement in the second year of the biennium - above the additional 5% inflationary increase. General fund cost is projected as $519,000.

Chairman Pollert would like to see an amendment drawn stating anyone doing treatment at Robinson Recovery Center should have pay 25% of the treatment cost.

Representative Bellew proposed an amendment and referred to page 3 of the Green Sheets under Program Policy, number 16, "add General Funds Support for Basic Care as a result of FMAT changes and removal of funding from Health Care Trust Fund - $216,537 General fund." This sentence would be removed.

Allen Knutson of Legislative Council questioned whether one-time spending expenditures schedule would still be needed and the answer was yes.

Chairman Pollert adjourned until 7 am in the morning.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 22, 2007 - Time: 7:00 am

Recorder Job Number 5357

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

The committee met for the purpose of reviewing all the proposed amendments. A summary of all the proposed amendments had been printed by **Allen Knutson, Legislative Council,** who reviewed the summary and briefly explained each page.

Chairman Pollert started on Division of Information Technology Program with the amendment on **"Removes operating expenses funding added in the executive budget for developing**

a client information sharing computer system." Representative Nelson gave a brief explanation. Discussion ensued on whether to remove amendment if in SB 2205 … stated if doubled up, can take care of it … Allen Knutson stated he was not sure it was in SB 2205.

Chairman Pollert stated a "yes" vote in the Roll Call Vote would mean approval.

Roll Call Vote: 5 yes and 3 no. Passed.

The next proposed amendment: **"Adds funding to provide a 5 percent annual inflationary increase for the department's service providers. The Senate provided a 4 percent inflationary increase." Representative Kreidt** gave a brief explanation.

Discussion on the balance of the fund.

Roll Call Vote: 7 yes and 1 no.

Chairman Pollert called for a **Voice Vote** on the amendment stating **"Adds funding to provide a 5 percent annual inflationary increase for the department's service providers. The Senate provided a 4 percent annual inflationary increase." Failed.**

Voice Vote on the amendment stating **"Adds funding for grants - Medical assistance to provide a 5 percent annual inflationary increase for developmental disabilities service providers. The Senate provided a 4 percent annual inflationary increase." Failed.**

Moving on to Economic Assistance Policy Program. The first amendment proposed was **"Removes operating expenses funding from the general fund for the Devils Lake child enforcement unit due to provisions of Senate Bill 2205 providing for state administration of child support enforcement." Representative Bellew** briefly explained if SB 2205 does pass, this amendment would not be needed. Discussion ensued on the effective date of SB 2205.

Roll Call Vote: 5=- yes and 3 no. Passed.

"Removes operating expenses funding added in the executive budget for child support enforcement relating to a parental employment project, a receivables project, an electronic parent locator network, and medical insurance matching" was the next amendment reviewed. **Representative Bellew** put forward the amendment. Discussion. **Brenda Weisz of the Department of Human Services** briefly explained what the amendment would do.

Roll Call Vote: 2 yes and 6 no. Failed.

Next amendment under the Medical Services program was **"Adds funding for grants - Medical Assistance to increase medical-related medical assistance payment rates to the Medicare rates (additional funding is based on the 2005-06 Milliman study report.)** **Representative Ekstrom** explained the amendment proposal. Discussion.

Roll Call Vote: 2 yes and 6 no. Failed.

"Removes funding for grants - Medical Assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty" was the next proposed amendment. Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

"Removes funding for grants - Medical Assistance added by the Senate to provide continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed. A new section is added providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population" was the next amendment proposed. Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

"Reduces funding for grants - Medical Assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version: Inpatient hospital, Drugs, Health Steps, and Durable medical equipment" the next proposed amendment. Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

"Reduces funding for grants - Medical Assistance to remove inflationary increases for dental payment under the Medicaid program" next proposed amendment by **Representative Kreidt** who explained the action. Discussion.

Roll Call Vote: 7 yes and 1 no. Passed.

Next proposed amendment by Representative Nelson was **"Adds funding for grants - Medical Assistance to increase Medicaid payment rates for instate hospitals to the maximum base rate."** Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

"Adds funding for grants - Medical assistance to provide an additional 5 percent inflationary increase for physicians for the second year of the biennium. This change will allow for a 5 percent inflationary increase for the first year of the biennium and 10 percent increase for the second year." Discussion.

Roll Call Vote: 4 yes and 4 no. Failed.

"Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services to 60 percent of fiscal year 2006 billed charges." Motion made by Representative Bellew made a motion to go to 50% instead of 60%. Motion withdrawn. Discussion.

Roll Call Vote: 3 yes and 5 no. Failed.

"Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services to 50 percent of fiscal year 2006 billed charges." Discussion.

Adjournment for a 15 minute break.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: March 22, 2007 - Time: 10 am

Recorder Job Number 5418

Committee Clerk Signature	Donna Kramer

Minutes:

Rep. Chet Pollert, Chairman opened the hearing on **SB 2012**, A Bill for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for transfers; to create and enact a new section to chapter 23-01 and chapter 23-39 of the North Dakota Century Code, relating to programs for children with special health care needs; to amend and reenact sections 25-17-02, 25-17-03, 50-06-01.2, and 50-06-01.4 of the North Dakota Century Code, relating to rulemaking and to the provision of medical food for individuals with metabolic disorders and the structure of the department of human services; and to repeal chapter 50-10 of the North Dakota Century Code, relating to aid to crippled children. **Division members present: Vice Chairman Larry Bellew, Representatives James Kerzman, Mary Ekstrom, Jon Nelson, Alon Wieland, Gary Kreidt, and Ralph Metcalf.**

The committee returned to continue reviewing the proposed amendments.

Chairman Pollert resumed the review for amendments to SB 2012. **"Reduces funding for grants to reflect an anticipated reduction in thee cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and**

Senate version." **Representative Nelson** proposed that a change for the amount of reduction be changed to $300,000 instead of $800,000. Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

Representative Nelson asked for reconsideration on the amendment **"Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing medical service providers payment rates under the Medicaid program."** This would be a study report. Discussion.

Roll Call Vote: 4 yes, 3 no and 1 absent. Passed.

Chairman Pollert acknowledged the Richardton-Taylor High School Students.

The next amendment **"Adds operating expenses funding for providing early childhood care workforce development and early childhood business and program technical assistance and for establishing a quality improvement rating system for early childhood care facilities."** After an explanation of another bill, **Representative Ekstrom** withdrew this amendment.

"Adds funding for grants to reimburse counties for the actual cost of child abuse and neglect assessments" was the next proposed amendment on the list. Discussion.

Roll Call Vote: 3 yes and 5 no. Failed.

"Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment" was the next amendment under Children and Family Services Program.

Representative Wieland stated he was told that there would be sufficient dollars to handle this funding.

Voice Vote: Passed.

"Adds funding for grants to expand county-based family preservation services" had been proposed by **Representative Ekstrom**.

Roll Call Vote: 3 Yes and 5 no. Failed.

Under **Mental Health and Substance Abuse Program**, an amendment **"Adds funding from the community health trust fund for providing grants to organizations to discourage impaired driving, alcohol and drug abuse, suicide, and pregnancy by minors"** was reviewed. Discussion on whether to act on this amendment and it was decided to wait until this afternoon.

"Adds funding for 2 pilot projects to provide residential services to individuals with serious mental illness" was the next proposed amendment by Representative Ekstrom under this section. Discussion.

Roll Call Vote: 3 yes and 5 no. Failed.

Under the Disabilities Program, **"Reduces funding added by the Senate to provide a total of $250,000 from the general fund for the interagency program for assistive technology (IPAT)." Representative Wieland** made a motion that we decrease the reduction to $150,000. Discussion.

Voice Vote: Passed.

"Reduces funding added by the Senate for centers for independent living. The House version provides a total of $1,381,457 of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457 of which $796,040 is from the general fund."

Roll Call Vote: 3 yes and 5 no. Failed.

Chairman Pollert stated that he had voted wrong and asked for a revote of this amendment.

Roll Call Vote: 5 yes and 3 no. Passed.

Next, under the State Hospital, **"Removes funding added by the Senate for increasing security in the secure services unit."** This removes 1.5 FTEs. Discussion.

Representative Nelson moved that we change the reduction number to .5 in the line item. The amount would be $63,285 in reduction.

Roll Call Vote: 5 yes and 3 no. Passed.

"Removes funding for vocational training position in the secure services added in the executive budget." This was a reduction of 1 FTE in the amount of $69,028. Discussion.

Roll Call Vote: 6 yes and 2 no. Passed.

"Reduces funding for road improvement from $614,000 to $314,000" was the next amendment proposed by **Representative Bellew.** Discussion.

Roll Call Vote: 5 yes and 3 no. Passed.

The next amendments were for the **Developmental Center which removes funding for capital improvement projects and reduces funding for extraordinary repairs from $600,000 to $547,092. This would mean $1,000,000 total reduction.** Discussion on the closing and the future of the Developmental Center. **Representative Metcalf** asked that the figure be changed from $947,092 up to 647,092 to allow them $300,000 to repair and keep the utilities in good shape. The total reduction would then be $700,000.

Roll Call Vote: 6 yes and 2 no. Passed.

Next the **Human Service Centers** amendments were discussed. It was stated by **Representative Bellew** that he did want a lump sum figure and then the department could work with it. **Between the 8 centers, it would be $800,000 in total reduction from the General Fund.** Discussion.

Brenda Weisz of DHS stated they could get work with a lump sum figure.

Representative Ekstrom proposed the figure be reduced to $400,000 instead.

Discussion.

Roll Call Vote: 3 yes and 5 no. Failed.

Roll Call Vote next on the $800,000 reduction figure. 5 yes and 3 no. Passed.

Adjournment until the call of the chair.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2012**

House Appropriations Committee
Human Resources Division

☐ Check here for Conference Committee

Hearing Date: 3-22-07

Recorder Job Number: #5479

Committee Clerk Signature Donna Kramer

Minutes:

Chairman Pollert: We are going to be dealing with sections of SB 2012.

Rep Nelson: Handed out an explanation of what would be included an analysis on the amendment.

Chairman Pollert: Went through sections and explained the program and policy.

Section 4: Remove authority to hire additional FTE's positions without emergency commission approval.

The department always needs flexibility in their budget and that is what this is about. I didn't feel that we should give the authority to the department to hire additional FTE's without emergency commission approval. I have never seen that language before and would like to ask that question.

Rep Bellew: That is correct.

Voice vote for all those in favor. This passed 5 to 3.

Section 7: is to remove specific reference to the Robinson Recovery Center.

Rep Kerzman: I really feel this is getting a little picky. I have not done a lot of research. I don't think it is unique.

Rep Nelson: Does that give us any heartbreak as far as the reference in it?

Rep Weiland: Talking with the attorneys upstairs in the Constitution, the legislation can not make special laws that will benefit just a few specific groups of people. By mentioning a specific entity in the bill it could be problematic if it was challenged. If challenged it could be deemed unconstitutional.

There was discussion as to changing the wording so that it would not specifically say a specific entity but would include the eastern part of the state or increasing capacity of a current methamphetamine residential program.

Rep Metcalf: Is it your intention to put on another RFP or are you going to continue the one you are on.

It is planned to continue the current contract. We would have to look at how we might write that based on what the Legislature does. Economies scale certainly would say that cost wise it would be more efficient to have more bed instead having a stand alone.

Rep Weiland: It is the language that we purpose to include based on your recommendations. It intended to be specific to the Robinson Recovery Center even though we don't name the Robinson Recovery Center. It would read as follows: The funding is provided for increasing number individuals receiving treatment services under the department's existing contract for methamphetamine treatment services.

A Voice Vote Roll was taken. It was decided that a Roll Call Vote be taken.

Roll Call vote: Passed 5 yes, 3 no, O absent.

Chairman Pollert: Section 10 Engrossed bill added by the Senate provided for the LC study of the use of local property tax revenues to finance the delivery of Human Services is removed. No matter what we find the state is going to need to bring more dollars.

Roll call vote: Passed 8 yes, 0 no and 0 absent.

Chairman Pollert: The next is sections added by the Senate changes to extra aim to qualified service providers to home service providers beginning July 2008 are removed.

Rep Eckstrom: In my conversations with Senator Mathern who had pushed this forward as an idea, he has indicated to me that in terms of all the reprinting and so forth, that was never his intent. The idea was that the department would simply use up every thing that has reference to those folk that have QSP's and as they run out of supplies they then print at that time. He did not think they should have to dump out everything just to make this change.

Rep Wieland: QSP I know what they are, I know who they are and I know what they do. HSP sounds like hospital to me and so I like the idea that it is unique and they should just leave it.

Rep Kreidt: We did not have bus load of QSP's coming in to have their name changed.

Rep Eckstrom: One of the arguments that I heard is, when you are looking for these kinds of services in a home service provider, you would be looking under home and not Q.

Roll call was taken for changing QSP to HSP and was "Passed on the amendment".

7 Yes, 1 No and 0 absent.

Chairman Pollert: Language change as identify one time funding including the budget provide for reports in 2000 in the assembly in the agency use of one time funding. We have been putting this in all the Agencies budgets.

Voice vote was taken and passed the amendment.

Chairman Pollert: Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians.

Rep Ekstrom: This came forward in some testimony and they wanted this language changed.

Rep Bellew: We are changing code here and I think it maybe should go through the hearing process.

Rep Wieland: I have learned that the volunteer guardianship does not always work very well. I also learned that in some cases without the proper training and they don't always get that, it probably is not a real good idea. I do think we are changing a different code here….. I will support this change.

Rep Kerzman: I am somewhat confused here; a system of volunteer guardians that is different what was passed out here. This here says at the same level as the disability corporate guardianship rates.

Chairman Pollert: What is this attempting to do and we have no discussion on it?

Rep Wieland: I believe the amendment was offered up by the department. I am not sure either what reasons are.

Linda?: This amendment was brought up by the department. The reason it wasn't offered earlier is that we were in the second process of RFP'ing this program and for the second time we got no bidders. We felt that making some changes to the requirements it might make it more palatable for agencies to bid on this $40,000 appropriated for state wide program for vulnerable adults for guardianship. We believe it would probably serve like 10 people state wide with the money that it is appropriated.

Chairman Pollert: I have to ask you; with this language does it raise the dollars?

Linda: It does not. In the RFP, we have put in the same reimbursement that is for DD Corporate guardianship to make it consistent. It does not raise the dollars. There is still $40,000 in the budget for next biennium.

Chairman Pollert: So you are saying changing the language allows you will be able to get access to $40,000. So if you are not raising the rates, why would anyone be interested in this?

Linda: It would allow us to raise the rate within the $40,000. If the DD rates were increased to be consistent, we would raise this rate as well, but still within the $40,000.

Chairman Pollert: Do you know how many would be served?

Linda: 10 people. It pays for the court cost to establish the guardianship and then the monthly cost of having the guardianship. These are for people that have no money.

Rep Kreidt: Looking at the last section, is this something in reference to 2070? It looks like single point of entry to manage long term development.

Linda; the only thing we are dealing with is just the first paragraph. The others don't apply.

Voice Vote: Amendment passed.

Chairman Pollert; this portion amendment is provide that the Department report to the LC on its progress establishing the age and disability resource center.

Rep Eckstrom: When we were drafting these, we had not decided to put with 2070 and that is where these 2 belong. Number 7 & 8 can be withdrawn.

Chairman Pollert: This portion of the amendment is to require the study of infant development services and funding and report to LC.

Rep Eckstrom: This is on the 3rd section of the attachment.

Rep Bellew: Is this constituting money?

Rep Ekstrom: I am doing a unfunded mandate on this one.

Chairman Pollert: Is this language saying that it has to be studied?

Rep Wieland: I was told that that did not really make any difference, whether if it said shall or will or anything else.

Rep Kerzman: I think that intent here is good; my concern here is that this is going to be pushed back down on the centers and the counties to do this leg work.

Rep Nelson: If one of the things we are going to get out of this thing is a better understanding of the legislators, maybe it should be rolled into a legislative study rather a Human Service Study. I am guessing there learning curve is a little higher than ours. This is just a suggestion.

I would further amend that the legislative intern to study rather than the department.

Chairman Pollert: The language should be permissive saying that except for the LC should pick what they should study or not.

Voice Vote passed.

Chairman Pollert: part of the amendment that asks for LC study of Nursing Home Equalization Rates and provider taxes assessments of Nursing Homes.

Rep Kriedt: It is probably time that the system is taken back and looked at again there could be something else that could provide some more efficiencies out of that system we are in right now. Nursing Homes don't have the portability of cost shifting or if they are in financial straights there is nothing they can do until there are adjustments made in the rates again each fiscal year. Maybe there could be something done with this system to give a little wiggle room to facilities. If we are going to sustain ability of equalization of rates into the future we are going to sit down at some point, we have 33 states already using the provider tax to help nursing homes fund their operations; this would be some relief to use this system for funding the rates in the future.

Rep Kerzman: I think this is a fairness issue. If we are going to do this for one provider, I think we should we look at doing it for other providers. I have had problems with equalizations rates for a long time. To be fair to all providers we should look at this.

Rep Ekstrom: In Cass County we do not have enough beds.

Rep Metcalf: I am really not ready to support this. I am concerned if we are going to study the equalization rates, we should some how study the costs that are pushed down to nursing homes as we go along.

Rep Weiland: My only concern about this is if you make the study to board you won't get a study. If we limit it and then see what happens, it may happen.

Rep Metcalf: That is a good point, but how can you decide what the rates should be if you don't determine where the costs are coming from? What you can look at and what you can equalize?

Rep Kreidt: I would assume that would be part of the study. Mater of fact I am positive it would be.

Voice Vote was taken 7 yes and 1 no. Do pass.

Chairman Pollert: the part of the amendment that says provide legislative intent that the Developmental Disabilities Service Providers give priority to using the increased funding being provided for the 2007-09 biennium fro increasing their employees salaries.

Rep Weiland: I am sure that when inflation is provided the salary costs are being inflated. My intent here is for that portion should be given for increasing salaries and not be used for something else.

Rep Kreidt: I am not that familiar with DD's salary line as they might have in nursing facilities, so would they receive the 5% that would adjust the cost category?

Unsure of who was speaking (Brenda): What they do is they take exactly those areas. The cost report is budgeted on FTE's. One FTE is at a certain wage and second FTE is at another wage. What ever you provide the inflation or the $.20, $.60 or $.80 what ever it is that is added to the first FTE and second accordingly. That budget is turned out to them with the total number and that is how it is calculated, but there is intent to pass to the DD providers to allow them to manage the money.

Rep Kreidt: It should probably address the line item as it should directly pass on in salaries and not anything else.

Unsure of who was speaking(Brenda) : We take the cost report with taking each of those areas and building on their starting budget.

Brenda: 5% is put on all costs, whether it is a FT or operating cost.

Chairman Pollert: When we go to the biennium is it the 5% and then $.60 and then are the 5% that is added onto the $.60?

Brenda: Yes. Let me explain the Governor's budget. How the Governor's budget prepared that estimate was 5% and then the $.60 and then the 3%.

Rep Kreidt: Could the operator mess with the 5% if they wanted to?

Brenda: The mythology we use is to refuse to establish what the rate will be that goes out the door. It established the number that goes into the entity. Once the entity gets the money it is their money to do as they want to do. I do know that they are also faced with issues that they may have to pay more than the $.60 to retain a employee.

Rep Kerzman: If this works like the 4 and 4 that we passed out, I found out later that doesn't' automatically mean that employee is going to get a 4% raise. One could get a 3% and the other could 4.5% for merit.

Rep Kreidt: In order to operate these facilities with percentages you would have to leave some to their discretion. I would hope we would not micro manage

Voice vote taken Yes 7, No 1 and 0 absent

Chairman Pollert: Provide legislation on the contract receiving services.

Rep Metcalf: In certain cases, especially when we are talking about the Robinson Recovery Center, when they get to a certain point in their rehabilitation, they are expected to pay a certain share of their jobs to maintain and up keep of the facilities.

Rep Weiland: In Robinson recovery, they do collect third party payers where ever they are able. They do have for example a facility that is attached where both men and women with children, where they actually live on site and can maintain their relationship. I do know that the men do work and pay back for rent and food.

Chairman Pollert: In the atmosphere of cooperation I will withdraw this amendment.

Rep Metcalf: Are considered done now? I have been thinking of the previous amendment for disabilities service providers giving priority to salaries. The problems a manager of a facility would have if they were tied specifically to something they wouldn't have to give 20% or 30% or what ever it is. If we would look at something like if there amount of increase basically for salaries that they would have give 70% would have to go to salaries or an equal amount of 70%. At least that amount would be dedicated to salary increases.

Rep Kerzman: When you look at "Legislative Intent" that basically holds feet to the fire. If they would divert some of this money they would have to answer for it.

Rep Metcalf: Should it be made mandatory.

Rep Kreidt: I don't feel we can support a micro-management them.

Rep Metcalf: I will let it go.

Rep Bellew: I would like to ask a couple of requests of the department, especially Brenda.

We would like a list of all vacant FTE's and how long they have been vacant.

In this budget all new programs and the General Funds that go with those.

Brenda: I have the information for you.

Carol Olson: Commented how hard and well her Department is working.

Closing of the hearing.

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2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2012**

House Appropriation Committee

Human Resources

☐ Check here for Conference Committee

Hearing Date: 03-23-07

Recorder Job Number: 5557

Committee Clerk Signature	Donna Kramer

Minutes:

Chairman Pollert: Opened the hearing for SB 2012. The amendments were to be reviewed at this hearing.

Allen Knutson: Described the amendments on version 0206. He started on Page 6 and explained the reduction of 16.3 million dollars from the General fund.

He went through each program as demonstrated on the handout attached.

Rep Weiland: Asked the question if this distribution of the Human Service is going to the 4 to 4 or 5 to 5.

Allen: Yes that is correct.

Rep Weiland: So if it went from the 3 & 3 to 5 & 5 and then that would be double.

Chairman Pollert: I looked it up this morning looked it up from the information from the department and that is what there numbers showed.

Allen: continued to explained the handout.

Allen then moved to page 6 of the amendments and suggested to remove lines three to fifteen. This is where the sections are in the bill originally waiting to continuous Medicaid eligibility for children that they report to the LC amount to the expenditures, the Section in the

Senate bill providing that the Department estimate the cost of the in patient, in patient hospital rates. But the amendment that Rep. Nelson brought forward that they should redo hospital physicians, chiropractor, and ambulances that replaces that section, because they pretty much were for the same purpose.

Allen when through the additions sections by section. (14:00)

Rep Nelson: Made a motion to approve the amendments 0206.

Rep. Bellew: Seconded the motion.

Roll Call Vote was taken. It was 5 yes, 2 no and 1 absent for Amendments.

Rep Bellew made a motion for a "Do pass as amended" and Rep Wieland seconded the motion.

Roll Call Vote was taken for "Do Pass as Amended", 6 yes, 1 no and 1 absent.

Carrier is Rep Pollert.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2012

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: March 26, 2007

Recorder Job Number: 5561

Committee Clerk Signature	Holly N. Arnd

Minutes:

Rep. Svedjan: We are going to be taking up SB 2012. Amendment .0206 is being distributed (Attachment A).

Rep. Pollert motioned to adopt amendment .0206. Rep. Bellew seconded the motion.

Rep. Pollert: I will start at the very beginning of the biennium. Some of you can read this off of the green sheets. The 2005-2007 legislative appropriations as compared to the 2007-2009 executive budget. On the green sheets it shows 97.7 million increase. You have to take off the there the MMIS project which is about $3 million. It is about a 20% increase in general funds. From there when the Senate had the bill in the first part of the session, the Senate added roughly $16.8 million, making it about a 23.6% increase in fund spending. I will tell you what we did with the amendments. If you turn on the amendments .0206 to page 6, about a quarter of the way down you will see where it says bill total and general funds. What you will see what the section approved amounts to a reduction of the proposed increase in spending of $16,279,942. That puts the general funds at $579 million. You will see where the governor's budget was at $578. It is about a half of million over the governor's proposed budget. From there then I will start working down the amendments. On page 6 it says the division of

information technology removes operating expenses funded at an executive budget for developing a client information sharing computer system for $400,000. Then we switch over to program and policy. You will see the general fund reduction was $14 million. Out of the $14.1 million, on the bottom of page 6 we remove the operating expenses for the Devils Lake child support enforcement unit of $215,000. What is in the amendments is a 5 and 5 provider inflation increase. Out of the 5 and 5, part of that was funded through the health care trust fund for about a million dollars. About $4 million was general fund. That is what the 5 and 5 would do. When it came over from the Senate it was at 4 and 4. That is where the $1.4 came from. That is from the medical services program for the 5 and 5. On the top of page 7 the Senate had added in what I referred to as recipient liability. We had pulled that program out which was $2.5 million. The next one down was the $2.2 million is continuous eligibility. We had pulled that program out. Both of them two were not in the governor's budget. They were added by the Senate. We changed the continuous to eligibility and we made an amendment to study that particular part of continuous eligibility. Going further down, medical assistant reduces medical assistants case load numbers and utilization numbers. We dropped in patient hospitals $3 million, drugs $1.783 million, healthy steps $200,000, and durable medical equipment $166,000. We get a spend down from the department of human services. We take a look at the utilization numbers and from the numbers we decide whether they think they are high or low of what we did. Last week before the department came forward and gave us some projections and said that they thought the rates should show some decreases as an example in nursing homes. You will see as you get further down there. We took those dollars to see how close we were as compared to what we did. Some of them we were really close with what we did and some of them we weren't. To remove the 5% inflationary increase there was an

amendment added and approved to pull away the inflationary increase provided to the dentist. That is the $313,000.

Rep. Svedjan: The logic for that was because of the bill that was passed, the increase went up to 85%.

Rep. Pollert: I think the dentist bill is about $1.15 million. So this would still be about a 800,000 increase. There is an amendment that came forward to increase the Medicaid payment rates for instate hospitals. Basically it was dealt with rebasing. From $1.39 to $1.4 million. Medicaid assistance increased the Medicaid repayment rates to 50% of the fiscal year for 2006 bill charges. You will also see a section in the engrossed SB 2012 that addresses at a well for $30,000 and $125,000 to ambulance services. We added a section to study about rebasing for hospitals, physician, ambulance, and chiropractic services. The total is $350,000. HB 1404 we felt it was important to include a study of actuarial services. We felt that it would be part of HB 1404. Going down to long-term care, that is where you will see the$ 2.2 of the 5 and 5 but $1.1 is from the healthcare trust fund. The remainder of that will come out of general funds. During our hearings, originally there was a requirement for eligibility for Sped. The head of the department of human services came in and said that they wanted to take it back and not require the ADL. When that happened we had to find $1.5 million. So that was thrown back into the budget. The next one is medical assistance to continue the $50 personal care allowance for residents. The Senate had added $5 to go to $55 a month. It was felt that the nursing home residents wouldn't utilize the $55. We know DD could utilize the $5 extra. Of course all of these are not unanimous. We went back to the $50. We took the $5 away that the Senate had added in. We reduced the funds to reflect an anticipated reduction, the cost and case load utilization of nursing homes, age and disabled waiver, basic care, and personal care options of $5 million. We got some of those figures by the department coming in and looking at

the case load rates. I think the nursing homes were based at $144.86 per day. They came in with the revised figure of $141.66 a day. When that happened it dropped about $3 million from the nursing homes. We also felt that they are long about 60 beds. We added 30 beds to that which took another $1.1 million which is part of the $5 million.

Rep. Svedjan: What that means is that when you say you took 30 beds you are really not funding 30 beds which they feel I am not going to be occupied.

Rep. Pollert: They are extra beds. The whole committee won't be privy to this but we are in the section under the personal care option, the department came forward that we could lower the numbers by $1.3 million. We had $1 million in our projection. In some of our projections when we looked at caseloads we are actually pretty close to what this statement said. That is where the $5 million came from. Basic care services were a reduction of $216. The next line is the DD at $3.575 million. As an example, part of that is ISLA's. I did some figures on that.

Rep. Svedjan: ISLA stands for Individualized Supported Living Arrangements.

Rep. Pollert: Part of that $3.5 was a million dollars to come out of general funds. That million dollars took out roughly $1.7-$1.8 total dollar to $2.7 million. If you look at what it does and compare it to 2005-2007 and 2007-2009 it is an increase in ISLA's of 18.8%. They go from 2005-2007 a little over $47 million even with the reductions that we took in ISLA's still ends up after the house changes of $56 million, an increase of almost $9 million, and 18.8% increase.

Rep. Hawken: The 60 cents that was in the governor's budget, we did not do either?

Rep. Pollert: The Governor's budget was 60 cents. We did not change that.

Rep. Hawken: You did leave the 60 cents in.

Rep. Pollert: There was a move to raise it 40 cents in the second year, or was it 60 cents but that failed. There were no other amendments to come forward to go 15-20. The 5 and 5 is in there for the DD's. The Senate had added in for transition of DD residents at the

developmental center in Grafton. They added $900,000 of general funds. We reduced that by $700,000 and kept $200,000 in there. The Senate had added for the medically fragile Anne Carlson Center $300,000. We deducted that by $100,000. The Senate had added $200,000 for increased payments for behaviorally challenged what is not only the Anne Carlson center but there is 3 or 4 other institutions in that part as well. We deducted $50,000 from that. They still end up with increases of $200,000 and $150,000 which were not included in the governor's budget. We made no changes to the aging services program. Going to the children and family services program, the 5 and 5 which I had explained is the increase. Go to the top of page 8 where we remove the funding for grants added by the Senate for the health families program of $300,000.

Rep. Svedjan: Was that the requested increase? Is there not still $300,000 in there?

Rep. Pollert: No. If I'm correct the original increase was for $600,000. The Senate put in $300,000. We had pulled that program. Next in the line was a reduction of costs of the subsidized adoption services fro $300,000. We reduced the grant funding added by the center provided a total of $200,000 from the general fund for the children's advocacy centers. The Senate had added $400,000. We pulled $300,000 away. It is a $100,000 increase. If you remember the last biennium there was $100,000 added to the advocacy centers last biennium. We left $100,000 out so there would be a $200,000 for each of the two. We added funding for the federal TANF block grants, for county child abuse and neglect assessments by $100 an assessment. The 5% inflation of the mental health and substance abuse program is the 5 and 5 to go from the 4 to the 5 and 5. The disabilities program has the 5 and 5 again for the $14,000. The Senate had added $300,000. I look at it as kind of information. It's an inner agency program for assistive technology. We originally had taken out $250,000 that was added. The Senate had added $500,000. We are going to take out $250,000 after some

information we received that asked us to restore $94,000. We just rounded it up to $100,000. That is why it is at $150,000 reduction from the Senate increase of the proposed $500,000. The Senate had put in $500,000 for the centers of independent learning. We kept $250,000 of that proposed increase in there. Going down further on the state hospital had asked for 2.5 FTE's, 1.5 for the secure unit where the sex offenders will be, and then 1 for a vocational training position. We had removed the ½ FTE from the secured unit and 1 FTE for the vocational training position. We also reduced capitol improvements by $300,000 for the total of $432,000 general funds for the state hospital. We looked at the capitol improvement in the developmental center and we removed $700,000 from there. In the Human service centers you will see either 9.5 or 11 increase in FTE's. They said they needed the FTE's which amounted to about $1.2 million. We took the budget and said well we think there is $800,000 there. We didn't take $100,000 from each human service center. They will decide how that will be split up, same as a similar way we did last biennium. Those were the dollar changes. If you go to the engrossed bill 2012 we also made some amendments to certain sections. On section 4, page 5 of the engrossed bill, it originally said that we normally give the department the flexibility of moving dollars from one program to another. The particular amendment said the director may hire full time equivalent positions. We had never seen that in the bill in pervious bienniums so we pulled that so they have to come in front of the emergency commission if they want FTE's. In section 7 of the bill we removed specific reference to the Robinson Recovery Center. In SB 2012 there is $700,000 for furthering along the program for meth treatments. We didn't want to have specific reference to Robinson Recovery Center. That is kind of the way bills are written. Basically what it says now is providing methamphetamine treatment which means the recovery center but by law we try to avoid saying names. Section 10 of the bill provided for a legislative council study of the use of local property tax revenues to finance and

deliver human services. We eliminated that. Sections added by the Senate of changing the statutory name of qualified service providers, we removed them. Those are throughout certain sections of the bill. What the Senate had added was instead of being called QSP's which most people are used to hearing, the Senate had amended it to anything referring to QSP's was going to be called HSP's or Home Service Providers. We had asked the department what the cost might be to change that. The cost came around $20,000. Actually $15,000 of actual time, we thought their time would be better utilized working the programs instead of just changing. We amended it to go back to QSP's. We identified one time funding of the capitol improvements or the capitol expenditures. Sections 11, 12, 13, 14 deal with the division of special populations which was transferred to the health department. These sections make that possible. The same way with section 16 and 17 of the bill. Section 15 deals with the QSP's and HSP's change. Section 18 deals with the QSP's to HSP's. We took that back. Section 20 does the same thing. Section 22 deals with the nursing homes and their rebasing and property that wasn't rebased. This particular section does that at with a cost of about $190,000. Section 22 deals with the QSP's to HSP's which I talked about before. There are special health needs in section 25 that repeals that section of the code because it is going over to the health department. On the last page, 17, gives reference to all the sections that deals with the QSP's and HSP's. I know that is a pretty quick analysis but that is the changes that the section did. It comes forward like I said from page 6 of the amendments about a half a million over the governor's budget. A reduction from the senate of $16.2 million.

Rep. Carlisle: When you are all done, you are still over the governor's budget. What size increase did that have in the term of dollars for this biennium?

Rep. Pollert: Take away the MMIS. I think the MMIS was a 20% general fund increase.

Rep. Skarphol: Can I assume correctly that we aren't reducing the costs of any program that currently exists but rather they are all getting some type of enhancement.

Rep. Pollert: We did not cut any programs. We did not eliminate any programs.

Rep. Skarphol: And those programs that do exist are going to have an enhancement to their budget as compared to this biennium.

Rep. Pollert: That is correct. One thing from the senate that we did not touch is because we felt the way the Senate did it was correct. We kept that in there. The QSP's were critically under funded. We kept that in with what the Senate changes were.

Rep. Skarphol: On page six of the amendment about in the middle of the page it says division of information technology program. Can you explain to me what this client information sharing computer system is? I think I kind of have a recollection of it but I would like the committee to answer that.

Rep. Pollert: I am probably not going to do that justice. I will have to look it up.

Rep. Ekstrom: That was to allow the child support enforcement unit to use date bases to search for folks who have medical insurance and other sources of income and benefits that aren't being carried forward to the children. In other words what it was, it allowed them to compare individuals who might be out there that owe child support that might have health insurance and other information that would allow them to track them down and get more money.

Rep. Skarphol: I think that I understand what Rep. Ekstrom is saying but if you wouldn't mind I would like to have someone from the department answer a question with regard to that.

Brenda Weisz: Chief Financial Officer for the Department of Human Services. I need to clarify what that system is. We also refer to it as a Master client index. There is a similar part of that master client index is built in the MMIS project as you heard on 2024. The other piece

would affect the client numbers that are assigned to the food stamps, TANF, DD, and foster care and child support program. It would allow us to take the annotated system that deals with those client numbers and reduce the duplication as they communicate back and forth among client systems. It's another component that allows the clients to better talk with one another. It would also go out statewide to allow clients of DOCR and the department to communicate without duplication.

Rep. Skarphol: As I recall in discussion it was basically somewhat similar to the HUB created, the GIS systems, and it allows you to retrieve information from a lot of different entities and you currently cannot do that, is that correct?

Brenda Weisz: You are exactly right as to what it is. What it does is it makes the ability to do that communication much better. It improves the data warehouse significantly.

Rep. Kempenich: How come this didn't qualify for the 90/10 match?

Brenda Weisz: We did want to check and see if it qualified. We cannot go to MMIS and ask for 90/10 money when it affects other systems. The systems I mentioned to you are non Medicaid systems so we can't use the 90/10 on that. We can use the funding that is available under those programs.

Rep. Skarphol: Can you tell me how it was ranked?

Brenda Weisz: I can't remember the exact ranking.

Rep. Skarphol: Do you ever return on investment on this?

Brenda Weisz: I don't have it with me but I could check. I think we are required to turn that return in with the whole plan.

Rep. Skarphol: The reason I bring this forward is I did remember this was kind of closely tied to full utilization of MMIS. In getting all of the benefits out of the system that have been in the

department. They did think this was important. I would hope that we would consider if we are going to make any changes to the suggested budget changes that we would consider that one.

Rep. Ekstrom: We spend a lot of time on this grant summary report. The individual lines are showing under utilization and case loads. There are other lines within the spending that indicate we are going to have increases of usage. They have an estimate of $2.8 million that they think they are going to need in terms of additional funds. That is not in this budget. Down further it has transitional community living. They estimate that they are going to need $1.3 million in that line item. If you move down the sheet you come to SVED. They estimate they are going to have an increase of $2.7 million. Throughout this there are small amounts. When you come down to the bottom line of this the total that the department said that they would give up is about $10.7 million. To me we are under funding this agency. We are asking them to deficit spend.

The voice vote to adopt amendment .0206 carried by voice vote and the amendment was adopted.

Rep. Bellew: I have more amendments. I would like to pass them out.

Rep. Svedjan: Does everyone have a copy of .0208 (Attachment B)?

Rep. Bellew: If you will turn to page 7 of the original amendments, the ones we just passed. About a quarter of the way down the page you will see a line item that says in patient hospital. It reduces funding for $3 million. After I proposed that amendment the department did contact me. They thought I was a little over zealous. This amendment would change that. Basically what it would do is reduce the hospital amount to $1 million general funds. I wasn't willing to give up all the general funds. I came up with a way to find the other $2 million. The first place is

I reduced salaries. That totaled $1 million from general funds. The department gave me a figure of all the vacant positions they have. That still leaves them with approximately $1.5 million in their budget. The second place was in nursing homes. I would remove another 30 beds. It would give us another $1.15 million in general funds. The last line item is increases in grants by $5.5 million of which $2 million as general funds and that is what I explained in the first part of this. In total this amendment reduces general fund spending by $150,000.

Rep. Bellew motioned to adopt amendment .0208. Rep. Kreidt seconded the motion.

Rep. Carlisle: Did you float this amendment in the sub section?

Rep. Bellew: No I didn't.

Rep. Svedjan: So to make sure we understand this, what this amendment does is it restores an additional $2 million approximately to the inpatient hospital line item. It does so by taking an additional 30 beds. The department indicated that there would be a total of about 60 plus beds in long term care that very likely would be vacate. An earlier amendment of 30 were taken. This takes an additional 30.

Rep. Bellew: That is correct.

Rep. Svedjan: When you looked up the FTE report and the vacate positions you under funded salaries by $1 million but left $1.5 million in there.

Rep. Bellew: That is right.

Rep. Svedjan: So that is what the summon substance of this amendment is.

Rep. Bellew: That is exactly right.

Rep. Svedjan: And what it does is it restores the inpatient line item, not completely, but to a point that probably is closer to what expected utilization will be in inpatient hospitals.

Rep. Bellew: I believe that is correct.

Rep. Svedjan: Does everyone understand that amendment. Is there any discussion? Hearing none we will take a voice vote on amendment .0208. Before I take that motion I would just like to say that it probably is critically important that we not under fund the inpatient line item. What I heard Rep. Pollert say that this adds some of that back looking at the utilization. That is a critical part of the Medicaid program. I would see this as an important thing to do without their being additional general funds added. We tried to take funds from where there seems to be some leeway.

Rep. Pollert: You alluded to that we get in the committee what you call spend downs. We go by the numbers. We went to the inpatient hospital and actually saw the utilization more than the $3 million. We went there and then we found out that those numbers were wrong. When we get all the spend downs and ask which ones are right and wrong. We did the best we could. When we got the page showing the grant summary changes of what they reflected we were actually pretty close to some of them. Some of them we weren't. This is a part of the way it was trying to straighten that.

The motion to adopt amendment .0208 carried by voice vote and the amendment was adopted.

Rep. Skarphol motioned to adopt an amendment that would reinstate the money for the IT project.

Rep. Skarphol: I'm going to do that because I think in order to realize a full benefit of the $60 million rough cost of MMIS, this is a very small investment rate comparison to get full use of

that system and the other systems within the agency to try to find efficiencies and duplications, and to do a better job of managing their information. I'm going to move that we put that $473,000 back in and the authorization to utilize the estimated income associated with it for a total of $1 million.

Rep. Svedjan: The reference number is at the middle of page 6. The number is $423,800 in general funds.

Rep. Carlson seconded the motion.

Rep. Svedjan: Is there any discussion?

Rep. Skarphol: I think I have pretty much stated my feelings with regard to that. I think the department would make good use of this money in insuring the department run as efficiently as it can with regards to the information technology utilization.

Rep. Ekstrom: I can agree with Rep. Skarphol. I support the idea of leaving that IT piece in this budget. I also think it is critically important that the committee understands that $800,000 was taken out of the human services centers across the state. They are seeing increased utilization. They are getting up to 25% of the referrals which are coming straight out of the department of corrections and directly from the courts. These are folks generally drug addicted or alcohol dependent. We didn't fund healthy families to make sure those children who are victims of child abuse. This is a successful program up there. Worst of all we didn't take money away for the children advocacy center. This is where children are victims of child abuse, sexual abuse. I can agree that we need the IT piece but remember what else you have done.

Rep. Nelson: I understand that there is some value in the program because we looked at that in our subcommittee. We placed some higher priority needs on the employee wages inflator.

As we look at the MMIS system coming on board, in the current biennium I am wondering what value this program would have in the 2007-2009 biennium as you are implementing in MMIS. I think that was one of the considerations. I'm trying to remember why that was dropped down on our priority list. I guess from the department standpoint could I ask them if that would be able to be utilized?

Rep. Svedjan: So you really question, whether or not, because of the amount of time it is going to take to implement the MMIS? Whether or not we should be appropriating funds for this at this time?

Brenda Weisz: The reason it is budgeted at the same time is it is going to be more efficient to develop that piece of it when you are developing the same HUB on the MMIS side. It was to develop it alongside of MMIS and to get it processed at the same time. When the MMIS goes live, this all goes live together.

Rep. Nelson: I appreciate that and understand that but I think we placed a higher priority in some of the people programs and some of the technology programs so I'm going to resist the motion.

Rep. Wald: What would the costs be if we did this at a later date rather then meshing the two together?

Rep. Skarphol: I haven't heard of discussion of delaying it. I think it was decided it was an appropriate thing to do at the time. Maybe Brenda could answer that question.

Rep. Wald: So you are saying do it now, pay later?

Rep. Skarphol: I think that would be a fairly accurate reflection.

The motion on the verbal amendment to restore $423,000 to IT failed by voice vote.

Rep. Bellew: I do have one more amendment I would like to pass out.

Rep. Svedjan: We have amendment .0209 being distributed (Attachment C).

Rep. Bellew: What this amendment does is exactly what it says. This amendment reduces funding for the annual inflation or increases, prohibits over service contract service providers and applies to the 3% as follows. If this amendment passes it will remove $526,000 from general fund. The biggest reason why I introduced this was it was on my list when we did the original amendments and it got muddled in my notes. If we automatically give the 5% to a service contract providers, my theory is that they are just going to come in with that 5% increase. That is the reason fro this amendment.

Rep. Bellew motioned to adopt amendment .0209. Rep. Kempenich seconded the motion.

Rep. Svedjan: Is there any discussion?

Rep. Glassheim: What kind of people are we talking about? What kind of contracts and services are we talking about?

Rep. Bellew: It is anybody that contracts the human service centers.

Rep. Wald: Can we ask Brenda to answer that?

Brenda Weisz: That would be for psychologists but it is also for our inpatient hospital contracts we do at the human service center, Meritcare, Medcenter One, Altru. They are the ones that do the psychiatric work for us in the community. They are also the non profits that provide the residential treatment we need in the communities in order to keep individuals out of the state hospital. That is what the increases are for.

Rep. Svedjan: So what this would do is this $500,000 general fund would not be applied to anything else. It would be a reduction.

Rep. Bellew: That is correct.

Rep. Svedjan: Is there any more discussion?

The motion to adopt amendment .0209 failed by voice vote.

Chm. Svedjan motioned to adopt an amendment that would restore $300,000 to Healthy Families.

Chm. Svedjan: I apologize for not having talked to the section chair about this but it relates to the removal of the $300,000 at the top of page 8. Admittedly this is a program that resides in Grand Forks. There was a request placed in front of the Senate that would have doubled this appropriation which would have allowed for the development of two additional healthy families programs in ND. You heard what Rep. Ekstrom said moments ago that this program has shown to be a very effective program as it relates to child abuse prevention. With that little bit of background, maybe there will be more discussion about this. I would like to move that we restore that $300,000.

Rep. Ekstrom seconded the motion to restore $300,000 to Healthy Families.

Rep. Pollert: As we go through our budget we are asked to make decisions of which are right and wrong. So we take a look at what the agency brings forward and what the governor is advocating for us. An example would be transition centers or to transition someone from the

developmental center out into the private industry. It was not in the governor's budget. That is why we cut to continue that. A number of them that we got from the Senate side were not even OAR's. That was our decision on that particular one. That was not an OAR. We thought since it wasn't in the governor's budget that was our thought process. Just so you know what we went through.

Rep. Ekstrom: Health families folks brought in compelling evidence that the families that participate in this program, and they are identified by the hospital or doctor, that these folks look like they are at risk of possibly perpetrating violence on their own children. The folks that opt out and say no it is absolutely compelling the difference on how many of those folks wind up with child protective services at their doorstep. We can stop this and this is one way to do it. I know they haven't operated all the state funds before. They have been operating on grants. They didn't get the same level of grants this time around. They are really in danger of shutting their doors. We know how much it costs to take children into foster care or to have to remove them from their parents and place them into foster homes or have them adopted. This is a program that actually works. I would really encourage the committee to put this one back in.

Rep. Svedjan: I will say up front that these people met with me before the session started. I think that the two of us helped them try to think this through. One of the points that we made to them, in terms of the value of this program, where does this program save money for the state elsewhere because of the nature of the service they provide? They were able to demonstrate that based on the success of working with these children and families that they are able to save the state money to a greater extent to what is involved here.

Rep. Glassheim: I don't have the numbers either. Basically what they do is send people out to educate high risk mothers. It's not just Grand Forks it is the surrounding counties as well. They were hoping to expand it to Bismarck as well. It has been highly successful. They have been

doing it for 7-10 years. They take professional people and educate single mothers who aren't really good at child rising or don't have a good handle on how to do that. Usually low income but not always. They have had a very good success rate at not having abuse happen, of having grades go up in schools and that sort of thing. We were convinced with these numbers that there was a high return for what the investment was. This seemed to me a relatively small amount of money to have a good return for the state.

Rep. Kempenich: Would this be Grand Forks with $300,000 or would they try to go out further then the Grand Forks area with this?

Rep. Svedjan: This would represent just the operation as it exists in Grand Forks right now. It serves more than just Grand Forks.

Rep. Wald: Do you know if they work with an extension service on parenting classes and that sort of thing?

Rep. Glassheim: I don't think they do. They do go out to the homes. I think it is more individual working one on one with parents. I'm not sure.

Rep. Svedjan: To my knowledge they do not. The program that is funded through the extension service that relates to working with children and families is totally of a different nature. This one is quite specific to the child abuse prevention.

Rep. Nelson: I think the same thing could be said about every program that was reduced or addressed in this bill. I have never heard of a program that didn't mention value. This is certainly one of them. The expansion into Bismarck was to where they were looking at going to. It was one of those areas where it made last week not a very fun week. Because it was based on some tough decision. I think the thing the committee looked at was that it should have been either in the executive budget or in OAR to be ranked a little higher. In their opinion

that was probably what threw it over the edge as far as the subcommittee was concerned. Certainly the value of the program was never a debate as far as its effectiveness.

Rep. Skarphol: This program has been in place in the past and they are having difficulty now raising money to do this, is there any potential for them to match a dollar amount? Could we conceivably say that we give you $150,000 if they could match it? Would that be of any value to you as opposed to giving you the full $300,000?

Rep. Svedjan: Surely that would be of value. In the discussions we had with them prior to this session they are finding that the fund raising they do and have done for many years to support the portion is being reduced. The ability to raise the funds is becoming more difficult and more difficult. With that being said, it is pretty hard to project what the future would be for coming up with that match. Some of what they raise right now it would be question to whether or not it could be used for a match. I just don't know. They have donated funds that come from quite a variety of sources. Everything from United Way to churches.

Rep. Skarphol: Is the $300,000 to replace what they have spent in the past entirely? Or is it a partial replacement of what they have spent in the past?

Rep. Svedjan: I am being told it is part but I was going to say that it was a good share of what they lost from other sources but it is part of it.

Rep. Glassheim: Of course they more then matched this for the total operational. It is probably 4 to 1 for the total operation that they are already spending. Secondly I wanted to respond to Rep. Nelson's comment. This is a non profit group. Those kinds of groups have a lot of trouble getting into agency budgets. The agencies put their own needs and concerns first. They don't want to increase demands on the general fund for outside groups. That could lower the useful operations. I think that is why this is not an OAR. Theoretically it could be but

basically agencies don't prefer to do it that way. That is why they have to come to legislators to try to get a slight addition before it.

Rep. Kempenich: Is there any other discussion? We will take a voice vote on the amendment to put the funding back in as $300,000 to the healthy families.

The motion to adopt the amendment to restore $300,000 to Healthy Families carried by a roll call vote of 12 ayes, 11 nays and 2 absent and not voting.

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Rep. Svedjan: Are there any other amendments? What are your wishes?

Rep. Pollert motioned for a Do Pass as Amended. Rep. Bellew seconded the motion.

Rep. Svedjan: Is there discussion?

Rep. Carlson: This has grown to be quite a large budget. I guess my question relates to the fact if there are any programs that we offer that would be considered optional programs? In other words if you had to offer a Cadillac or a Pinto and still be in compliance for all the federal moneys and matches, are there programs that we have taken on as a state in addition to what was required?

Rep. Pollert: I know there is a few but I don't know how many. I would have to get the list. We had asked what has been brought forward for programs this legislative session. We got a list of that which isn't that much. It is child support SB 2205 which is having the child support being taken over by the state which was roughly $7 million fiscal note. Then we heard SB 2326 which passed the committee this morning. Those are two programs that are going to go in. The only comment that I will make is that it is going to be $9 million, MMIS will be $3.6 million,

Healthcare trust fund is going to be $3.2 million, and the social services block grants being reduced $1.4 million. The inflationary increases, what we are going to run into is that we can't go after the department all the time because we are the ones that are going to support the Medicaid buy in. The $2.65 million and you add the 3 and 3 then add the 4 and 4, now the 5 and 5. We are talking some pretty big money here. We are talking roughly about $25 million that we are going to have to fund the next biennium. Without any new programs and the 4 and 4 salary is roughly $10 million general funds. Just in two categories, the provider increases and the 4 and 4 salary it is going to be $35 million that we are going to have to see next biennium.

Rep. Svedjan: It is a matter of fact that as our economy improves and as wages improve in ND that the federal share goes down. It went down less this time then it did two years ago but it still did go down.

Rep. Nelson: I think the quick answer to your question is yes. I think we looked at the programs that we were able to leverage federal dollars. When we took on that additional obligation from the state standpoint it was to leverage more federal dollars to be more effective in the service of the programs that were provided. That should be a consideration. You knew the answer before you asked the question. That was one of the components of that.

Rep. Pollert: I just shutter of the day if we have a back drop in revenue. It will not be pretty. We went into this knowing we had our $500 million opportunities here. Our section thought that there is way we are going to ask to cut a program out that is in existence today when we have these kind of general funds coming in right now. We just didn't think it was a discussion to have.

Rep. Wald: Do you have a number in mind about what the FMAP costs us?

Rep. Svedjan: $9.1 million. Is there any other discussion?

The motion for a Do Pass as Amended carried by a roll call vote 19 ayes, 4 nays and 1 absent and not voting. Rep. Pollert was designated to carry the bill.

Prepared by the North Dakota Legislative Council
staff for Representative Ekstrom
March 20, 2007

PROPOSED SECTIONS TO ADD TO ENGROSSED SENATE BILL NO. 2012

SECTION ____. AMENDMENT. Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

> **50-06-24. Guardianship services.** The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29.

SECTION ____. AGING AND DISABILITY RESOURCE CENTER - STATUS REPORTS. The department of human services shall report periodically to the legislative council on the department's progress in establishing and operating the aging and disability resource center during the 2007-08 interim.

SECTION ____. DEPARTMENT OF HUMAN SERVICES STUDY - INFANT DEVELOPMENT PROGRAM - REPORT TO LEGISLATIVE COUNCIL. The department of human services shall conduct, during the 2007-08 interim, a study of the infant development program. The study must include a review of the state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers. The department shall involve in the study, representatives from other appropriate state agencies, infant development providers, and families receiving these services. The department shall report to the legislative council by September 1, 2008, on its findings and recommendations.

SECTION ____. DEPARTMENT OF HUMAN SERVICES - LONG-TERM CARE CONTINUUM OF CARE STRATEGIC PLAN - LEGISLATIVE COUNCIL REPORT. The department of human services shall prepare a strategic plan providing a continuum of care for long-term care services on the state over the next ten years. The strategic plan must be based on current research and demographic trends and include specific timelines and objections relating to the establishment of a single point of entry to manage access to the long-term care continuum, development of home and community-based and institutional services infrastructure, expansion of transitional services, provisions of funding flexibility to allow payment for the appropriate level of services needed by the consumer, family caregiver services, and quality control mechanisms. The department shall present its strategic plan to the legislative council by July 1, 2008.

Date: 03-21-07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Summary Sheet

Legislative Council Amendment Number Div. of Inf. Technology Prog. Page 2

Action Taken "Do Pass"

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent

Floor Assignment

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

Passed

Removes operating expenses funding added in the executive budget for developing a client information sharing computer system.

Date: 03-21-07

Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number: Amendment: Program and Policy Adds funding - 5% inc. Page 3 (B)

Action Taken: Do Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom	X	

Total (Yes) 7 No 1

Absent ______

Floor Assignment ______

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

Adds funding to provide a 5 percent annual inflationary increase for the department's service providers. The Senate provided a 4 percent inflationary increase.

Date: 03-21-07

Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number: Child Support Program. Removes funding for Devils Lake Child Enforcement

Action Taken: Do Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Removes operating expenses funding from the general fund for the Devils Lake child enforcement unit due to provisions of Senate Bill 2205 providing for state administration of child support enforcement.

Date: 03-21-06
Roll Call Vote #: 4

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Child Support (2) Electronic locator

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland		X	Rep. Metcalf		X
Rep. Kreidt		X	Rep. Ekstrom		X

Total (Yes) 2 No 6

Absent ______

Floor Assignment ______

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

Removes operating expenses funding added in the executive budget for child support enforcement relating to a parental employment project, a receivables project, an electronic parent locator network, and medical insurance matching.

Date: 03-21-07
Roll Call Vote #: 5

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Medical Services (1) adds funding for grants

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	**Rep. Nelson**		X
Vice Chairman Bellew		X	**Rep. Kerzman**	X	
Rep. Wieland		X	**Rep. Metcalf**		X
Rep. Kreidt		X	**Rep. Ekstrom**	X	

Total (Yes) 2 No 6

Absent ______

Floor Assignment ______

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

Based on Milliman Study

Failed

Date: 03-21-07
Roll Call Vote #: 6

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee Medical Services Program

Legislative Council Amendment Number Removes funding for (2) grants

Action Taken "Do Pass"

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ____________

Floor Assignment ____________

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

Pass

Increasing medically needy income levels from 61 to 83 percent of poverty.

Date: 03-21-07
Roll Call Vote #: 7

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number For children under 19 yrs. of age (3)

Action Taken "Do Pass"

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Pass

Provide continuous Medicaid eligibility for children under 19 year of age.

Date: 03-21-07
Roll Call Vote #: 8

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee Medical Services

Legislative Council Amendment Number Reduces funding for (4) grants.

Action Taken Passed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Reduction in the cost and caseload utilization of Inpatient hospital, Drugs, Health Steps, and Durable medical equipment.
Pass

Date: 03-21-07
Roll Call Vote #: 9

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Dentalpayment (5)

Action Taken Do Pass

Motion Made By ________ Seconded By ________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 7 No 1

Absent ________

Floor Assignment ________

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

Reduces funding for grants - Medical assistance to remove inflationary increases for dental payment under the Medicaid program. Pass

Date: 03-21-07
Roll Call Vote #: 10

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Inc. Medicaid Rates (6)

Action Taken Do Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson	X	
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom	X	

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Adds funding for grants - Medical assistance to increase Medicaid payments rates for instate hospitals to the maximum base rate.
Pass

Date: 03-21-07

Roll Call Vote #: 11

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Program and Policy 5% inflationary increase

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	**Rep. Nelson**	X	
Vice Chairman Bellew		X	**Rep. Kerzman**	X	
Rep. Wieland		X	**Rep. Metcalf**	X	
Rep. Kreidt		X	**Rep. Ekstrom**	X	

Total (Yes) 4 No 4

Absent ______

Floor Assignment ______

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

Provide an additional 5 percent inflationary increase for physicians for the second year of the biennium.

Date: 03-21-07
Roll Call Vote #: 12

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Inc to 60% for Chiropractic services (2)

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

Failed

Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services to 60 percent of fiscal year 2006 billed charges.

Date: 03-21-07
Roll Call Vote #: 13

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Medical Services Rebasing Payment Rates (4)

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	**Rep. Nelson**	X	
Vice Chairman Bellew		X	**Rep. Kerzman**	X	
Rep. Wieland		X	**Rep. Metcalf**	X	
Rep. Kreidt		X	**Rep. Ekstrom**	X	

Total (Yes) 4 No 4

Absent ______

Floor Assignment ______

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

Failed

Rebasing medical service providers payment rates.

Date: 03-21-07
Roll Call Vote #: 14

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Long-Term Continue SPED (1)

Action Taken Fail Substitute not Adding funds. Motion to reduce but remove funding & support ADL

Motion Made By - Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson		X
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 4 No 4

Absent

Floor Assignment

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

Failed

Date: 03-21-07
Roll Call Vote #: 15

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number SPED (1) Adds funding

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom	X	

Total (Yes) 7 No 1

Absent ______

Floor Assignment ______

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

Passed

Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium.

Date: 03-21-07
Roll Call Vote #: 16

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number SPED 4% increase (2)

Action Taken Failed

Motion Made By ________ Seconded By ________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ________

Floor Assignment ________

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

Failed

Provide the 4% increase

Date: 03-21-07
Roll Call Vote #: 17

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Long-Term Care (A)

Action Taken Failed $5 inc. personal allowance

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf		X
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 2 No 6

Absent ____________

Floor Assignment ____________

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

Failed

From the $55 per month amount provided by the Senate to $60.

Date: 03-21-07
Roll Call Vote #: 18

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Continue $50 for personal allowance for persons c̄ mental retardation & nursing home residents (B)

Action Taken Pass

Motion Made By ______________ Seconded By ______________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 6 No 2

Absent ______________

Floor Assignment ______________

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

Pass

Date: 03-21-07
Roll Call Vote #: 19

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Red. in Cost & Caseload/utilization (B1)

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Pass

Reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services.

Date: 03-21-07
Roll Call Vote #: 20

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Red. in basic care services (B2)

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Pass

Reduction in the cost of basic care services.

Date: 03-21-07
Roll Call Vote #: 21

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Inc wages of DD Providers (A1)

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

Failed

Increase wages of DD providers.

Date: 03-21-07
Roll Call Vote #: 22

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Increase Wages of DD employees BIT

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson	X	
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 4 No 4

Absent ______

Floor Assignment ______

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

Failed

Increase the average wage of employees of DD service providers.

Date: 03-21-07
Roll Call Vote #: 23

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Red. DD funding Caseload. BIII

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Pass

Reduce amounts to DD services.

Date: 03-21-07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Remove $700,000 Developmental Center

Action Taken Do Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		**Rep. Nelson**	X	
Vice Chairman Bellew	X		**Rep. Kerzman**		X
Rep. Wieland	X		**Rep. Metcalf**		X
Rep. Kreidt	X		**Rep. Ekstrom**		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Funding for Transition of selected Development Center residents to Community programs.

Passed

Date: 03-21-07
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Add funds - Anne Carlsen Center.

Action Taken

Motion Made By

Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	**Rep. Nelson**		X
Vice Chairman Bellew		X	**Rep. Kerzman**	X	
Rep. Wieland		X	**Rep. Metcalf**	X	
Rep. Kreidt		X	**Rep. Ekstrom**	X	

Total (Yes) 3 No 5

Absent

Floor Assignment

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

Failed

Date: ______

Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Reduce funding to $200,000 for Anne Carlsen Center

Action Taken ______

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Passed

Date: ______

Roll Call Vote #: 4

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Reduce funding for facilities serving children w/ behavioral challenges

Action Taken ______

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Passed

Date: 03-21-07

Roll Call Vote #: 5

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Infant Development Program

Action Taken

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent

Floor Assignment

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

Failed

Date: 03-21-07

Roll Call Vote #: 6

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Add funds $300,000 to Healthy Families

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	**Rep. Nelson**		X
Vice Chairman Bellew		X	**Rep. Kerzman**	X	
Rep. Wieland		X	**Rep. Metcalf**	X	
Rep. Kreidt		X	**Rep. Ekstrom**	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

Failed

Date: ______

Roll Call Vote #: 7

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ______

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Remove $300,000 from Healthy Family

Action Taken ______

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Pass

Date: 03-21-07
Roll Call Vote #: 8

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Reduce $300,000 Children's Advocacy.

Action Taken

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		**Rep. Nelson**	X	
Vice Chairman Bellew	X		**Rep. Kerzman**		X
Rep. Wieland	X		**Rep. Metcalf**		X
Rep. Kreidt	X		**Rep. Ekstrom**		X

Total (Yes) 5 No 3

Absent

Floor Assignment

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

Pass

Date: 03-22-07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #9 Subsidized adoption Reduce $300,000

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version.

Date: 03-22-07
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #4 on Medical Services

Action Taken Pass

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	A	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 4 No 3

Absent 1

Floor Assignment ______

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

Adds operating expenses funding

Date: 03-22-07
Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Children & Family Services

Legislative Council Amendment Number #12 A

Action Taken Failed

Motion Made By ________ Seconded By ________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ________

Floor Assignment ________

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

(A) Adds funding for grants to reimburse counties for the actual cost of child abuse and neglect assessments.

Date: 03-22-07
Roll Call Vote #: 4

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #14

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

$1,500,000 adds to expand County-based family preservation

Date: 03-22-07
Roll Call Vote #: 5

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #16

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

2 pilot projects to provide services to individuals with serious mental illness.

Date: 03-22-07
Roll Call Vote #: 6

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number $250,000 reduction

Action Taken Failed

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland		X	Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 3 No 5

Absent ____________

Floor Assignment ____________

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

Date: 03-22-07
Roll Call Vote #: 7

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES Recall vote
BILL/RESOLUTION NO. ____________

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #250,000 reduction

Action Taken Pass

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ____________

Floor Assignment ____________

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

Revote

Reduction Independent Living

Date: 03-22-07
Roll Call Vote #: 8

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ____________

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

State Hospital

Legislative Council Amendment Number (1) removes funding for .5 increasing security

Action Taken Pass

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ____________

Floor Assignment ____________

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

Removes funding .5 for increasing security in the secure services unit.

Date: 03-22-07
Roll Call Vote #: 9

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ____________

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Red. Voc. Training

Action Taken Pass

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom	X	\

Total (Yes) 6 No 2

Absent ____________

Floor Assignment ____________

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

Reduced 1 FTE.

Date: 03-22-07
Roll Call Vote #: 10

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ____________

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number #3 Red funds for Road improvement

Action Taken Pass

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ____________

Floor Assignment ____________

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

Date: 03-22-07
Roll Call Vote #: 11

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ____________

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Developmental Center Removes capital improvements & extraordinary repairs $700,000

Action Taken Pass

Motion Made By ____________ Seconded By ____________

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X	~~X~~	Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 6 No 2

Absent ____________

Floor Assignment ____________

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

Removes funding for capital improvements & reduces funding for extraordinary repairs $700,000

Note:
Rep. Bellew changed his vote before count was given.

Date: 03-22-07
Roll Call Vote #: 12

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Human Service Centers $400,000 reduction

Action Taken Failed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet		X	Rep. Nelson		X
Vice Chairman Bellew		X	Rep. Kerzman	X	
Rep. Wieland		X	Rep. Metcalf	X	
Rep. Kreidt		X	Rep. Ekstrom	X	

Total (Yes) 3 No 5

Absent ______

Floor Assignment ______

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

Date: 03-22-07
Roll Call Vote #: 13

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number H. S. centers $800,000 reduction

Action Taken Passed

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf		X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent ______

Floor Assignment ______

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

Date: 03-~~21~~ 22-07

Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Specific wording Reference to "Robinson Recovery Center"

Action Taken

Motion Made By Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson		X
Vice Chairman Bellew	X		Rep. Kerzman		X
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 3

Absent

Floor Assignment

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

Date: 3-22-07

Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House HUMAN RESOURCES DIVISION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Use of property tax revenues.

Action Taken ______

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom	X	

Total (Yes) 8 No 0

Absent ______

Floor Assignment ______

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

Date: 03-22-07
Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Changing QSPs to HSPs on Section 7

Action Taken Pass on amendment

Motion Made By ______ Seconded By ______

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman	X	
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 7 No 1

Absent ______

Floor Assignment ______

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

Attachment A

78036.0206
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
March 22, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

Page 1, line 3, remove the first "a" and replace "study" with "studies"

Page 1, line 4, replace "and" with a comma and after "23-39" insert ", and a new section to chapter 50-24.1"

Page 1, line 5, after "needs" insert "and chiropractic medicaid payments"

Page 1, line 6, remove "and" and after the fourth comma insert "and 50-06-24,"

Page 1, line 11, replace "qualified service providers" with "guardianship services" and after the semicolon insert "and"

Page 1, line 12, remove "; and to provide an"

Page 1, line 13, remove "effective date"

Page 3, line 8, replace "(28,594,686)" with "(29,594,686)"

Page 3, line 10, replace "($27,582,012)" with "($28,582,012)"

Page 3, line 11, replace "(29,068,576)" with "(29,644,776)"

Page 3, line 12, replace "1,486,564" with "1,062,764"

Page 3, line 16, replace "26,576,252" with "26,733,605"

Page 3, line 18, replace "8,938,273" with "8,826,490"

Page 3, line 19, replace "132,453,022" with "95,550,156"

Page 3, line 20, replace "170,790,212" with "133,932,916"

Page 3, line 21, replace "92,129,556" with "69,459,262"

Page 3, line 22, replace "78,660,656" with "64,473,654"

Page 3, line 25, replace "193,654" with "159,389"

Page 3, line 26, replace "1,540,622" with "1,474,993"

Page 3, line 27, replace "739,666" with "701,660"

Page 3, line 28, replace "1,647,335" with "1,561,596"

Page 3, line 29, replace "2,441,031" with "2,354,672"

Page 3, line 30, replace "2,584,618" with "2,521,026"

Page 3, line 31, replace "2,226,472" with "2,142,400"

Page 4, line 1, replace "621,652" with "573,546"

Page 4, line 2, replace "17,209,433" with "16,775,675"

Page 4, line 3, replace "6,031,330" with "5,331,330"

Page 4, line 4, replace "35,235,813" with "33,596,287"

Page 4, line 5, replace "4,462,288" with "4,491,902"

Page 4, line 6, replace "30,773,525" with "29,104,385"

Page 4, line 7, replace "110,920,745" with "94,640,803"

Page 4, line 8, replace "67,523,268" with "44,306,388"

Page 4, line 9, replace "178,444,013" with "138,947,191"

Page 4, line 19, replace "32,374,022" with "31,374,022"

Page 4, line 21, replace "44,098,190" with "43,098,190"

Page 4, line 22, replace "23,085,165" with "22,508,965"

Page 4, line 23, replace "21,013,025" with "20,589,225"

Page 4, line 27, replace "66,356,937" with "66,514,290"

Page 4, line 29, replace "341,776,723" with "341,664,940"

Page 4, line 30, replace "1,138,809,360" with "1,101,906,494"

Page 4, line 31, replace "1,572,612,030" with "1,535,754,734"

Page 5, line 1, replace "1,127,268,003" with "1,104,597,709"

Page 5, line 2, replace "445,344,027" with "431,157,025"

Page 5, line 5, replace "7,545,956" with "7,511,691"

Page 5, line 6, replace "16,888,313" with "16,822,684"

Page 5, line 7, replace "9,883,098" with "9,845,092"

Page 5, line 8, replace "22,230,466" with "22,144,727"

Page 5, line 9, replace "26,206,795" with "26,120,436"

Page 5, line 10, replace "14,781,265" with "14,717,673"

Page 5, line 11, replace "20,813,941" with "20,729,869"

Page 5, line 12, replace "9,863,050" with "9,814,944"

Page 5, line 13, replace "65,126,604" with "64,692,846"

Page 5, line 14, replace "48,456,612" with "47,756,612"

Page 5, line 15, replace "241,796,100" with "240,156,574"

Page 5, line 16, replace "112,810,933" with "112,840,547"

Page 5, line 17, replace "128,985,167" with "127,316,027"

Page 5, line 18, replace "595,342,219" with "579,062,277"

Page 5, line 19, replace "1,263,164,101" with "1,239,947,221"

Page 5, line 20, replace "1,858,506,320" with "1,819,009,498"

Page 5, line 25, remove "As determined necessary by the director of the department of human"

Page 5, remove lines 26 and 27

Page 5, line 28, remove "section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 6, replace lines 3 through 15 with:

"**SECTION 5. LEGISLATIVE COUNCIL STUDY - CONTINUOUS MEDICAID ELIGIBILITY FOR CHILDREN.** The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of allowing annual rather than monthly eligibility reviews for children under nineteen years of age who are either categorically or optionally categorically needy under the medical assistance program.

SECTION 6. DEPARTMENT OF HUMAN SERVICES STUDY - REBASING MEDICAL SERVICES PAYMENT RATES - REPORT TO LEGISLATIVE ASSEMBLY. The department of human services shall, during the 2007-08 interim and with the assistance of a health care consultant, determine the estimated cost of rebasing payment rates under the medical assistance program for hospital, physician, ambulance, and chiropractic services to the actual cost of providing these services for use in preparing the department's budget request for the 2009-11 biennium. The base year used in developing the cost estimate must be the most recent calendar year for which complete financial information is available to the department. The department shall report its findings and recommendations to the appropriations committees of the sixty-first legislative assembly. The department's recommendations may include options for staggered implementation or earlier implementation date preferences for service providers that have medical assistance service revenue that is ten percent or more of its total patient revenue. Any funds appropriated by the sixtieth legislative assembly to the department for providing the information required by this section may not be spent for other purposes during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. LEGISLATIVE COUNCIL STUDY - NURSING HOME RATE EQUALIZATION. The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of continuing the equalization of nursing home payment rates and the feasibility and desirability of establishing a provider tax or assessment on nursing homes. The study must include input from representatives of the department of human services, other appropriate state agencies, and the nursing home industry.

SECTION 8. LEGISLATIVE COUNCIL STUDY - INFANT DEVELOPMENT PROGRAM. The legislative council shall consider studying, during the 2007-08 interim, infant development programs. The study, if conducted, must include a review of the

state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers.

SECTION 9. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES SERVICE PROVIDERS FUNDING INCREASES - EMPLOYEE SALARY INCREASE PRIORITY. It is the intent of the sixtieth legislative assembly that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing employees' salaries.

SECTION 10. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in subdivision 3 of section 3 of this Act includes $8,244,131 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The department of human services shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

State hospital	
Sex offender treatment addition	$3,100,000
Capital improvements	3,062,757
Extraordinary repairs	1,153,500
Developmental center	
Capital improvements	300,000
Extraordinary repairs	547,092
Equipment	80,782
Total	$8,244,131"

Page 6, line 19, after "under" insert "the department's existing" and replace "with the Robinson recovery center" with "for methamphetamine treatment services"

Page 6, line 22, replace "$170,500" with "$1,144,080"

Page 6, remove lines 30 and 31

Page 7, remove lines 1 through 4

Page 11, remove lines 5 through 12

Page 13, replace lines 16 through 31 with:

"**SECTION 20. AMENDMENT.** Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

50-06-24. Guardianship services. The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for

guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29.

SECTION 21. A new section to chapter 50-24.1 of the North Dakota Century Code is created and enacted as follows:

Chiropractic medical assistance payments. The department of human services shall pay for covered chiropractic manipulation services at the rate of fifty percent of billed services. Payment for chiropractic manipulation services must be based on the fees submitted by chiropractors to the department of human services in 2006."

Page 14, remove lines 1 through 30

Page 16, remove lines 9 through 30

Page 17, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
DHS - Management				
Total all funds	$44,098,190	$44,098,190	($1,000,000)	$43,098,190
Less estimated income	23,085,165	23,085,165	(576,200)	22,508,965
General fund	$21,013,025	$21,013,025	($423,800)	$20,589,225
DHS - Program and Policy				
Total all funds	$1,531,965,784	$1,572,612,030	($36,857,296)	$1,535,754,734
Less estimated income	1,103,015,555	1,127,268,003	(22,670,294)	1,104,597,709
General fund	$428,950,229	$445,344,027	($14,187,002)	$431,157,025
DHS - State Hospital				
Total all funds	$64,959,122	$65,126,604	($433,758)	$64,692,846
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865
General fund	$49,070,812	$49,238,294	($432,313)	$48,805,981
DHS - Developmental Center				
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612
Less estimated income	33,243,690	33,243,690		33,243,690
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922
DHS - Northwest HSC				
Total all funds	$7,525,581	$7,545,956	($34,265)	$7,511,691
Less estimated income	3,136,258	3,136,258		3,136,258
General fund	$4,389,323	$4,409,698	($34,265)	$4,375,433
DHS - North Central HSC				
Total all funds	$16,842,742	$16,888,313	($65,629)	$16,822,684
Less estimated income	7,917,967	7,917,967		7,917,967
General fund	$8,924,775	$8,970,346	($65,629)	$8,904,717
DHS - Lake Region HSC				
Total all funds	$9,853,344	$9,883,098	($38,006)	$9,845,092
Less estimated income	4,417,334	4,417,334		4,417,334
General fund	$5,436,010	$5,465,764	($38,006)	$5,427,758
DHS - Northeast HSC				
Total all funds	$22,192,605	$22,230,466	($85,739)	$22,144,727
Less estimated income	12,256,322	12,260,487	4,165	12,264,652
General fund	$9,936,283	$9,969,979	($89,904)	$9,880,075
DHS - Southeast HSC				
Total all funds	$26,145,474	$26,206,795	($86,359)	$26,120,436
Less estimated income	14,296,599	14,296,599		14,296,599

General fund	$11,848,875	$11,910,196	($86,359)	$11,823,837
DHS - South Central HSC				
Total all funds	$14,741,738	$14,781,265	($63,592)	$14,717,673
Less estimated income	6,450,546	6,460,823	10,277	6,471,100
General fund	$8,291,192	$8,320,442	($73,869)	$8,246,573
DHS - West Central HSC				
Total all funds	$20,768,172	$20,813,941	($84,072)	$20,729,869
Less estimated income	10,327,232	10,343,709	16,476	10,360,185
General fund	$10,440,940	$10,470,232	($100,548)	$10,369,684
DHS - Badlands HSC				
Total all funds	$9,848,996	$9,863,050	($48,106)	$9,814,944
Less estimated income	4,845,616	4,845,756	141	4,845,897
General fund	$5,003,380	$5,017,294	($48,247)	$4,969,047
Bill Total				
Total all funds	$1,817,398,360	$1,858,506,320	($39,496,822)	$1,819,009,498
Less estimated income	1,238,880,594	1,263,164,101	(23,216,880)	1,239,947,221
General fund	$578,517,766	$595,342,219	($16,279,942)	$579,062,277

Senate Bill No. 2012 - Department of Human Services - Management - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,723,883	$11,723,883		$11,723,883
Operating expenses	32,374,022	32,374,022	($1,000,000)	31,374,022
Capital assets	285	285		285
Total all funds	$44,098,190	$44,098,190	($1,000,000)	$43,098,190
Less estimated income	23,085,165	23,085,165	(576,200)	22,508,965
General fund	$21,013,025	$21,013,025	($423,800)	$20,589,225
FTE	102.10	102.10	0.00	102.10

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Management - House Changes:				
Administration Support Program No changes				
Division of Information Technology Program Removes operating expenses funding added in the executive budget for developing a client information sharing computer system		($423,800)	($576,200)	($1,000,000)
Total House Changes - Management	0.00	($423,800)	($576,200)	($1,000,000)

Senate Bill No. 2012 - Department of Human Services - Program and Policy - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$25,593,565	$25,668,611		$25,668,611
Operating expenses	65,561,106	66,356,937	$157,353	66,514,290
Capital assets	399	399		399
Grants	339,435,262	341,776,723	(111,783)	341,664,940
Grants - Medical assistance	1,101,375,452	1,138,809,360	(36,902,866)	1,101,906,494
Total all funds	$1,531,965,784	$1,572,612,030	($36,857,296)	$1,535,754,734
Less estimated income	1,103,015,555	1,127,268,003	(22,670,294)	1,104,597,709
General fund	$428,950,229	$445,344,027	($14,187,002)	$431,157,025
FTE	230.30	231.30	0.00	231.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Program and Policy - House Changes:				
Economic Assistance Policy Program No changes				
Child Support Program Removes operating expenses funding from the general fund for the Devils Lake Child Support Enforcement Unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement		($215,016)		($215,016)
Medical Services Program Adds funding to provide a 5 percent annual inflationary increase for medical-related service providers. The Senate provided a 4 percent annual inflationary increase.		1,460,523	$2,984,708	4,445,231

Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty	(2,529,690)	(4,493,325)	(7,023,015)
Removes funding for grants - Medical assistance added by the Senate to provide continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed. A new section is added providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.	(2,281,110)	(4,051,789)	(6,332,899)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:			
Inpatient hospital	(3,000,000)	(5,328,706)	(8,328,706)
Drugs	(1,783,368)	(3,167,035)	(4,950,403)
Healthy Steps	(200,000)	(593,336)	(793,336)
Durable medical equipment	(166,269)	(295,177)	(461,446)
Reduces funding for grants - Medical assistance to remove 5 percent inflationary increases for dental payments under the Medicaid program	(313,738)	(557,414)	(871,152)
Adds funding for grants - Medical assistance to increase Medicaid payment rates for in-state hospitals to the maximum base rate	1,394,469	2,476,904	3,871,373
Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services to 50 percent of fiscal year 2006 billed charges	31,845	56,564	88,409
Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services	125,000	222,029	347,029
Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing hospital, physician, ambulance, and chiropractic services payment rates under the Medicaid program	175,000	175,000	350,000
Long-Term Care Program			
Adds funding to provide a 5 percent annual inflationary increase for long-term care service providers. The Senate provided a 4 percent annual inflationary increase. Of the total, $1,144,080 is from the health care trust fund for the additional state matching funds relating to nursing homes.	2,250,639	6,362,624	8,613,263
Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium	1,537,030	80,896	1,617,926
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance.		(499,850)	(499,850)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version	(5,035,000)	(8,943,345)	(13,978,345)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version	(216,537)	(145,565)	(362,102)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version	(3,575,000)	(6,350,042)	(9,925,042)
Reduces funding added by the Senate from $900,000 to $200,000 from the general fund for the transition of selected Developmental Center residents to community programs	(700,000)	(1,243,365)	(1,943,365)
Reduces funding added by the Senate from $300,000 to $200,000 from the general fund for increasing the payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children	(100,000)	(177,624)	(277,624)
Reduces funding added by the Senate from $200,000 to $150,000 from the general fund for increasing payment rates for facilities serving children with behavioral challenges	(50,000)	(88,812)	(138,812)
Aging Services Program			
No changes			
Children and Family Services Program			
Adds funding to provide a 5 percent annual inflationary increase for children and family service providers. The Senate provided a 4 percent annual inflationary increase.	284,489	561,958	846,447

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Removes funding for grants added by the Senate for the Healthy Families program		(300,000)		(300,000)
Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version		(300,000)	(426,392)	(726,392)
Reduces grants funding added by the Senate to provide a total of $200,000 from the general fund for Children's Advocacy Centers in Bismarck and Fargo. The executive budget recommended $100,000 and the Senate provided a total of $500,000.		(300,000)		(300,000)
Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment			770,800	770,800
Mental Health and Substance Abuse Program				
Adds funding to provide a 5 percent annual inflationary increase for the department's contract service providers. The Senate provided a 4 percent annual inflationary increase.		5,225		5,225
Developmental Disabilities Council				
No changes				
Disabilities Program				
Adds funding to provide a 5 percent annual inflationary increase for the department's contract service providers. The Senate provided a 4 percent annual inflationary increase.		14,506		14,506
Reduces funding added by the Senate to provide a total of $350,000 from the general fund for the interagency program for assistive technology		(150,000)		(150,000)
Reduces funding added by the Senate for centers for independent living. The House version provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.		(250,000)		(250,000)
Total House Changes - Program and Policy	0.00	($14,187,002)	($22,670,294)	($36,857,296)

Senate Bill No. 2012 - Department of Human Services - State Hospital - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Traditional	$52,371,738	$52,371,738		$52,371,738
Secure	12,587,384	12,587,384		12,587,384
Institutions		167,482	($433,758)	(266,276)
Total all funds	$64,959,122	$65,126,604	($433,758)	$64,692,846
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865
General fund	$49,070,812	$49,238,294	($432,313)	$48,805,981
FTE	465.01	466.51	(1.50)	465.01

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]State Hospital - House Changes:				
Removes .5 of the 1.5 FTE position added by the Senate for increasing security in the secure services unit	(0.50)	($63,285)		($63,285)
Removes funding for a vocational training position in the secure services unit added in the executive budget	(1.00)	(69,028)	($1,445)	(70,473)
Reduces funding for capital improvements from $3,362,757 to $3,062,757		(300,000)		(300,000)
Total House Changes - State Hospital	(1.50)	($432,313)	($1,445)	($433,758)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
Human service centers/institutions	$48,456,612	$48,456,612	($700,000)	$47,756,612
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612
Less estimated income	33,243,690	33,243,690		33,243,690
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922
FTE	449.54	449.54	0.00	449.54

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Developmental Center - House Changes:** Reduces funding for capital improvement projects from the general fund from $947,092 to $300,000		($647,092)		($647,092)
Reduces funding for extraordinary repairs from $600,000 to $547,092		(52,908)		(52,908)
Total House Changes - Developmental Center	0.00	($700,000)	$0	($700,000)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$4,389,323	$4,409,698	($34,265)	$4,375,433
DHS - North Central HSC	8,924,775	8,970,346	(65,629)	8,904,717
DHS - Lake Region HSC	5,436,010	5,465,764	(38,006)	5,427,758
DHS - Northeast HSC	9,936,283	9,969,979	(89,904)	9,880,075
DHS - Southeast HSC	11,848,875	11,910,196	(86,359)	11,823,837
DHS - South Central HSC	8,291,192	8,320,442	(73,869)	8,246,573
DHS - West Central HSC	10,440,940	10,470,232	(100,548)	10,369,684
DHS - Badlands HSC	5,003,380	5,017,294	(48,247)	4,969,047
Total general fund	$64,270,778	$64,533,951	($536,827)	$63,997,124

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$3,136,258	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	12,260,487	$4,165	12,264,652
DHS - Southeast HSC	14,296,599	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	6,460,823	10,277	6,471,100
DHS - West Central HSC	10,327,232	10,343,709	16,476	10,360,185
DHS - Badlands HSC	4,845,616	4,845,756	141	4,845,897
Total other funds	$63,647,874	$63,678,933	$31,059	$63,709,992

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$7,525,581	$7,545,956	($34,265)	$7,511,691
DHS - North Central HSC	16,842,742	16,888,313	(65,629)	16,822,684
DHS - Lake Region HSC	9,853,344	9,883,098	(38,006)	9,845,092
DHS - Northeast HSC	22,192,605	22,230,466	(85,739)	22,144,727
DHS - Southeast HSC	26,145,474	26,206,795	(86,359)	26,120,436
DHS - South Central HSC	14,741,738	14,781,265	(63,592)	14,717,673
DHS - West Central HSC	20,768,172	20,813,941	(84,072)	20,729,869
DHS - Badlands HSC	9,848,996	9,863,050	(48,106)	9,814,944
Total all funds	$127,918,652	$128,212,884	($505,768)	$127,707,116
FTE	838.73	838.73	0.00	838.73

[1] Funding for the human service centers provided from the general fund is reduced as follows:

HUMAN SERVICE CENTER	GENERAL FUND
Northwest	($54,640)
North Central	(111,200)
Lake Region	(67,760)
Northeast	(123,600)
Southeast	(147,680)
South Central	(103,120)
West Central	(129,840)
Badlands	(62,160)
Total	($800,000)

Funding is added for the human service centers as listed below to provide a 5 percent annual inflationary increase for human service center contract service providers. The Senate provided a 4 percent increase and the executive budget recommended a 3 percent increase.

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$20,375		$20,375
North Central	45,571		45,571
Lake Region	29,754		29,754
Northeast	33,696	$4,165	37,861
Southeast	61,321		61,321
South Central	29,251	10,277	39,528
West Central	29,292	16,476	45,768
Badlands	13,913	141	14,054
Total	$263,173	$31,059	$294,232

Other changes to Senate Bill No. 2012:

Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval.

Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center.

Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed.

Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed.

Sections are added which:

- Identify one-time funding included in the budget and provide for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.
- Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians.
- Provide for a Legislative Council study of infant development services and funding.
- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes.
- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries.

Date: 03-23-07
Roll Call Vote #:

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 78036.0206

Action Taken

Motion Made By Rep. Nelson Seconded By Rep. Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		
Rep. Wieland	X		Rep. Metcalf	X	X
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 5 No 2

Absent 1

Floor Assignment

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

Date: 03-23-07
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House **HUMAN RESOURCES DIVISION** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken "Do Pass as Amended"

Motion Made By Rep Bellew Seconded By Rep. Wieland

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollet	X		Rep. Nelson	X	
Vice Chairman Bellew	X		Rep. Kerzman		
Rep. Wieland	X		Rep. Metcalf	X	
Rep. Kreidt	X		Rep. Ekstrom		X

Total (Yes) 6 No 1

Absent 1

Floor Assignment Rep. Pollert

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

Date: 3/26/07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 78036.0206

Action Taken Adopt amendment 0206

Motion Made By Pollert Seconded By Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) ______ No ______

Absent ______

Floor Assignment ______

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

Voice Vote – carries

Prepared by the Legislative Council staff for
Representative Bellew
March 23, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

Page 4, line 18, replace "11,723,883" with "11,393,883"

Page 4, line 21, replace "44,098,190" with "43,768,190"

Page 4, line 23, replace "21,013,025" with "20,683,025"

Page 4, line 26, replace "25,668,611" with "24,998,611"

Page 4, line 30, replace "1,138,809,360" with "1,141,169,160"

Page 4, line 31, replace "1,572,612,030" with "1,574,301,830"

Page 5, line 1, replace "1,127,268,003" with "1,128,777,803"

Page 5, line 2, replace "445,344,027" with "445,524,027"

Page 5, line 18, replace "595,342,219" with "595,192,219"

Page 5, line 19, replace "1,263,164,101" with "1,264,673,901"

Page 5, line 20, replace "1,858,506,320" with "1,859,866,120"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

This amendment makes the following changes:

- Reduces salaries and wages in anticipation of savings resulting from vacant positions and employee turnover as follows:

	GENERAL FUND
Management Subdivision	($330,000)
Program and Policy Subdivision	(670,000)
Total	($1,000,000)

- Reduces grants - medical assistance by $3,192,670, of which $1,150,000 is from the general fund to reflect an anticipated reduction in caseload/utilization of nursing home services.

- Increases grants - medical assistance by $5,552,470, of which $2 million is from the general fund to provide additional funding for cost and caseload/utilization of inpatient hospital services.

In total, this amendment increases funding for the department by $1,359,800, but funding from the general fund is reduced by $150,000.

Date: 3/26/07
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 78036.0208

Action Taken Further amend. 0208

Motion Made By Bellew Seconded By Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) ______ No ______

Absent ______

Floor Assignment ______

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

Voice Vote - carries

Date: 3/26/07
Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Action Taken Adopt amendment below

Motion Made By Skarphol Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) ______ No ______

Absent ______

Floor Assignment ______

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

Restore $423,800 to IT program

Voice Vote - fails

Prepared by the Legislative Council staff for
Representative Bellew
March 26, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

Page 5, line 5, replace "7,545,956" with "7,505,206"

Page 5, line 6, replace "16,888,313" with "16,797,171"

Page 5, line 7, replace "9,883,098" with "9,823,590"

Page 5, line 8, replace "22,230,466" with "22,154,744"

Page 5, line 9, replace "26,206,795" with "26,084,153"

Page 5, line 10, replace "14,781,265" with "14,702,209"

Page 5, line 11, replace "20,813,941" with "20,722,405"

Page 5, line 12, replace "9,863,050" with "9,834,942"

Page 5, line 15, replace "241,796,100" with "241,207,636"

Page 5, line 16, replace "112,810,933" with "112,748,815"

Page 5, line 17, replace "128,985,167" with "128,458,821"

Page 5, line 18, replace "595,342,219" with "594,815,873"

Page 5, line 19, replace "1,263,164,101" with "1,263,101,983"

Page 5, line 20, replace "1,858,506,320" with "1,857,917,856"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

This amendment reduces funding for the annual inflationary increases for human service center contract service providers from 5 percent to 3 percent as follows:

HUMAN SERVICE CENTER	
Northwest	($40,750)
North Central	(91,142)
Lake Region	(59,508)
Northeast	(75,722)
Southeast	(122,642)
South Central	(79,056)
West Central	(91,536)
Badlands	(28,108)
Total	($588,464)
Less estimated income	(62,118)
General fund	($526,346)

Date: 3/24/07
Roll Call Vote #: 4

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 78036.0209

Action Taken Adopt amendment 0209

Motion Made By Bellew Seconded By Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) ______ No ______

Absent ______

Floor Assignment ______

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

Voice Vote - fails

Date: 3/24/07
Roll Call Vote #: 5

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Action Taken Adopt amendment below

Motion Made By Svedjan Seconded By Ekstrom

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich		✓			
Representative Wald		✓	Representative Aarsvold	✓	
Representative Monson		✓	Representative Gulleson	—	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson		✓	Representative Glassheim	✓	
Representative Carlisle		✓	Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson		✓			
Representative Pollert		✓	Representative Ekstrom	✓	
Representative Bellew		✓	Representative Kerzman	✓	
Representative Kreidt		✓	Representative Metcalf	✓	
Representative Nelson		✓			
Representative Wieland		✓			

Total (Yes) 12 No 11

Absent 1

Floor Assignment

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

Restore $300K to Healthy Families

Voice Vote - carries

Date: 3/26/07
Roll Call Vote #: 6

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2012

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 0206/0208/ Svedjan

Action Taken Do Pass as amended

Motion Made By Pollert Seconded By Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold		✓
Representative Monson	✓		Representative Gulleson	—	—
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	✓		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert	✓		Representative Ekstrom		✓
Representative Bellew	✓		Representative Kerzman		✓
Representative Kreidt	✓		Representative Metcalf		✓
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 19 No 4

Absent 1

Floor Assignment Pollert

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

REPORT OF STANDING COMMITTEE

SB 2012, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 3, remove the first "a" and replace "study" with "studies"

Page 1, line 4, replace "and" with a comma and after "23-39" insert ", and a new section to chapter 50-24.1"

Page 1, line 5, after "needs" insert "and chiropractic medicaid payments"

Page 1, line 6, remove "and" and after the fourth comma insert "and 50-06-24,"

Page 1, line 11, replace "qualified service providers" with "guardianship services" and after the semicolon insert "and"

Page 1, line 12, remove "; and to provide an"

Page 1, line 13, remove "effective date"

Page 3, line 7, replace "1,015,145" with "685,145"

Page 3, line 8, replace "(28,594,686)" with "(29,594,686)"

Page 3, line 10, replace "($27,582,012)" with "($28,912,012)"

Page 3, line 11, replace "(29,068,576)" with "(29,644,776)"

Page 3, line 12, replace "1,486,564" with "732,764"

Page 3, line 15, replace "2,856,130" with "2,186,130"

Page 3, line 16, replace "26,576,252" with "26,733,605"

Page 3, line 18, replace "8,938,273" with "9,126,490"

Page 3, line 19, replace "132,453,022" with "97,909,956"

Page 3, line 20, replace "170,790,212" with "135,922,716"

Page 3, line 21, replace "92,129,556" with "70,969,062"

Page 3, line 22, replace "78,660,656" with "64,953,654"

Page 3, line 25, replace "193,654" with "159,389"

Page 3, line 26, replace "1,540,622" with "1,474,993"

Page 3, line 27, replace "739,666" with "701,660"

Page 3, line 28, replace "1,647,335" with "1,561,596"

Page 3, line 29, replace "2,441,031" with "2,354,672"

Page 3, line 30, replace "2,584,618" with "2,521,026"

Page 3, line 31, replace "2,226,472" with "2,142,400"

Page 4, line 1, replace "621,652" with "573,546"

Page 4, line 2, replace "17,209,433" with "16,775,675"

Page 4, line 3, replace "6,031,330" with "5,331,330"

Page 4, line 4, replace "35,235,813" with "33,596,287"

Page 4, line 5, replace "4,462,288" with "4,491,902"

Page 4, line 6, replace "30,773,525" with "29,104,385"

Page 4, line 7, replace "110,920,745" with "94,790,803"

Page 4, line 8, replace "67,523,268" with "45,816,188"

Page 4, line 9, replace "178,444,013" with "140,606,991"

Page 4, line 18, replace "11,723,883" with "11,393,883"

Page 4, line 19, replace "32,374,022" with "31,374,022"

Page 4, line 21, replace "44,098,190" with "42,768,190"

Page 4, line 22, replace "23,085,165" with "22,508,965"

Page 4, line 23, replace "21,013,025" with "20,259,225"

Page 4, line 26, replace "25,668,611" with "24,998,611"

Page 4, line 27, replace "66,356,937" with "66,514,290"

Page 4, line 29, replace "341,776,723" with "341,964,940"

Page 4, line 30, replace "1,138,809,360" with "1,104,266,294"

Page 4, line 31, replace "1,572,612,030" with "1,537,744,534"

Page 5, line 1, replace "1,127,268,003" with "1,106,107,509"

Page 5, line 2, replace "445,344,027" with "431,637,025"

Page 5, line 5, replace "7,545,956" with "7,511,691"

Page 5, line 6, replace "16,888,313" with "16,822,684"

Page 5, line 7, replace "9,883,098" with "9,845,092"

Page 5, line 8, replace "22,230,466" with "22,144,727"

Page 5, line 9, replace "26,206,795" with "26,120,436"

Page 5, line 10, replace "14,781,265" with "14,717,673"

Page 5, line 11, replace "20,813,941" with "20,729,869"

Page 5, line 12, replace "9,863,050" with "9,814,944"

Page 5, line 13, replace "65,126,604" with "64,692,846"

Page 5, line 14, replace "48,456,612" with "47,756,612"

Page 5, line 15, replace "241,796,100" with "240,156,574"

Page 5, line 16, replace "112,810,933" with "112,840,547"

Page 5, line 17, replace "128,985,167" with "127,316,027"

Page 5, line 18, replace "595,342,219" with "579,212,277"

Page 5, line 19, replace "1,263,164,101" with "1,241,457,021"

Page 5, line 20, replace "1,858,506,320" with "1,820,669,298"

Page 5, line 25, remove "As determined necessary by the director of the department of human"

Page 5, remove lines 26 and 27

Page 5, line 28, remove "section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 6, replace lines 3 through 15 with:

"**SECTION 5. LEGISLATIVE COUNCIL STUDY - CONTINUOUS MEDICAID ELIGIBILITY FOR CHILDREN.** The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of allowing annual rather than monthly eligibility reviews for children under nineteen years of age who are either categorically or optionally categorically needy under the medical assistance program. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 6. DEPARTMENT OF HUMAN SERVICES STUDY - REBASING MEDICAL SERVICES PAYMENT RATES - REPORT TO LEGISLATIVE ASSEMBLY. The department of human services shall determine, during the 2007-08 interim and with the assistance of a health care consultant, the estimated cost of rebasing payment rates under the medical assistance program for hospital, physician, ambulance, and chiropractic services to the actual cost of providing these services for use in preparing the department's budget request for the 2009-11 biennium. The base year used in developing the cost estimate must be the most recent calendar year for which complete financial information is available to the department. The department shall report its findings and recommendations to the appropriations committees of the sixty-first legislative assembly. The department's recommendations may include options for staggered implementation or earlier implementation date preferences for service providers that have medical assistance service revenue that is ten percent or more of its total patient revenue. Any funds appropriated by the sixtieth legislative assembly to the department for providing the information required by this section may not be spent for other purposes during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. LEGISLATIVE COUNCIL STUDY - NURSING HOME RATE EQUALIZATION. The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of continuing the equalization of nursing home payment rates and the feasibility and desirability of establishing a provider tax or assessment on nursing homes. The study must include input from representatives of the department of human services, other appropriate state agencies, and the nursing home industry. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 8. LEGISLATIVE COUNCIL STUDY - INFANT DEVELOPMENT PROGRAM. The legislative council shall consider studying, during the 2007-08 interim, infant development programs. The study, if conducted, must include a review of the state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 9. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES SERVICE PROVIDERS FUNDING INCREASES - EMPLOYEE SALARY INCREASE PRIORITY. It is the intent of the sixtieth legislative assembly that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing employees' salaries.

SECTION 10. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in subdivision 3 of section 3 of this Act includes $8,244,131 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The department of human services shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

State hospital	
Sex offender treatment addition	$3,100,000
Capital improvements	3,062,757
Extraordinary repairs	1,153,500
Developmental center	
Capital improvements	300,000
Extraordinary repairs	547,092
Equipment	80,782
Total	$8,244,131"

Page 6, line 19, after "under" insert "the department's existing" and replace "with the Robinson recovery center" with "for methamphetamine treatment services"

Page 6, line 22, replace "$170,500" with "$1,144,080"

Page 6, remove lines 30 and 31

Page 7, remove lines 1 through 4

Page 11, remove lines 5 through 12

Page 13, replace lines 16 through 31 with:

"**SECTION 20. AMENDMENT.** Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

50-06-24. Guardianship services. The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29.

SECTION 21. A new section to chapter 50-24.1 of the North Dakota Century Code is created and enacted as follows:

Chiropractic medical assistance payments. The department of human services shall pay for covered chiropractic manipulation services at the rate of fifty percent of billed services. Payment for chiropractic manipulation services must be based on the fees submitted by chiropractors to the department of human services in 2006."

Page 14, remove lines 1 through 30

Page 16, remove lines 9 through 30

Page 17, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
DHS - Management				
Total all funds	$44,098,190	$44,098,190	($1,330,000)	$42,768,190
Less estimated income	23,085,165	23,085,165	(576,200)	22,508,965
General fund	$21,013,025	$21,013,025	($753,800)	$20,259,225
DHS - Program and Policy				
Total all funds	$1,531,965,784	$1,572,612,030	($34,867,496)	$1,537,744,534
Less estimated income	1,103,015,555	1,127,268,003	(21,160,494)	1,106,107,509
General fund	$428,950,229	$445,344,027	($13,707,002)	$431,637,025
DHS - State Hospital				
Total all funds	$64,959,122	$65,126,604	($433,758)	$64,692,846
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865
General fund	$49,070,812	$49,238,294	($432,313)	$48,805,981
DHS - Developmental Center				
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612
Less estimated income	33,243,690	33,243,690		33,243,690
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922
DHS - Northwest HSC				
Total all funds	$7,525,581	$7,545,956	($34,265)	$7,511,691
Less estimated income	3,136,258	3,136,258		3,136,258
General fund	$4,389,323	$4,409,698	($34,265)	$4,375,433
DHS - North Central HSC				
Total all funds	$16,842,742	$16,888,313	($65,629)	$16,822,684
Less estimated income	7,917,967	7,917,967		7,917,967

General fund	$8,924,775	$8,970,346	($65,629)	$8,904,717
DHS - Lake Region HSC				
Total all funds	$9,853,344	$9,883,098	($38,006)	$9,845,092
Less estimated income	4,417,334	4,417,334		4,417,334
General fund	$5,436,010	$5,465,764	($38,006)	$5,427,758
DHS - Northeast HSC				
Total all funds	$22,192,605	$22,230,466	($85,739)	$22,144,727
Less estimated income	12,256,322	12,260,487	4,165	12,264,652
General fund	$9,936,283	$9,969,979	($89,904)	$9,880,075
DHS - Southeast HSC				
Total all funds	$26,145,474	$26,206,795	($86,359)	$26,120,436
Less estimated income	14,296,599	14,296,599		14,296,599
General fund	$11,848,875	$11,910,196	($86,359)	$11,823,837
DHS - South Central HSC				
Total all funds	$14,741,738	$14,781,265	($63,592)	$14,717,673
Less estimated income	6,450,546	6,460,823	10,277	6,471,100
General fund	$8,291,192	$8,320,442	($73,869)	$8,246,573
DHS - West Central HSC				
Total all funds	$20,768,172	$20,813,941	($84,072)	$20,729,869
Less estimated income	10,327,232	10,343,709	16,476	10,360,185
General fund	$10,440,940	$10,470,232	($100,548)	$10,369,684
DHS - Badlands HSC				
Total all funds	$9,848,996	$9,863,050	($48,106)	$9,814,944
Less estimated income	4,845,616	4,845,756	141	4,845,897
General fund	$5,003,380	$5,017,294	($48,247)	$4,969,047
Bill Total				
Total all funds	$1,817,398,360	$1,858,506,320	($37,837,022)	$1,820,669,298
Less estimated income	1,238,880,594	1,263,164,101	(21,707,080)	1,241,457,021
General fund	$578,517,766	$595,342,219	($16,129,942)	$579,212,277

Senate Bill No. 2012 - Department of Human Services - Management - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$11,723,883	$11,723,883	($330,000)	$11,393,883
Operating expenses	32,374,022	32,374,022	(1,000,000)	31,374,022
Capital assets	285	285		285
Total all funds	$44,098,190	$44,098,190	($1,330,000)	$42,768,190
Less estimated income	23,085,165	23,085,165	(576,200)	22,508,965
General fund	$21,013,025	$21,013,025	($753,800)	$20,259,225
FTE	102.10	102.10	0.00	102.10

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Management - House Changes:** Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover		($330,000)		($330,000)
Administration Support Program No changes				
Division of Information Technology Program Removes operating expenses funding added in the executive budget for developing a client information sharing computer system		(423,800)	($576,200)	(1,000,000)
Total House Changes - Management	0.00	($753,800)	($576,200)	($1,330,000)

Senate Bill No. 2012 - Department of Human Services - Program and Policy - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Salaries and wages	$25,593,565	$25,668,611	($670,000)	$24,998,611
Operating expenses	65,561,106	66,356,937	157,353	66,514,290
Capital assets	399	399		399
Grants	339,435,262	341,776,723	188,217	341,964,940

Grants - Medical assistance	1,101,375,452	1,138,809,360	(34,543,066)	1,104,266,294
Total all funds	$1,531,965,784	$1,572,612,030	($34,867,496)	$1,537,744,534
Less estimated income	1,103,015,555	1,127,268,003	(21,160,494)	1,106,107,509
General fund	$428,950,229	$445,344,027	($13,707,002)	$431,637,025
FTE	230.30	231.30	0.00	231.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Program and Policy - House Changes:** Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover		($670,000)		($670,000)
Economic Assistance Policy Program No changes				
Child Support Program Removes operating expenses funding from the general fund for the Devils Lake Child Support Enforcement Unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement		(215,016)		(215,016)
Medical Services Program Adds funding to provide a 5 percent annual inflationary increase for medical-related service providers. The Senate provided a 4 percent annual inflationary increase.		1,460,523	$2,984,708	4,445,231
Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty		(2,529,690)	(4,493,325)	(7,023,015)
Removes funding for grants - Medical assistance added by the Senate to provide continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed. A new section is added providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.		(2,281,110)	(4,051,789)	(6,332,899)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:				
Inpatient hospital		(1,000,000)	(1,776,236)	(2,776,236)
Drugs		(1,783,368)	(3,167,035)	(4,950,403)
Healthy Steps		(200,000)	(593,336)	(793,336)
Durable medical equipment		(166,269)	(295,177)	(461,446)
Reduces funding for grants - Medical assistance to remove 5 percent inflationary increases for dental payments under the Medicaid program		(313,738)	(557,414)	(871,152)
Adds funding for grants - Medical assistance to increase Medicaid payment rates for in-state hospitals to the maximum base rate		1,394,469	2,476,904	3,871,373
Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services to 50 percent of fiscal year 2006 billed charges		31,845	56,564	88,409
Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services		125,000	222,029	347,029
Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing hospital, physician, ambulance, and chiropractic services payment rates under the Medicaid program		175,000	175,000	350,000
Long-Term Care Program Adds funding to provide a 5 percent annual inflationary increase for long-term care service providers. The Senate provided a 4 percent annual inflationary increase. Of the total, $1,144,080 is from the health care trust fund for the additional state matching funds relating to nursing homes.		2,250,639	6,362,624	8,613,263
Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium		1,537,030	80,896	1,617,926
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance.			(499,850)	(499,850)
Reduces funding for grants - Medical assistance to reflect an		(6,185,000)	(10,986,015)	(17,171,015)

anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version				
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version		(216,537)	(145,565)	(362,102)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version		(3,575,000)	(6,350,042)	(9,925,042)
Reduces funding added by the Senate from $900,000 to $200,000 from the general fund for the transition of selected Developmental Center residents to community programs		(700,000)	(1,243,365)	(1,943,365)
Reduces funding added by the Senate from $300,000 to $200,000 from the general fund for increasing the payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children		(100,000)	(177,624)	(277,624)
Reduces funding added by the Senate from $200,000 to $150,000 from the general fund for increasing payment rates for facilities serving children with behavioral challenges		(50,000)	(88,812)	(138,812)
Aging Services Program No changes				
Children and Family Services Program Adds funding to provide a 5 percent annual inflationary increase for children and family service providers. The Senate provided a 4 percent annual inflationary increase.		284,489	561,958	846,447
Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version		(300,000)	(426,392)	(726,392)
Reduces grants funding added by the Senate to provide a total of $200,000 from the general fund for Children's Advocacy Centers in Bismarck and Fargo. The executive budget recommended $100,000 and the Senate provided a total of $500,000.		(300,000)		(300,000)
Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment			770,800	770,800
Mental Health and Substance Abuse Program Adds funding to provide a 5 percent annual inflationary increase for the department's contract service providers. The Senate provided a 4 percent annual inflationary increase.		5,225		5,225
Developmental Disabilities Council Adds funding to provide a 5 percent annual inflationary increase for the department's contract service providers. The Senate provided a 4 percent annual inflationary increase.		14,506		14,506
Disabilities Program Reduces funding added by the Senate to provide a total of $350,000 from the general fund for the interagency program for assistive technology		(150,000)		(150,000)
Reduces funding added by the Senate for centers for independent living. The House version provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.		(250,000)		(250,000)
Total House Changes - Program and Policy	0.00	($13,707,002)	($21,160,494)	($34,867,496)

Senate Bill No. 2012 - Department of Human Services - State Hospital - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES [1]	HOUSE VERSION
Traditional	$52,371,738	$52,371,738		$52,371,738
Secure	12,587,384	12,587,384		12,587,384
Institutions		167,482	($433,758)	(266,276)
Total all funds	$64,959,122	$65,126,604	($433,758)	$64,692,846
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865
General fund	$49,070,812	$49,238,294	($432,313)	$48,805,981

FTE	465.01	466.51	(1.50)	465.01

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]State Hospital - House Changes: Removes .5 of the 1.5 FTE positions added by the Senate for increasing security in the secure services unit	(0.50)	($63,285)		($63,285)
Removes funding for a vocational training position in the secure services unit added in the executive budget	(1.00)	(69,028)	($1,445)	(70,473)
Reduces funding for capital improvements from $3,362,757 to $3,062,757		(300,000)		(300,000)
Total House Changes - State Hospital	(1.50)	($432,313)	($1,445)	($433,758)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
Human service centers/institutions	$48,456,612	$48,456,612	($700,000)	$47,756,612
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612
Less estimated income	33,243,690	33,243,690		33,243,690
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922
FTE	449.54	449.54	0.00	449.54

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Developmental Center - House Changes: Reduces funding for capital improvement projects from the general fund from $947,092 to $300,000		($647,092)		($647,092)
Reduces funding for extraordinary repairs from $600,000 to $547,092		(52,908)		(52,908)
Total House Changes - Developmental Center	0.00	($700,000)	$0	($700,000)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$4,389,323	$4,409,698	($34,265)	$4,375,433
DHS - North Central HSC	8,924,775	8,970,346	(65,629)	8,904,717
DHS - Lake Region HSC	5,436,010	5,465,764	(38,006)	5,427,758
DHS - Northeast HSC	9,936,283	9,969,979	(89,904)	9,880,075
DHS - Southeast HSC	11,848,875	11,910,196	(86,359)	11,823,837
DHS - South Central HSC	8,291,192	8,320,442	(73,869)	8,246,573
DHS - West Central HSC	10,440,940	10,470,232	(100,548)	10,369,684
DHS - Badlands HSC	5,003,380	5,017,294	(48,247)	4,969,047
Total general fund	$64,270,778	$64,533,951	($536,827)	$63,997,124

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$3,136,258	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	12,260,487	$4,165	12,264,652
DHS - Southeast HSC	14,296,599	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	6,460,823	10,277	6,471,100
DHS - West Central HSC	10,327,232	10,343,709	16,476	10,360,185
DHS - Badlands HSC	4,845,616	4,845,756	141	4,845,897
Total other funds	$63,647,874	$63,678,933	$31,059	$63,709,992

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES[1]	HOUSE VERSION
DHS - Northwest HSC	$7,525,581	$7,545,956	($34,265)	$7,511,691
DHS - North Central HSC	16,842,742	16,888,313	(65,629)	16,822,684
DHS - Lake Region HSC	9,853,344	9,883,098	(38,006)	9,845,092
DHS - Northeast HSC	22,192,605	22,230,466	(85,739)	22,144,727
DHS - Southeast HSC	26,145,474	26,206,795	(86,359)	26,120,436
DHS - South Central HSC	14,741,738	14,781,265	(63,592)	14,717,673
DHS - West Central HSC	20,768,172	20,813,941	(84,072)	20,729,869
DHS - Badlands HSC	9,848,996	9,863,050	(48,106)	9,814,944
Total all funds	$127,918,652	$128,212,884	($505,768)	$127,707,116
FTE	838.73	838.73	0.00	838.73

1 Funding for the human service centers provided from the general fund is reduced as follows:

HUMAN SERVICE CENTER	GENERAL FUND
Northwest	($54,640)
North Central	(111,200)
Lake Region	(67,760)
Northeast	(123,600)
Southeast	(147,680)
South Central	(103,120)
West Central	(129,840)
Badlands	(62,160)
Total	($800,000)

Funding is added for the human service centers as listed below to provide a 5 percent annual inflationary increase for human service center contract service providers. The Senate provided a 4 percent increase and the executive budget recommended a 3 percent increase.

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$20,375		$20,375
North Central	45,571		45,571
Lake Region	29,754		29,754
Northeast	33,696	$4,165	37,861
Southeast	61,321		61,321
South Central	29,251	10,277	39,528
West Central	29,292	16,476	45,768
Badlands	13,913	141	14,054
Total	$263,173	$31,059	$294,232

Other changes to Senate Bill No. 2012:

Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval.

Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center.

Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed.

Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed.

Sections are added which:

- Identify one-time funding included in the budget and provide for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.

- Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians.

- Provide for a Legislative Council study of infant development services and funding.

- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes.

- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries.

2007 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2012

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2012 Conference Committee**

Senate Appropriations Committee

[X] Check here for Conference Committee

Hearing Date: **April 9, 2007 am**

Recorder Job Number: **5827**

Committee Clerk Signature	Alice Delzer (SH)

Roll Call

Chairman Fischer, Sen. Kilzer, Sen. Mathern

Rep. Pollert, Rep. Bellew, Rep. Metcalf

Chair Fischer: Asked Rep. Pollert about the changes made to a perfectly good bill. I think we'll go through it and if you want to take questions during or after, it's up to you, whatever is most comfortable.

Rep. Pollert: I would want to work off the amendments .0210.

Chair Fischer: They are in our packettes.

Rep. Pollert: I can start on the third page and then ask Rep. Ballew to help me out at times because you're probably going to ask questions about how we got some of the numbers.

Chair Fischer: Why don't we try to do at least part of a page before we ask questions so we know what each piece is about, go ahead and chime in when we answer.

Rep. Pollert: Starting on page 3, I'll end up going back and forth at the crossover, that's where the Senate changes were, and we went off that book as well, because on page 3 were Section 5, Legislative Council Study, continuous medical eligibility for children, we took out the grants and put in a Legislative study.

Section 6, There used to be a HB 1404 regarding actuary study. We thought it was important as far as hospitals.

Section 7: Legislative Council Study, Nursing home rate equalization, provider tax also.

Section 8: Legislative Council Study, infant development program.

Section 9: Legislative Intent, DD funding increases, 60 Cents an hour and 5/5 wasn't in the House version, would go to salary increases as well.

Section 10: One time expenditures, The state hospital sex offender treatment program.

Page 4, line 22, replaces $170,500 with $1,144.080. Part of the 5/5, the nursing homes is coming out of the health care trust fund. That's why the increase in dollars.

Sen. Fischer: We have heard of shortfalls on the health care trust fund.

Allen Knudson: After the adjustment, 1.5 mil still in between $800,0000-$900,000 coming in. ITG money

Rep. Pollert: Health care trust fund, ITG dollars brought forward from the nursing home.

Chair Fischer: That's it then into the future.

Sen. Mathern: Where, common health trust fund.

Allen K: [7:56m] Page 4, page 6, line 22, health care trust fund, page 4, page 6, remove lines 30 & 31. Deleted item regarding the human services at the county level. We amended that out of the bill. Page 7 remove lines 1-4, under the same part of that study of county level of human services. Throughout the bill from the Senate side, there was an amendment to change QSP's to HSP's (Home Service Providers), We put it back to QSP's, we asked for a cost of what it would be to go from HSP's to QSP's, I'm not going to have the exact dollars, but it is around $20,000, roughly about $5000 would be salaries where it's spent anyway. We said it was a cost from $15,000 to switch to HSP to QSP's, so we thought that the time would be better spent doing what they're doing instead of relabeling. Page 11, removes lines 5-12, that's dealing with HSP language; page 13, line 16-31, that's the same thing, brings HSP's back to QSP's. You'll see throughout the amendments, that's what's going on.

On page 5 under Guardianship Services, language was added at the same level as the developmental, what we did the last biennium, I think it was $40,000 allocated, and they felt they needed the language changed in order to get access to those services. It would bring 2-3 people could be helped at that level. I think it raises some funding so they could get anti-guardianship right now, because they weren't being used right now.

Sen. Mathern: Would that spread the corporate guardianship services to a larger group or is it adding money above and beyond?

Rep. Pollert: We're not expanding anything out, we're just trying to get access to that $40,000, that was appropriated last biennium.

Chair Fischer: When we appropriated the $40,000 was for training, language is vague, and I remember during the interim, and this apparently corrects that?

Rep. Pollert: That's correct. Section 41, when you et to the amendments, you will see the chiropractic medical assistance payments, is at a rate of 50% of billed services, and it has a fiscal of $30, $31, $32 thousand and you'll see that later in the amendments.

Page 14- removes line 1-30

Page 16 – removes lines 9-30, that's dealing with the HSD's and going back to QSD's.

Page 17 – remove lines 1 & 2, I'd have to look that up., HSD's and QSD's

Page 6 – ¼ of the way down where it has the bill total, and has the general fund, when it came over from the Senate side, about 16.8 increase from the executive budget, and then with the House side 16.130 million dollars, $694,511 over the governor's budget as it came from the House side.

On the House side, in the whole appropriations section, you will see a vacant FTE, and there was a million dollars taken out for what they call a "rollup", $300,000 is coming from

administration and management, and then you'll see $670,000 will be later in program and policy.

Division of Information Technology Program, $423,800 dealing with client information management system. This is one area where we may have made a mistake that we might want to take a look at during our discussion of $423,800, we were under the impression that this project could be delayed until the MMI actually is set up, then what we're hearing is that not necessarily that the two have to work in conjunction, together.

Program and Policy: Talked about the rollup up FTE's for million total dollars, there is the $670,000 that's in correlation with $330,000 from administration and support.

Top of page 7, Child Support program. $215,016, it is a feeling of some of us in this section, we have had this debate on the House side every time about the Devils Lake or Lake Region child support section/unit. We pulled the $250,000 out, what we were told it is going to possibly be a double-up and we'll have to talk about that. We pulled that out of the DHS budget, but we understand that that $215,000 is in SB 2205, which is the child support, going from the counties to the state, we'll have to have a discussion on that, Mr. Chairman. Throughout the bill, you'll see adds-funding to provide a 5/5 inflationary rate increase. We can talk about every segment, but under Medical Services program, is $1.46 million. You'll see it all sections but one area.

Medical Service program, $2.5 million Grants, referred to the Hunter Safety Manual, that dealt with recipient liability, we took that out.

Continuous eligibility: We removed the funding for grants at $2,281 million, that relates to section 5. Reducing funds for grants, (1246 dental bill) medical assistance to reflect in-patient hospital, a reduction of a million dollars. Drugs, a reduction of $1.783 million, healthy steps a reduction of $200,000, durable medical equipment of $166 million. We went through utilization

numbers, if you want us to go through the numbers, we can do that, maybe at a later date. We had the total dollars added up, there was so much taken out of there.

Sen. Fischer: When we get to that section, we can go through that.

Rep. Pollert: Moving further down, reducing funds for grants, medical systems to remove 5% inflationary increases for dental payments, $315,000, you have 5 & 5 except for one section which is dental. We had HB 1246 as the dental bill. Our theory was 85 & 85, and they didn't feel there was a 5 & 5 was necessary. It was the only section that didn't get the 5 & 5. This deals with in-state hospitals and mainly what it goes for, for critical access hospitals. Talked about 50% for chiropractic services, $31,845 comes in, the House side added $125,000 for Medicaid payment rates to ambulance services. Going further down, on the amendments on HB 1404, those were the dollars given to us of $350,000 total dollars, $715 general and $155 Federal, special or whatever, but we feel that that's an important part of what happens with HB 1404, it might have a 2nd or 3rd or a 4th, I understand. We felt that was an important part if we take a look at that.

Chair Fischer: We can look at that.

Rep. Pollert: Under long-term care program, you'll see where the 5/5 is there, it is nursing homes and basic care, it's also DV providers as well, and if you take it further down in the 1.4 coming out of the health care trust fund, then you have $2,250 general funds for the 5/5. Ads funding for grants for medical assistance continue eligibility funding. There was an ADL requirement for eligibility for SPED. Ms. Olson and Governor's office came forward to us saying, they were not going to require the ADL requirement and have a general fund of $1.527 back into the budget.

Utilization and case loads: that is the $6,185 million, reducing funding for grants, medical assistance, utilization of basic care services, $126 thousand.

Page 8: Reducing funding for grants, we can go through that as well. On the Senate side you added $900,000 to general funds for transitioning of the developmental, took $700,000 and reduced it down to $200,000 from the $900,000. Reduce funding to the Anne Carlson Center by $100,000, the Senate side had it $300,000, we reduced it $100,000 to $200,000. Also, $200,000 for children with behavioral challenges which not only goes to the Anne Carlson Center, also goes to 4 or 5 other facilities, we reduced that to $100,000 down $50,000. Nothing was changed on Aging Services, down to children and family services, the 5/5 is in there at $284,000 for cost, it subsidized adoption services, we reduced that $300,000, we felt, we reduced from the Senate side, you had added $400,000 for the advocacy centers and the feeling for most of us on the session is that we added $100,000 from last biennium, and so we threw another $100,000 in there, but reduced $300,000, we might have a discussion on that, Mr. Chairman. Mental Health and substance abuse Program, 5/5, cost of $5000, the DD council is $14,000, then on to the Disabilities Program, reduces for IPAT, Senate added $500,000. We initially in the section had taken out ½ of that. Luckily, we had information brought to us saying that roughly $94,000 was needed to get back to some original funding, and say there is $100,000 and that's why at $150,000, we put $100,000 back in for IPAT, so know your increase of $500,000, we reduced it by $150,000. The centers for Independent Living, you had added $500,000, we reduced it by ½ to $250,000.

State Hospital: Originally asked for $1.5 FTEs for the secured unit dealing with the bill, trying to transfer the sex offenders to the DOCR, but on the Senate side, you found information that you couldn't do that, but to add 1.5 FTEs, we originally took out the 1.5, but then one is added in so it is at .5. One FTE was put back in there. We looked at the capital improvements, $300,000, page 8 was taken out. Above were funds for vocational training position and secured services unit, we also eliminated that.

Top Page 9:

Chair Fischer: The funds for vocational training and secured services unit, can you explain that a little better?

Rep. Pollert: Not as well as the one and ½. I know the 1 ½ is dealing with the sex offenders part...

Chair Fischer: That's training, DOCR training for the people at the state hospital, for those who deal with those folks.

Rep. Pollert: We had added one back in, we'd have to go back to see our wisdom on that. Developmental Center, they were asking for improvements for $1.6 million dollars, we originally looked at $1 million, in this section we added back $300,000, so it was a reduction in Capital Improvements of $700,000.

Chair Fischer: We will stop there and see if there are any questions. We don't have much left, but I think that another conference committee is going on. There are some more on the back here. Any questions?

Sen. Mathern: I guess I'm interested in more detail, if ;you take a number, $300,000, I'd like to know, which Bill did you amend, to get this down, a funding project or safety code? $300,000 there should be some information to help us understand this.

Rep. Pollert: On a $300,000 on the State Hospital, they had a paving project for $600,000, and we had taken $300,000 away from it. That's where the $300,000 came from. It wouldn't have to be the paving project, I think they have a whole list, 1.6 on some repairs we didn't touch, and also including the 3.1 million dollars for the sex offenders, all that one time spending, out of the total budget figure, there was $300,000 out of there.

Rep Kilzer: One of the items is to mandate dept pay on a percentage, it is a mandate in setting a new direction.

Rep. Pollert: You're probably right about that, we had, we tried something else first with the chiropractors, or something and ended up being a $250,000 cost and so we knew that that wouldn't be acceptable to any of us in the committee and so we had some information brought forward to us. We thought if we said a certain amount of dollars, they would do it and when the money runs out it runs out, and heard we can't do that.

We will have a discussion about that, that same concern as well. We aren't going overboard, it is not one group, will have to discuss. Some of us had that same problem with the House bill 1246 with the dentist bill as well.

Sen Mathern: Long term care, 5/5 increase amounts, looks suspiciously close to the decrease of the funding for facilities, it comes out of DV, $10 million each. I'm wondering, would you be able to provide us with a specific list for line items here?

Rep. Pollert: If there is a correlation between the long-term care and the $10 million dollars in the DV, never did I have that correlation, there was $10 million and put it into nursing homes and take $10 away from the DV, we never had that discussion. We can have a breakdown on the dollars of what we took out of each section, I think there are about 18 sections to the DV providers or the DV division, and we looked at 8 sections of that DV division and said, we think there's dollars here.

Sen Mathern: I'd like to see that list.

Chair Fischer: When we go through this in detail, I think we'll do an overview. The next meeting we'll finish that and then start on the details, so you can prepare questions that you have on this portion of it now.

Adjourned until next scheduling.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2012 Conference Committee**

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: **April 11, 2007 pm**

Recorder Job Number: **5917**

Committee Clerk Signature	Alice Delzer (SH)

Regarding Dept. of Human Services

All conferees are present:

Chairman Fischer, Sen. Kilzer, Sen. Mathern

Rep. Pollert, Rep. Bellew, Rep. Metcalf

OMB – Tammy Dolan, Allen Knudson from Legislative Council

Chairman Fischer: called the meeting to order, asked if Rep. Pollert wanted to continue on where they left off. Going to start at the top and go through to the next meeting and then formulate and discuss some of the things they were going to discuss.

Rep. Pollert: Were looking at amendments 0210 on page 9. We had just discussed the Developmental Center and then go to the next Human Service Center and then go to the next page. We took $800,000 out of the Human Service Centers and there would leave a flat $800,000 and left it to the D&B department how it would be divvied out. We didn't say it would take $100,000 from each one because there are 8 HSC (Human Service Centers), so if you see ethe different numbers, they are different numbers brought forward from BHS. Go to Senate bill 2012, 0200, on page 10, section 4, turn to page 5, line 26, we currently give the department the flexibility to move dollars around. In our deliberationsf, we had seen where the director may hire full time equivalent positions. And we deleted that from that section of the agency bill. Our feeling was, on our side, that hasn't been done before and there is the

flexibility of hiring, and we wanted to be sure they would have to come to the emergency commission and ask for extra FTEs. We took that particular language out. The flexibility for everything else in the agency stays. Section 7, on page 6 on 2012 on the engrossed version, we had asked Legislative Council about specific references to the Robinson Recover Center, and were told not to reference certain facilities, and so we changed the language. That is a facility for methamphetamine treatment. We did nothing with the funding. Section 6, study on local level Section 10 re: local property tax, was deleted out of the bill, on the local level at the Human Services sections, we amended that out.

Sen Mathern: What was the reason for that?

Rep. Pollert: The study already shows the increase. It was deleted because it already shows that it will cost more money.

Sen Mathern: I know about my county, but what about everyone else's?

Sen. Fischer: My thought would be that we should combine Social Services and Human Services to save some money. Also added-in page 10 for one time funding, regarding guardianship.

Sen. Mathern: On page 8 there is a question, on the council amendments, first item, has a page to pass out, if we actually make that cut, we would like to go through items one by one and chart it.

Sen. Fischer: *Handed them out.* Discuss them at the next meeting

Rep. Pollert: In our discussions, I think it will be important as well, brought forward to our side was a proposal of some reductions that the department had brought forward, so you'll want t a copy as well as we used this extensively. If we're going to go that far, then you'll want to find out why we did what we did. You'll also want a copy of the spend downs of these two reports, if

you want to go through it. It took about 4 days to go through committee meetings to come up with that.

Chair Fischer: I don't know that we want to go through them.

Sen. Mathern: I was just asking for that one, it's a ten million dollar deal, I think has a dramatic impact on the rest of what we do.

Rep. Pollert: If you haven't got this information, that that would be handed out as well.

Chair Fischer: You can have copies of that made of the grant summary.

Sen. Mathern: We may need to explain this a little.

Chair Fischer: We will go through them in the next meeting along with the same spread sheets. There are other issues to discuss. Do you need any more material from our side?

Rep. Pollert: We also went by the Hunter Safety manual with the crossover changes. We looked at that quite a bit.

Chair Fischer: One item, that we want more information on, is the rationale for the amendment?

Sen. Kilzer: One of the motions made by the House was to reimburse manipulative services by chiropractors on a bills-charged basis rather than a "B" schedule. I would like to know history about that in the long past, there was some attention made to bill charges, but in recent decades, all 3rd party payers go by their own B schedules and pay no attention to the bill charges and would like to know if the department is paying any other third-party payers on the basis, so it is a reference request.

Brenda Weisz: There is no other one, the only one is dental bill, you'll have that.

Sen Kilzer: I think that answers my question, the only other exception is House bill 1246, when it goes into affect.

Sen Mathern: One other thing I'd like available at the next meeting, the medical assistance participative reduction. For in-patient hospital providers, medical equipment, again, get some data from the four biggest providers hospitals would indicate that that reduction will not happen, I would like some further data about that from the entire scope of hospital providers.

Sen Fischer: When we get this, it will explain about 75-80% of it.

Then we can proceed, I would expect that what we're going to do is re-meet, for a longer period of time and go through the issues that we have.

Sen Mathern: Does the House have a number in mind?

Rep. Pollert: Ask the same question of the Senate. Discussion about bills and budgets. Discussion regarding hospital expenses. We left in some things, we'll meet again this week. Closed hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2012 Conference Committee**

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: **April 13, 2007 am**

Recorder Job Number: **5989**

Committee Clerk Signature	Alice Delzer (SH)

All members present

Chairman Tom Fischer, Sen. Ralph Kilzer, Sen. Tim Mathern

Rep. Pollert, Rep. Bellew, Rep. Metcalf

Legislative Council: Allen Knudson, OMB, Lori Laschkewitsch

Let the record show all conferees present.

Meeting opened by Chairman Sen Fischer

Rep. Pollert: *Has information on the developmental disabilities,* Made some copies, I made copies, but missed the testimony. I have one extra copy, and then, this will be a general overview, Rep. Bellew, you can chime in. I'll go through this. The unduplicated developmental disabilities case load for state fiscal years. As I do with numbers, I went through, I asked for these numbers and there is only one number and if you can accommodate me, I'll explain to you how I went further on the chart. When you take a look in 2001 and wee 3888 was the amount of clients (case loads), on the right at 2006, which was unduplicated was 4814. I went to the department and asked them if they had concrete figures of what they thought was going to be in 07, 08, and 09. We don't have the concrete numbers out of 07, but what we have is the estimated numbers from the BHS for the 08 and 09, and that number was 185 and regrettably, I had this amount and thought I should share that with you. That number was 185 for 08 and then it's expected to rise another 200 in 09. So the next number, you'll see 08 and

09 is 5199 for 08, and 5399 for 09. One number I had to plug in was for 07, because we don't know what that number is yet. If you take a look at 05, it was 4622, in 06 it's 4814, in 08, the numbers from BHS are 185, and the number for 09 was 200. So I said, ok, I'll use the number 200 for 07, so you'll see that number for 07, it looks like chicken scratch, the total case load would be 5014. From there, there are percentages. You'll see them from the year before, from '05 they are 4622 to 4814, that's a 4.2% increase. Using the numbers that I got, and the 200 I plugged in between '06 and '07, is a 4.2% increase in case load. Between '07 and 08, it's 3.9 and between that in '09 it's 3.8%. After I did that, I went to a case load in '06 of 4800 and 14 people from '06 and looked at the number of 5399 people in '09, so if I look at that number and figure the increase, it is 12.1% increase. Increase case load in '06 and estimate for 2009. *Continues to explain the chart he produced. [5:00m]*

Explained his handout on Developmental Disability Grant Budget, Biennial Budget Comparison. *Listen to tape 9:39m* It was referred back to the house, it seems a little excessive, that's the rationale.

Sen Mathern: We appreciate your information, one problem, if presuming a percentage increase in amount is a problem that should be resolved by seeing less people. Each of these biennium's, sometimes we've added "per hour" wages, or added an inflationary increase or sometimes a combination, THAT is what affects this in addition to how many persons. I guess I would like to get to understanding the accuracy of the number of persons that we think need these services. The other chart I handed out, lists these persons. I appreciate your general direction of where you're coming from, but we still have to look at it from the personal persective. How many persons, are in fact, graduating from high school that need a placement? The trend line might not fit the reality. Can you describe from the chart that I handed out how you came to that conclusion? You're amendment brought us to the conclusion

that we are not going to have 252 people there. If those people show up, even though your lines show here, needing services, the department either has to serve them and you work on a deficiency budget, they have to turn them away, or they have to get the money someplace else in the department.

Rep Bellew: If you look at Pollert's charts, it shows that there will be an increase of 385 just like your projections. In '08, I see 185 and in '09, I see 200. Sen. Matherns are 252, so that just, take it for what you want.

Sen Mathern: But there is something wrong with the assessment of care for each of those persons between Rep., Pollard's indications and the Dept. of Human Services. The Dept. of Human Services, I presume, did not over-fund the cost of services for each of these individuals that they predict that will be needing this care. If they did, I'd like to hear that from them. I never heard any body say that they put more money in than they really needed.

Rep. Metcalf: I thank Rep. Pollert for working with all of these figures, seems like there is going to be an increasing number every year, but the thing I understand is, there are 2 things that are not said yet. 1) the DV people are down in the trenches doing the work, have been underpaid for years. Are we supposed to continue on as a requirement that they have to have 2-3 jobs to make a living? They've been underpaid for years. 2) I didn't hear anything about inflation. If we are looking where inflation is happening in inflations from food to housing to gasoline and everything else, we have to allow for that in order to do that. I think we are very much so irresponsible in not providing a living wage for our people in DV services.

Rep. Pollert: In the current proposal, there is a 60% increase. (60 cents) for both years in the biennium. On the House side, we had added the 5 & 5. 5 cents an hour, when you look at it. The Governor addressed it in his budget, and we didn't play with that hourly wage, that is addressed as well. On our side, we sit and look at a $53 M increase, it's not like we're not

doing anything. When we went through the spend-down report, the 44, they took the average of it and spend-out, we added 22 for the first biennium and then 22 for the second biennium, it's not a total for all 2 years, it's actually 33. We just used 33 for day support.

Sen. Mathern: To me, you've given a good example of the difficulty we have here in the numbers. If you average those numbers out, I believe there is an assumption that some of them don't need that service. The way I view it is, this is permanent care. These people will not be getting well, and if we don't have further care or treatment, if you have 22 one year, and the next year and total is 44, part of the 22 from the first year, don't go away, they don't "not need" the service. The averaging has reduced the amount from when it was actually needed. You don't have a treatment in here for mental retardation or treatment for developmental disability or head injury, that's over. If we had a treatment in here, we could say, "ok, the problem is taken care of." I don't see that in here. This is an ever-inclusive amount. This is added. If you take both groups forward for an expense. Could you share some of the department for two different ways of looking at where are the numbers of persons who need this service. I haven't heard form the department that the number is going down.

Rep. Bellew: On the House side, we never said the numbers are going down. We increased the numbers from the last biennium in our estimations, and we can day support as an example, the average of the department came here with 930 and we had in our estimations, 940.

Sen. Mathern: Is it possible that we're talking about the differences in the costs. The cost for each one is also different. Talked to Department of Human Services, about the amount of money, and it required the appropriation of that $3 M, general funds. If those numbers are different, I'd like to hear from the department. I see what you've done, but I think it's a

Mathematical exercise that has some statistical value in terms of seeing the trends, but I'm afraid might miss the mark in terms of reality of the persons with this biennium. That's my concern.

Rep. Bellew: If the 5/5 stays in there, that's an additional $14 M dollars increase. As you can see, they're still going to get 4 more million dollars on the original proposal.

Sen Mathern: I agree with that, however, if the number of persons aren't correct, that 5/5 has to be reduced to take care of taking care of the number of persons that is above and beyond what we are figuring here. I understand that 5/5 brings more money, however, if there are more persons, then it takes more money away.

Rep. Bellew: Are you suggesting we reduce the 5/5, Senator?

Sen Mathern: What I AM suggesting is that we clarify the amount of persons and we figure out how to fund this.

Rep Pollert: We had requested spend-down reports, I don't know if you had requested them. We took that number and asked the department as far as, what number we need, and asked for the department help. We did not cut the cost sheets, and didn't lower any of those cost estimations. Sen. Mathern, you had questions about in-patient hospitals, drugs, healthy steps, durable medical equipment. We used those numbers off of here. Some of those numbers when they brought the grant summary to us, they said on the Senate side, that the numbers brought forward to you is what they needed on the House side. When we started going through these numbers, they brought a grant summary and said they could reduce it by $3M general fund dollars, so when that came forth, that tells me we were looking at the spend down reports and trying to find out where we're at. Maybe in that, MAYBE if the number in the spend down reports aren't right, this is what we used.

Sen Mathern: So what you're saying relates to the Department across the board, but the reduction was made in the area, it would take some other money in other areas, all of these spend downs, they added up to $3M, and you took the $3M right out of the ___.

Rep. Pollert: Someone can correct me, I think there are 18 or 19 in the DV budget. There are 3 main areas: Day support, ISLA, NISLA. When we looked at this and spend down numbers for average cost, that's where we come up with our numbers.

Sen Mathern: Would it be possible if we asked the Department of doing what ;you suggest, 5/5, 60 cents an hour, and ask what they project for the next biennium, based on the number of persons served for the next biennium. Let them come back with that number.

Rep. Pollert: Then there will be $279M dollars. You can ask for all the numbers you want, and at some point talk about this, too. Some of the numbers included in the numbers we had the reductions in, let's say I agree that it is the end of the MIS system, and if it is the end, it's not going to be accurate 5-10%. If I'm wrong on the DV, we could be wrong on some other stuff too.

Sen Mathern: I'm not suggesting anything about all the others, if we took the DV part and tried to come to an agreement on that....

Rep. Pollert: It will be in here in July, and that's fine, I think you'll see that a lot of this stuff will come down to a few, unless we're wrong on that. We don't have to go through all that effort, there are only going to be a few areas where there will be a disagreement on it. DV is one of the biggest.

Chair Fischer: The increase in DV case, limited by capacity, 95%, 115 people on waiting list, how much can we expand DV population within the limits of the ones you have to serve? Unlimited? We have to ask the D&S people to reconcile this. We need to put together is the reason to think there will be a greater increase.

Sen Mathern: I would ask the department or the council to tell us on page 8 of the House amendments, 3.5 mil clarify and would like a number on projection of case load on assuming 5&5% increase and the 60 cent per hour, what that number should be, page 8, first line. What is the actual that can be a reduction, like the House indicates, or increase. And it can be done, some done already.

Chair Fischer: Is there any other information we need? We need to consider that, we will adjourn.

Sen Mathern: I would like to talk about issues on the Developmental Center. If there are persons out there who need a group home, how are they going to do it? Explanation about that area of reduction.

Chair Fischer: In the last session, must more people, there are some issues we haven't delat with. Ask Alex the question.

Sen Mathern: We would be making a policy decision then.

Rep. Pollert: On that subject, we as a committee, not always, struggled, in a transition, if it WAS important, than why wasn't it in the governor's budget? We had a discussion, why is that, so is the core of the QSP was on the increase in increments, we looked a that as well. We did not touch the increase on the QSP.

Sen Mathern: If that would be the case on moving less folks out of the development center, did you consider, if you fund the development center at a level where they can take those additional people, or keep them, had you thought about that?

Rep Pollert: We went through the amendments of what we were proposing to change, we actually, the amendment we brought forward was actually stronger than what we settled on. We settled on 700,000, I think it was a "one time" spending. I had a discussion with the head administrator and I suspect, he told me there were concerns, a million dollars we had talked

about, and at that time, I would suspect then that Rep. Metcalf must have a discussion with him because, when he came in with an amendment to amendment, and we accepted that, and my thoughts at that time was that, that was a number that seemed to work for the administration, so we accepted Rep. Metcalf amendment.

Sen. Mathern: The increased cost to the communities, if they have less of these people to come to these communities and that is what this funding is for, if we are going to move some people into these communities, we have to fund the communities more.

Rep. Pollert: We did not touch the operating expenses to the Development Center. If I'm wrong, someone please correct me.

Rep Metcalf: We are still concerned on reduction. Those are a one-time expense. That left a lot of maintenance untouched. They can function at this point.

Rep. Pollert: As long as we're talking about the Development Center and the transitioning, then I think it also, it is my feeling that it should have been a priority in the agency budget, and it wasn't there.

Sen Mathern: That transition money, is really to move people from the center to the community. We remove that money, we have $700,000 LESS of transition money, that means someone is paying that a the development center, that we thought were leaving. We have decided now, less will leave because we have reduced the budget by $700,000, it appears to me. From the senate, if we do that, we literally removed $700,000 more people will be at the center than we anticipated, if we fund it back...

Rep Pollert: I would say it has been, I would suspect that the budget that DHS brought forward for the Developmental Center, was for the amount of people that were THERE. We didn't touch that. I will agree with you, if we have $900,000 in there, I don't know how high the number is, but you're correct about that. We can't drop the expenses at the Developmental

Center because it's not enough to close down DC. The numbers we were given were for the operating, that hasn't changed. The number of people will still be served.

Sen. Mathern: I would think on the assumption that everyone is going to stay because of the uncertainty of transition. Nothing is certain.

Chair Fischer: At our next meeting, we will go through and see what we can agree on. We can narrow it down to flipping coins...

Rep Pollert: If that would be ok with you at that time, then we'll go through our numbers and they will try to do the easy ones, and do those first.

Chair Fischer: We need to start looking at some things and say, "yes" or "no".

ADJOURNED

Will ask for an hour of time for meeting again.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-17-07

Recorder Job Number: 6095

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the Conference Committee hearing on SB 2012 for DHS at 3:30 pm on april 17, 2007. The record showed all conferees present. They are Senators Kilzer and Mathern; Representatives Pollert, Bellew, and Metcalf. Allen Knudson, Leg. Council and Lori Laschkewitsch, OMB were also present. He asked Representative Bellew to walk through the spread sheet concerning the budget for Human Services.

Representative Bellew explained how they came to the amount of $3.75 million. He stated they reduced funding in the following areas:

1. Day supports - $350,000.
2. Extended Services - $50,000.
3. Family Care Option - $100,000.
4. Family Care # 3 Option - $250,000.
5. ICFMR Adults - $575,000.
6. Infant Development - $250,000.
7. ISLA - $1 million.
8. MSLA - $1 million.

That should add up to $3.75 million. We took the numbers from the Department's spend down reports that they passed out to us. The first one we looked at was Day Supports. The

Department said they would have a monthly case load of approximately 964. In our figures we figured that would be 940 beds. He further explained how they came to that number (meter 04.54)

Senator Mathern said I would be interested in having a response from the Department about numbers that were used. It's helpful to see how they came out with the final tally, however if we begin the tally process with an incorrect assumption it seems like the end result will be incorrect. I would like to hear they came about with a different number than the House did. Looks like we're are doing three of these and I would like a response after that.

Representative Bellew continued testimony on ISLA, stating they go by the spend-down report given to them by the Department He stated the Senate does not have a copy of this. He explained the method they used to come to the amount of $1 million. (meter 08.48) He continued on with the MSLA doing the same formula reduced down to $1 million,. (meter 09.38) He was asked if the 149 was determined by adding 8 in Minot. That was confirmed. There was further discussion and Maggie Anderson DHS shared more about the spend-down items.

Brenda Weisz, Chief Financial Administrator DHS (meter 12.03) gave written testimony (1) regarding Developmental Disability Grants – Selected Service stating here is how things happened in the House. These spend-down tables that they worked with we provided to them show the actual people receiving through December of 06. What isn't on these sheets there is still 6 months left of the biennium, so there still will be growth in the last 6 months and that's how we come up with our utilization numbers. And so that's not taking into account on these numbers so when we built our budget we didn't stop at December of 06 or a certain time projected out for the entire biennium and that would be one thing that these sheets won't allow you to do from a spend-down. They just give the most current information we had at the time.

So what we did focusing on the three largest services, Day Support, ISLA and MSLA, we went back in and we took the same information that is on here and start with July of 06 and we need to add 22 each year for graduations which DPI provided for us and you will have 22 more after the second year so your case load really does increase by 44 people, not an average of 31 so the danger of that when you go to the next budget and you go with 31 you're going to be down those numbers. Starting with this sheet and what they support basically what we did is we'll take July and then bring you up to date with current information because we now have more data then when we were before the House. She stated they know there will be 25 more coming on and you add the 25 and you add the growth of year one.

Representative Bellew asked how they will know there will be 25 people coming on.

Brenda Weisz continued to explain this issue (meter 17.10)

Senator Mathern stated now we have two scenarios about the numbers. What I would like to know is what is the dollar amount then needed. He was told that she would have to go back and compute that for him. He asked if that would relate to the cut on the House side. He was told when they looked at the reduction on the House side they took a look at how that would impact the budget. We were working with 3 projections. We worked with the governor's budget at that standpoint. He asked for that number also. Brenda continued her explanation of ISLA and MSLA. (meter 20.31)

Further discussion followed regarding the grant summary sheet, questions regarding the dollar amount they are off and requests regarding information on independent living.

Chairman Fischer adjourned the Conference Committee hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-19-07

Recorder Job Number: 6179

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the Conference Committee Hearing at 5:30 pm on April 19, 2007 on SB 2012 regarding DHS. The record showed all conferees were present. We have some amendments that were drafted for your approval concerning Centers for Independent Living #.0213 restores $250,000 that was taken out. Amendment #.0214 regarding continued appropriation for all of the numbers the House took out in utilization and we say we agree with that but in case, it's a contingent appropriation, these are the triggers that would allow the Department to access dollars should the utilization figures be incorrect. They have merit.

Senator Mathern said I think the Centers for Independent Living amendments are important. They are dealing now with federal deduction and there has been no increase since 2001 and there are problems in terms of staff retention now. Basically we restored ½ of the request and it's a positive thing to help people stay in their homes. On the other amendment I think it is an appropriate way to address whole host of issues in this department. We don't debate the value of the program and it's a matter of listing all the programs and we disagree on the case load size and the utilization rate and I have a list of those programs and if we can agree on funding then we can move on to other areas that need our attention.

Senator Kilzer stated he thought we were suppose to be looking at some ways to find some cuts but these look like finding more resources to spend more. I think that SB 2012 as it left the

Senate was in pretty good shape, I thought the programs were reasonable well funded, the raises for the employees was 1% above the governor's request, when it comes to conference committee it looks like it's really distorted both on the spending and the revenue side so I think there needs to be a lot of work by this committee and I also think we need to bring down some of the expenditures that are proposed so that is what I am working on, I have a work in progress.

Discussion followed regarding the contingent restoration, general fund, and the different dollar amounts that apply to the different programs.

Representative Pollert asked of the $14 million of general funds, because that's basically you're trying to restore the $13.5 million, would that be all the reductions that we had done, the case loads. It was confirmed that it was their list. He had questions regarding this list.

Senator Fischer stated we have several sets of numbers. While we think your numbers are right there is always a margin for error. The fact of the matter is that dollar amount could be smaller. More discussion followed regarding this issue. (meter 10.01)

Senator Mathern presented handout #1 Restoration Amounts Suggested for SB 2012 and explained each group on the list. (meter 12.01)

1. These items are all related to differences in opinion on case load size and utilization rates between the House, Senate, and DHS. I suggest they all be funded on a contingency basis only. We would be moving the $14 million down to $12 million.
2. These items are crucial to DHS central office operations.
3. These items are legislative priorities identified during the legislative hearings, all heard in House and Senate.

The amendment applies to group 1 only. (meter 13.25)

Representative Bellew asked where the $14.5 million came from. He was told it was $12 million with some additions.

Chairman Fischer stated in reference to group #2 Senator Mathern has gone back to the budget the Senate sent to the house and put some items back in. The next meeting we will discuss them more and talk about the proposals Senator Kilzer is working on.

Representative Pollert had a question regarding Medically Needing Income Level in group #3.

Senator Mathern said the Senate passed out the Medically Needing Income Level to 83%of poverty and we are presently at 61%. 83% is about the supplemental security income level and I thought you would have difficulty accepting that amount so this is an amount between 83% of poverty and our present law of 61%. Instead of making it a percent I used a dollar amount. Essentially the Senate increase would have given people $200 per month more to live on. This is $100.00 per month. Right now a single woman is required to live on $500 a month and this adds $100.00. Further discussion followed (meter 18.05) He was asked if this will cover all those people in those categories. That was confirmed. I chose an amount that has already been done by DHS and spoke to them regarding using data that they have already developed and that would be available if you want more details regarding this issue. In Group 3 Personal Care Allowance is up $5.00, from $50 to $55. Because of the way the bill is structured now with the ITD funds usage we can do that $5 per month and get it all out of federal dollars in terms of the additional amount. The Centers for Independent Living are the same as Senator Fischer's amendment, $250,000 just restoring it to the Senate level; the Medically Needy Income Level, the counties actually feel like they need a certain dollar amount and these are services wherein if they add a homemaker or respite care person they can keep a family together instead of placement in a home or something of that nature. Development Center to

community OAR working with trying to find an avenue for getting people back into the community. The Anne Carlson to Senate level OAR. Children's Advocacy Centers to Senate level. The technology IPAT adding the $150,000 to bring it up to what they need. There's many other items that are in this budget. What I am presenting here is what I thought were priority items.

Representative Pollert stated he did not recall in Group 3 the Family Preservation Services being in 2012 when it came over to us. . He asked Senator Mathern if this is an addition he would like to put it. He was told that was what the counties came to us about and it wasn't adopted by the Senate side.

Chairman Fischer said one thing he would like to do is put on some list continuous elegibilty and try working with the Department one more time to see if we can get some more information we need. I do not have any new information today. (meter 22.49) At some point we need to discuss reimbursement to hospitals. We have a copy of the DISH payments.

Representative Pollert stated on the House side we had added $1.394 million for general fund dollars. We refer to it as rebasing. It will take a little bit of a language change so I feel I should get that up in amendment form I would also in that $1.394 I'd like us to have a discussion about adding $150,000 to it. It has come to our notice that there is hospital or two that because of the percentage of decline of cliental (its usually Medicaid) that there is some possibility on the horizon that we might have to address.

Senator Mathern stated I would support Representative Pollert's concern. That should be addressed and along with that the ambulance service and we should address the physician part of this also. He was told by Representative Pollert that the House added $125,000 for ambulances are you talking about further amendment of increased funding. He was told yes.

Representative Pollert stated we might have to look at something different concerning the dentist inflation. It depends on what happens with HB 1246. Further discussion followed regarding another bill that pertains to premiums and whether it involves the PERS population and not Medicaid. It is a management program for diabetes. (meter 28.20)

Representative Metcalf stated he thanks Senator Mathern for preparing the list . I agree with is a need for a FTE at the State Hospital.

Senator Mathern stated that was under Group 2 for ½ time employees. According to the discussion he had with the Department that is what was needed there

Representative Pollert said on the House side we had originally taken away the 1.5 FTE's. Representative Metcalf came forward and asked for the 1 FTE back and it was put back on.

Senator Mathern said he recalls at beginning of conference committee there was discussion about increases to this Department. I got a comparison of these increases from different agencies and shared some of the differences. My point being when we put in context what is happening with other departments we need to consider this department. I also checked the ending fund balance. (meter 32.29)

There was further discussion regarding the budget and ending balance. Also the committee was in agreement to meeting twice a day to solve this budget. Comment was made that things are going slow.

Senator Fischer advised that if this conference committee cannot come to agreement a new committee might be appointed. The Conference Committee hearing on SB 20112 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-20-07

Recorder Job Number: 6193

Committee Clerk Signature	

Minutes:

Senator Fischer opened the conference committee On SB 2012 at 9 am 4/20/07, all were present.

Senator Fischer indicated to Representative Pollert that we would use Senator Mathern's list for items removed and will review items important to us to put back in or see if we have some consensus.

Representative Pollert indicated he is not wise on how the Senate does it on their side regarding the voting process but if we go through the list and determine what we want, we can reach a decision.

Senator Fischer indicated his feeling is that rather then the $12 million in our discussion, the nursing home care, if they went over the numbers, the beds are still available. The proposal I have would be to leave durable medical equipment and the $3.5 million for the DD providers and do that in one of t3wo ways and give F$300,000 to subsidized adoptions, everything else would be left out as you amended. The DD providers I am looking at as a safety net and if we appropriate the money without triggers, if that is a possibility, I am ok with that too because it would be turned back. Or we can do the trigger situation and the other two would be appropriated. If we want to stop there and discuss those together or individually, we can.

Representative Bellew stated that re: the adoptions the department said they should be able to reduce the amount for durable medical equipment. That information came directly from the department and they are indicating they could get back with that.

Representative Pollart asked about durable equipment and DD. He then stated he agreed with Representative Bellew about durable medical equipment.

Senator Fischer stated he didn't have the page open for durable medical equipment.

Representative Bellew stated the amount the department gave us is $1.72 million in general funds and $4.891 million in total funds.

Senator Fischer stated subsidized adoptions; what was reasoning for taking that out.

Representative Bellew indicated there was an increase in subsidized adoptions and an overall increase of over $3 million. The house felt those were significant increases and removed what we did and felt it was justifiable.

Senator Mathern indicated that spending in subsidized adoptions is positive. There is an increase of moving children out of foster care and into adoptions. It is part of public policy to move kids out.

Representative Bellew we did not feel this would have a negative impact on this program.

Representative Pollart indicated he is in agreement with Bellew as of now.

Senator Fischer referenced group 2, the IT project, he doesn't have that on his list for reinstatement. He understands what it is but he didn't have a chance to relook at the budget. This is a county issue and they need to talk to MMIS. What is rationale of taking this out?

Representative Bellew it was our rationale that with MMIS is going in and is funded fully, we felt this is part of MMIS.

Senator Fischer asked of Brenda -- this is to establish a data warehouse we need to reimburse ITD.

Senator Mathern indicated he talked with SITEC who looks at ITD's and brings them a list that needs to be done. This is one program that was suggested to get done. Unless have big issues, this is important we do this to make sure the system communicates well and new systems are operational.

Representative Bellew indicated MMIS seems like a Cadillac system.

Senator Mathern indicated we need to make sure other systems feeding into MMIS are working properly.

Representative Pollart stated that in discussions, it was the impression of some of us that with MMIS going in this was part of the system that could go in after MMIS not in conjunction with. We understand it is possible that the system is to be done in conjunction but it sounds like a compatible issue.

Brenda stated it is more efficient to do it as compatible. It is a whole new thing that has to go in to the system.

Senator Fischer stated he doesn't have that earmarked that it has to go back in. One thing is, this has an IT project in it. A project over $250,000 is to go to IT. They have a pre project plan, a project supervision and post project to be presented to the legislature I will talk to Senator Christmann and to Representative Skarpol on this issue.

Representative Pollert indicated he would talk to Representative Skarphol --

Senator Fischer stated that if there is anything over $250,000 it is a project.

Senator Fischer stated the child support budget of $215,000 at Devils Lake is not included in funding of SB 2205 and they will be short $215,000 if we take that out.

Representative Bellew with state taking over child support and the efficiencies now it was not needed.

Representative Pollert we understand it was a double up.

Brenda stated it is not a double up at all. The efficiency is better to stand on. You have tribal and county operations there and whether county does it or we do it we have the expense.

Representative Pollert stated we have tried to take this out three years in a row --

Representative Mathern I would encourage the new opportunity we have now to bring this all together this is time to solve this to make it a unified system

Senator Fischer stated the way it solves the tribal problem is the three affiliated tribes putting their own together. This is Lake Region, that would be solution for all and this one has turned it down. The county suffers as much as tribes do.

Representative Pollert would you like to vote.

An oral vote was taken to include this back in budget 2 and 2. Senators Fischer, Mathern, Representative Pollert and Metcalf.

Representative Pollart stated he is not ready to vote on the next item and need to talk with others.

Senator Fischer indicated SB 2265 is something that has come up with the ½ FTE at the state hospital -- yesterday we discussed this.

Representative Pollart 2226 is to require training and SB 2136 need funds for the FTE to do this. The 1.5 is dealing with the other part of moving the sex offenders division (secured division) of the state hospital it was thought they needed 1.5 FTE after we removed all of them. Someone convinced to put one back in.

Representative Metcalf indicated he didn't' know he was persuasive. I really feel the .5 FTE at the State hospital is important. We are assured they will supervise the offenders over there. If there are other ways of funding that I would take a look at it.

Senator Fischer adjourned the conference committee until 10:00 am.

NOTE: The 10am session was postponed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-21-07

Recorder Job Number: 6245

Committee Clerk Signature

Minutes:

Senator Fischer opened the hearing on SB 2012 with roll call indicating there are issues to deal with and Representative Pollert and I need to sort out numbers. We will go through Senator Mathern's list and are prepared to discuss and adopt those issues. We need amendments prepared to see if it works out with he scenario we have prepared. This is the best we have been able to come up with. I hope people can support these amendments and if not you can see Cal Rolfson to help you.

Senator Mathern indicated he has suggestions to reduce this amount and hopes there will be free discussion from the list I referenced the other day.

Senator Fischer indicated if you want more programs back, you are at risk to not being able to fund some the things you are proposing. This is not proposal that is supported by everyone. This has not been easy.

Senator Mathern I have areas where we can reduce the amount to the general fund.

Senator Fischer you have ten minutes.

Senator Mathern discussed the sheet we have been working on for group 1, 2 , 3. In terms of the amounts that relate to the department and the house suggestions, that could be eliminated. On the second item drugs are completely removed. Healthy steps could go to $100,000, Nursing facility could go to $1.150 mil (#6),

Representative Pollert indicated he doesn't mean to be rude but on behalf of the House, the only thing on the table is the $3.57 million. Let's just vote on the motion instead of arguing.

Senator Mathern indicated he would like to go thru other areas of the reductions. What proposes is reducing #1 to $7.1104 million and maybe that would be eliminating the basic care amount and keep in DD. We would bring that down from 12 million and fund that through the permanent oil trust fund. Group 2 appears that in term of the state wide child initiative is room for $215,000 suggestion to reduce that to $1.487085 million basically taking out the $215,000.

Group 3 the bottom line is to take it to $2.565776 million. Remove the family preservation services as it is not having gone through the House and Senate. That is a concern. Reducing the development center as that is where changes would be. These changes bring the general fund amount to the $4 mil level and that is something we could do as a house and Senate. In terms of the total amount reflects what was done in other budgets. As we go into meetings I hope you consider the fact that we have compromised. This is taken down considerable in terms of the general fund. I have it written out as a handout and I think it reflects an attempt to compromise and a serious alternative we can consider in finishing our deliberations. I was done in ten minutes.

Senator Fischer indicated Senator Mathern's proposal is quite an increase in the general fund. That will have to be considered on how we do this.

Representative Pollert our Representative feels that should be put on.

Representative Pollert our side didn't threaten but does have concern.

Senator Fischer the only concern is that this may have had to be put in before

Representative Pollert just so we know if it was put in, the dollars if not used for it until the following biennium that the dollars remain in the budget for the next biennium. The response was the program will be started right away.

Senator Mathern indicated all of the items on the list except group 3 all of the other items are not an increase to the Governor budget.

Representative Bellew if Senator Mathern would like to go back to the Governor's budget the house would do that.

Senator Mathern just indicate these stay in the budget

Senator Pollert I can line up 1 or 2 pm for a conference committee.

After discussion the time for the next conference committee will be 2:00 pm.

Representative Pollert some of the things you have on your list we will bring forward

Senator Fischer indicated we will adjourn now so can get some things put together. We will meet at 2pm.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-21-07

Recorder Job Number: 6253

Committee Clerk Signature	

Minutes:

Senator Fischer opened the conference committee on SB 2012. All are present.

Senator Mathern Motioned to adopt the amendment he previously distributed, Representative Metcalf seconded

Senator Mathern indicated the amendment would say if the case load size and utilization created warrants their expenditure, those expenditures could be made.
Senator Kilzer asked about case load and utilization, what is the measurement to qualify these funds to be available.
Senator Mathern indicated the system would be the present system the DHS uses to track case load and utilization rate. When they determine the rates have been reached, they have the ability to use a quarterly meeting of the budget section to bring forth justification to spend funds.

A roll call vote was taken resulting in 2 yes, 4 no. The motion failed.

Representative Pollert distributed amend 0216
Representative Pollert moved 0216, Representative Bellew seconded.

Representative Pollert explained the amendment regarding the salary increases. This amendment changes the first year to 4 percent and the second year to 5 percent
Senator Fischer questioned when discussing the dentist piece and that this is only on the proposed changes that are affected by the other document.
Representative Pollart stated we had taken it out for 5/5 the dentist are back in at 4/5.
Senator Mathern indicated this is an amendment we offered in the Senate side from minority however, we ought to stay at 5/5 in terms of the utilization rate that we have arrived to. There is a way to stay at 5/5 with reduced utililization in programs I outlined. I appreciate what you are doing.
Further discussion continued of 4/5, 5/5, 4/5.

A roll call vote was taken resulting in 4 yes, 2 no. The motion carried.

Representative Pollert went through the list he distributed indicating some of Senator Mathern's are present on the list. He then reviewed the items they determined should be included in the budget.

Senator Kilzer is terminology of bill charges in or out. The response was out.
Representative Bellew asked how chiropractors will be paid. The response was on their current schedule.
Representative Pollert when you see amendments, priority #1 and #2 of funds, legislative council worked on this. We understand the Senate is nervous about the numbers.
Senator Fischer indicated that is not the right way to put it.
Representative Pollert we think there will be turn back yet. Instead of return the turn back to general fund, up to $3.575 they can have access after a series of reports.
Representative Pollert we don't want them to cut services -- this $3.5 million could be avail for turn back.
Discussion continued about turn back funds and concerns when they can have access to funds. The response was it would be in statute to have access but after jump thru hoops
Senator Mathern questioned when we accept the House numbers on case utilization we are saying we are under funding the rate of that money going out and I presume we would have made that up with the turn back. We are saying up front that we are targeting two groups.
There was continued discussion of over this.
Senator Fischer stated it is not the first dollars. If the numbers are near the House projections then we won't have access to the dollars. If numbers off House figure DHS can go elsewhere to get dollars even before the $3.5 million.
Representative Pollart indicated we are putting this in to give DHS first chance at the turn back.
Representative Pollart discussed priority #2 indicated it is roll up in salary and this would be part of the contingency turn back amendment.
Brenda indicated as I understand we have flexibility in the budget now.
Representative Bellew what we are say is for projections.
There was continued discussion over how to access funds.
The amendment is put in writing of what you know you have.
Brenda had questions regarding the salaries other items the Senators were discussing.
Senator Mathern questioned the staff item and hiring pattern.
Laurie indicated they would keep them on and monitor case load and flexibility
Senator Mathern questioned if Laurie would encourage lay off. The response was she would rely on the expertise of the department.
Senator Fischer asked if there were any other discussion on the proposal.
Senator Mathern presented questions and indicated he would like to introduce additional amendments.

Representative Pollert moved the amendments be approved, Representative Bellew seconded. Discussion was held, concerns were expressed. A roll call vote was taken resulting in 6 yes votes. The motion carried.

Representative Bellew proposed an amendment for basic care in nursing homes be 4.25% the first year and 5% the second year with funding coming from the health care trust fund. Senator Mathern seconded. Discussion was held.

Senator Fischer indicated he cannot support segregating in this bill.

A roll call vote was taken resulting in 4 yes and 2 no. The motion failed.

Senator Mathern moved increasing the personal care allowance by going from $50 to $55. Representative Metcalf seconded.

Representative Bellew stated that is not all fed fund, part these funds came from the trust fund.
Representative Pollert stated he opposes the proposal not because I don't agree they don't need it
Senator Fischer indicated this is another place we would segregate funds.

A roll call vote was taken resulting in 3 and 3. The motion failed.

Senator Mather move increase the centers for independent living to the Senate level and we increase the medically needy income level by $100. Representative Metcalf seconded. Discussion followed.

Senator Mathern stated we are looking at an increase of the corrections budget by $15 million. I think center's for independent living assist persons to stay in there homes I hope you pass these items.

A roll call vote was taken resulting in 2 yes, 4 no. The motion failed.

Senator Fischer adjourned the committee hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☑ Check here for Conference Committee

Hearing Date: 04-22-07

Recorder Job Number: 6272

Committee Clerk Signature	

Minutes:

Senator Fischer opened the conference committee on SB 2012 all in attendance. Amendment 0217 was distributed.

The committee members and audience reviewed the amendments which were distributed.

Senator Mathern asked about page 6 of the bill indicating the total we have with the amendments lowered the general fund expenditures below the House and Senate levels. I was hoping to be at least between both. He asked of Allen is that what that means?

Allen Knudson stated yes that is right.

Senator Mathern in stated section 7 is the study regarding medical service payment rates on page 3. I think that is fine, however, I note the payment for that would be on page 7 in the last item is $175,000. If that is the payment rate for that study would that study continue as it is in the medical services program area, if those cuts above there cannot be maintained or the programs can't be maintained. How would that happen and can we get a comment from the Department on that for just an example how we would do that.

Representative Bellew indicated the department would do an RFP and the consultant would do the study and the dept would be involved too.

Representative Bellew indicated they would do the RFP that is in the bill.

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Senator Mathern I think they will have a difficult time doing it if they don't have enough money to do it.

Representative Bellew it is a different line item separate from what you are talking about.

Senator Fischer indicated we passed these amendments

Representative Pollard move house recede from its amendment and adopt engrossed SB 2012 with amendment .0217, Representative Bellew seconded.

Discussion was held.

Senator Mathern indicated there are Areas in this bill that are under funded will vote no on the motion even thought a number of positive things are here. Overall, we are going to get into doing a deficit spending request. I understand we need to proceed.

A roll call vote was taken resulting in 4 yes and 2 no. The motion carried.

Senator Fischer dissolved the Conference Committee on SB 2012 and thanked everyone for coming in on Sunday.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-23-07

Recorder Job Number: 6301

Committee Clerk Signature	Alice Delzer

Minutes:

Chairman Fischer opened the Conference Committee Hearing on SB 2012 at 7:00 pm on April 23, 2007. Roll call vote was taken with Senators Kilzer and Mathern, Representatives Pollert, Bellew. Representative Metcalf came later after roll call was done. Allen Knudson, Leg. Council and Lori Laschkewitsch, OMB were present. There are some things in this bill I am concerned about and it is not the programs but the funding for these services. I can give you an overview of some of the things Some of the things that people talked about are the first things we should be considering. The concern I have with a portion of the budget not so much the pieces that are in here but the funding source. Starting out with the $3.575 million and the million dollars that the Department has in contingency appropriation along with continuous eligibility under funding; these are the three that rose to the top after this was rejected. Another interesting thing is we are at 4 and 5 and there are some people that would like to discuss a 5 and 5. It may be something the House wants to look at. (meter 5.26)There's also some thought of the medical needy but I don't see what we can do with that. The only other one is regarding the transition center. If we had the300 and he was talking 4 or 500 he could get quite a bit more done.

Representative Pollert said let's get it done. He was told there wouldn't be time right now but we could meet after session. Further discussion followed regarding questions on the dollar amounts regarding continuing eligibility and transition center. (meter 09.51)

Senator Mathern said I sense support on the Senate side to move in the direction of the Senate. I'd like to hand out a suggestion I hope you would consider. (the clerk was not given a copy for the records) He stated he has shortened the list that he provided a couple of days ago entitled Restoration Amounts Suggested for SB 2012 by Senator Mathern. He explained this to the committee. Just assume we don't change anything the Conference Committee has done and we add these areas in terms of hospital, healthy steps, durable medical equipment, nursing facilities, waiver, DD providers, and subsidized adoptions. All of these items are in the governor's budget and approved by the Senate and are less than the governor's budget. In Group 2 regarding staff reducing it to $700,000 for staff, I think it was a million dollars this is assuming there is some turn back in terms of not using all of the staff. I think that's risky. And then Group 3, going to the items that were heard by the Senate and the House that are personal care allowance, partial independent living, partial medically needy, partial family preservation and partial developmental center. I still think we ought to fund the top portion (Group 1) from the permanent oil trust fund. (meter 7.45) Further discussion followed regarding the possibility of putting more money back in. I think this would give us back to taking the risk off the under funding with keeping the 4 and 5 %. The 7.4 million is basically the governor's budget. I think the Conference Committee did good work. I don't think there is anything we need to take out of the Conference Committee. (meter 14.50)

Senator Kilzer had questions regarding the funding for these items that were addressed and the relationship to the governor's budget for this funding.

Representative Pollert asked which proposal Senator Mathern was suggesting to use. I can look at the four major areas that the chairman brought up which is $3.5 and 700 thousand (he named two other dollar amounts that did not come over the audio) (meter 15.50) so we come up with about $5.7 the chairman is looking at and your proposal would be a little more than that I would suspect.

Senator Mathern stated we were about $500,000 off the governor's budget and the Conference Committee action. This amount would be over the governor's budget. However It is an amount much less than other budgets. We need to recognize the providers need more. We need to look at total dollars. Yes, we change priorities but that is why we meet as a legislature.

Senator Fischer made comments concerning the budget and action by the House. Again my biggest concern is the funding source regarding the first items we talked about in this hearing. I also heard from the House members who are saying the budget is short because we removed the 1%. I know there are people who would like to see the 5 and 5. There are people in the Senate who do support Senator Mathern's proposals. I don't know if we can negotiate but we need to work on this budget.

Representative Pollert stated regarding Senator Mathern's list he's asking for an extra $4.67 over and above of what you're asking for. So basically a $10 million bill will take care of everything.

Senator Mathern stated I assumed continuous eligibility was acceptable. We could just as well move something up and work with you how we could do that by reducing something else here.

Chairman Fischer said it still is at risk. The funding is not adequate to meet the need according to the Department

Senator Mathern said I would gladly try to figure out where something else here can still be taken out to reflect the other need you're talking about. I still believe we're at some risk here in this whole nursing facilities area. This is a big change from the governor's budget. (meter 21.17) In light of the House taking money out of the permanent oil trust fund yesterday I just wonder if they won't consider that and we could settle this tonight.

Representative Bellew said I would propose an amendment to call it a temporarily take it from the oil tax trust fund. Further discussion followed regarding this issue.

Representative Pollert stated they are not ready to make any sort of a motion here yet.

Senator Mathern distributed amendments that relate to that issue.

Chairman Fischer thanked the committee and adjourned the Conference Committee hearing on SB 2012.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2012

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 24, 2007

Recorder Job Number: 6312

Committee Clerk Signature	Alice Delzer (AD)

Minutes:

Senator Fischer called the conference committee on SB 2012 to order. All members were present. Also present were Allen Knudson, legislative council and Lori Laschkewitsch, Office of Management and Budget.

Senator Fischer said we are here today to try to resolve the issues having to do with the last conference committee.

Representative Metcalf distributed amendment .0224.

Senator Fischer said on page 3 section 5 is the portion that shows the Bank of North Dakota line of credit loan authorization for the department for $3.5 million or as much as necessary, he hopes they will not need to access it all. That takes care of the deficiency we had in their own budget. Page 6 under management conference committee changes says it reduces the funding for salaries and raises in anticipation of savings resulting from vacant positions and employee turnover. Between that and program and policy conference on the next page there is $400,000 which would leave $400,000 ($1 million – ($400,000 + $200,000)) returned to the salary line item. Further down on the page it says it reduces funds for grants, medical assistance added by the Senate to provide $4.5 million from the general fund for continuous medical eligibility for children under 19 years of age. That shows in the general fund as minus $781,000 the other $1.5 million has been put in and that would add $500,000 that we

discussed under continuous eligibility. Last, on page 8 the appropriation will show under general fund minus $500,000, reduces funding added by the Senate from $900,000 to $400,000 from general funds to provide $400,000 from general fund for the transition of selected developmental center residents to community programs.

Senator Fischer moved amendment .0224, seconded by Representative Pollert.

Senator Mathern clarified the amendments are adding this amount of money in addition to the previous conference committee report.

Senator Fischer said exactly.

Representative Pollert said when we finished with the conference committee last time, we tried to get somewhere around the $2.7 million that the 4 and 5 was doing. At that time it came out to $203,000 left that's been that $2.692 million that we had in the fiscal note. If you look on page 6 in the middle of the page where it says general fund $796,299 if you look at the amendments on the first conference report that was a negative $203,000 and that adds up to $1 million.

Senator Mathern asked a question on the loan, does it require budget section approval on whether or not they agree or just whether or not the Department of Human Services has provided data to show immunization is at that level?

The answer (by whom?) is the intent was that the utilization criteria approved by the budget section.

Senator Mathern said he is wondering if Allen Knudson could show us where in the amendments is approval part by the budget section.

Allen Knudson said in section 5 if it is more than anticipated then the department can go before the budget section and ask for approval to borrow $3.5 million and it would be up to the budget section to approve or disapprove.

Senator Mathern asked what disapproval would be based on.

Allen Knudson said no criteria are listed.

Representative Pollert said he is sure if there was a problem, they would contact a couple of us, if not all six of us. We would have to verify the numbers and he has no problem with that, he has said that before.

Senator Fischer said he has made the same statement.

Representative Pollert said his majority leader knows we may need to have that discussion.

Senator Mathern asked who pays the interest on this loan and when it is due.

Allen Knudson said it is similar to the loan OMB receives for the centers of excellence. They receive the loan then accrue interest and the request to repay the loan includes interest and principal as far as the deficiency request.

Representative Pollert asked how long the loan will have to be, when you look at the loan for the biennium, it is rather short. Its possible that before we come into the biennium, they will know where they are at. We could be talking one month and a week. It should be interest for 40 or 50 days at the most.

Senator Mathern asked if the loan is available for other deficiencies in the budget in terms of developmental disabilities.

Representative Pollert said in section 5 it says if the costs of developmental disability services is more that anticipated... (Meter 12:00)

Senator Mathern said it means they can only use it for that program. He suggest that we add additional salary money, continuous eligibility, developmental center funding. This line of credit moves us in the right direction. It leaves out the case load realization that will be going up, durable medical equipment, nursing facilities, subsidized adoptions and some basic care. It is important we move ahead these ideas.

Amendment .0224 passed 6-0-0.

Representative Metcalf distributed amendment .0222. It does one thing, it brings reimbursement to 5 and 5 for the ? department, human service providers. He realizes there was a reason to going to a 4 and 5 and he appreciates the efforts of the conference committee. However if we look at salaries received by the DD departments around the state you are in the area of $9 - $10/hour which basically equates to 50 cents per hour which equates to $20 per week. That is a pretty good raise. However when you understand most of the individuals are paying for a major part of their medical services. In addition to that, not only are the medical premiums going to go up, they are all talking about increasing the deductible. They get about $20 per week on this particular increase, the 5%. It would take them 1 full year to pay off one bad hospitalization deductible. Most of them will not have a major situation like that. We are not giving these raises only for the purpose of paying medical expenses. 5 and 5 is necessary for people who are serving our disabled.

Representative Metcalf moved amendment .0222, seconded by Senator Mathern.

Senator Fischer said he is interested in knowing what developmental disabililty providers offer health insurance. He asked Allen if we pass the amendments, do they supersede the amendments we just passed.

Allen Knudson said these amendments apply to section 22. They could be incorporated into the amendments the conference committee just adopted.

Senator Mathern asked if the contingent money section that goes back to finding within their own budget in section 5 would not apply?

Allen Knudson said it is the intent to go to the 5 and 5.

Senator Mathern said his intent would be to build on what we have done thus far.

Representative Bellew asked if this is just for the DD providers.

Senator Mathern said these amendments apply to the DD providers.

Representative Pollert said in section 22 the general funds are for everyone, all the providers, all the health care providers.

Representative Metcalf said yes it will cost the state if North Dakota 3.5 in general funds and it is also bringing 5.4 or 5.5 in federal funds as an increase. (meter 21:40)

Senator Mathern said in terms of the federal funds, it is important for our state that what is available to us is used by us. Those federal dollars are as important here are they are for building roads. These amendments make that effort to be sure North Dakota is using all the federal funds that are available to the state. It is good for our providers and our economy.

The motion failed 2-4-0.

Representative Metcalf distributed amendment .0225, spending level authority. The intent is to allow the department to exceed funding levels provided there is a cost and case load utilization problem that has been established by the legislative assembly. We have to provide services to the people who need them. He has a lot of trust in our Human Services Department that they want to provide services to those in need. To cut them off at specific points make it extremely difficult. We have to keep the money and services flowing. This is a well intended amendment.

Representative Metcalf moved amendment .0255, seconded by Senator Mathern.

Senator Kilzer said the history of the department is not if they are running low on money that they deny services. The department has always continued services in the past and if they have to do something, they generally reduce the reimbursement until they receive from somewhere else the denial of providing a certain type of service across the board. He does not understand what this is aimed at. Did this come from some provider?

Representative Metcalf said it did not come from a provider. This was an assumption from our caucus to insure we have the money and services for the people in need. In the past services and dollars were cut but not eliminated and it made for a difficult situation for those receiving the benefits. At a committee meeting in the appropriations section, the department director came forward and as we cut funding for programs and asked if we wanted him to cut now or come for a deficiency appropriation when we run out of money. They knew they would run out of money. He thinks with the quality of people we have in the human services department, he does not think there would be any abuse of this amendment. The people of the state of North Dakota would say well done, thank you very much.

Senator Mathern said Senator Kilzer is correct. It is important we adopt this amendment because if we don't, we are telling folks we will give them a 4% increase the first year, 5% increase the second year but the actual effect of the reduced allocation for spending will turn out to be about a 2% per year. The amendment makes it clear it will be at the rate we said is going to stay there. If the utilization rates are as projected in the House, this money would not be used. If they are what has been projected in the executive budget and as brought up to date by the Department of Human Services, they could fund that 4 and 5% without missing reimbursement or without starting waiting lists on programs or without cutting programs. It provides a fall back position.

Senator Kilzer said he does not think the proposed amendment has anything to do with the 4 and the 5. He urged the conference committee to resist the amendment. If there is going to be some kind of deficiency, the legislative people should know about it as soon as possible and assist the department in doing the correcting that needs to be done rather than having the department continue along until it becomes a real major problem.

Representative Metcalf said he agrees but he also knows the people in our human services department are not going to allow this to get totally out of hand and then expect to come to the 61st assembly and still have a job. They will watch it very close. Before they request any additional funds under this authority, they will be sure there is nothing else available. He has total confidence in them.

Senator Kilzer said he agrees we have very competent people and they will come to us as soon as they can and that leads him to believe this proposed amendment is unnecessary.

Senator Mathern said this just backs up the governor and the department. (meter 33:50)

The motion failed 2-4-0.

Representative Pollert moved the House recede from the House amendments and the bill be amended, seconded by Representative Bellew.

Senator Mathern said the Senate sent us down here to do more work than we have accomplished today and they will ask us to come back down. He will vote against the conference committee report.

The motion passed 4-2-0.

Senator Fischer adjourned the meeting of the conference committee.

Prepared by the Legislative Council staff for
Conference Committee
April 18, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

This amendment is for consideration for inclusion in a set of amendments under consideration regarding Engrossed Senate Bill No. 2012.

Page 5, after line 20, insert:

"**SECTION 4. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - CENTERS FOR INDEPENDENT LIVING.** In addition to the funds appropriated in section 3 of this Act, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $250,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing additional funds for centers for independent living, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

CONFERENCE COMMITTEE - This amendment adds a section appropriating $250,000 from the general fund to provide additional funding for centers for independent living at the level approved by the Senate.

Prepared by the Legislative Council staff for
Conference Committee
April 18, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

This amendment is for consideration for inclusion in a set of amendments under consideration regarding Engrossed Senate Bill No. 2012.

Page 1, line 2, after "services" insert "; to provide a contingent appropriation"

Page 5, after line 20, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - BUDGET SECTION APPROVAL.** In addition to the funds appropriated in section 3 of this Act, there is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of $14,539,912, or so much of the sum as may be necessary, and from federal funds the sum of $24,297,212, or so much of the sum as may be necessary, to the department of human services for the purpose of providing funding for medical assistance, child welfare, or human service center services to address cost and caseload/utilization increases in excess of the levels projected based on the funding appropriated in section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009. Prior to spending any moneys appropriated under this section, the department of human services shall present information to the budget section supporting the need for additional funding and receive budget section approval. The information presented to the budget section must include, for each medical assistance child welfare service category, actual cost and caseload/utilization data to date compared to legislative projections and updated projections for the remainder of the biennium compared to legislative estimates and the assumptions used in the updated projections."

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

CONFERENCE COMMITTEE - A section is added appropriating, subject to Budget Section approval, $38,837,124, of which $14,539,912 is from the permanent oil tax trust fund and $24,297,212 from federal funds, for addressing cost and caseload/utilization increases in excess of the projections used by the Legislative Assembly for developing the appropriation provided for medical assistance and human service center services in Section 3 of this bill.

Prepared by the Legislative Council staff for
Senator Mathern
April 19, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

This amendment is for consideration for inclusion in a set of amendments under consideration regarding Engrossed Senate Bill No. 2012.

Page 1, line 2, after "services" insert "; to provide a contingent appropriation"

Page 5, after line 20, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - BUDGET SECTION APPROVAL.** In addition to the funds appropriated in section 3 of this Act, there is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of $12,589,912, or so much of the sum as may be necessary, and from federal funds the sum of $24,297,212, or so much of the sum as may be necessary, to the department of human services for the purpose of providing funding for medical assistance and child welfare services to address cost and caseload/utilization increases in excess of the levels projected based on the funding appropriated in section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009. Prior to spending any moneys appropriated under this section, the department of human services shall present information to the budget section supporting the need for additional funding and receive budget section approval. The information presented to the budget section must include, for each medical assistance child welfare service category, actual cost and caseload/utilization data to date compared to legislative projections and updated projections for the remainder of the biennium compared to legislative estimates and the assumptions used in the updated projections."

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

CONFERENCE COMMITTEE - A section is added appropriating, subject to Budget Section approval, $36,887,124, of which $12,589,912 is from the permanent oil tax trust fund and $24,297,212 from federal funds, for addressing cost and caseload/utilization increases in excess of the projections used by the Legislative Assembly for developing the appropriation provided for medical assistance and child welfare services in Section 3 of this bill.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/19/07
4/20/07

Your Conference Committee Sen Approp

For the Senate:	4/19	4/20	4/21	For the House:		4/19	4/20	4/21
ch Fischer	✓	✓	Y	Pollert	N	✓	✓	Y
Kilzer	✓	✓	Y	Bellew	N	✓	✓	Y
Mathern	✓	✓	Y	Metcalf	Y	✓	✓	Y

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) ______ -- ________

____ and place _________ on the Seventh order.

____, adopt (further) amendments as follows, and place _________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) __________ was placed on the Seventh order of business on the calendar.

DATE: ________
HOUSE CARRIER: ____________ **SENATE CARRIER:** ________________

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: ________________
SECONDED BY: ______________
VOTE COUNT: ___ **YES** ___ **NO** ___ **ABSENT**

Revised 4/22/05

Prepared by the Legislative Council staff for
Representative Pollert
April 19, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

This amendment is for consideration for inclusion in a set of amendments under consideration regarding Engrossed Senate Bill No. 2012.

Page 5, after line 20, insert:

"**SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,272,289, or so much of the sum as may be necessary, out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of $525,597, or so much of the sum as may be necessary, and from federal funds the sum of $2,892,941, or so much of the sum as may be necessary, to the department of human services, for the purpose of providing provider inflationary increases for the biennium beginning July 1, 2007, and ending June 30, 2009."

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 325 - Department of Human Services

CONFERENCE COMMITTEE - This amendment:

- Provides $5,112,196, of which $1,424,031 is from the general fund, $525,597 is from the health care trust fund, and $3,162,568 is from federal funds for provider inflationary increases of 4 percent for the first year of the biennium and 5 percent for the second year. The executive budget included funding for 3 percent annual inflationary increases, the Senate provided for 4 percent annual increases, and the House provided 5 percent annual increases.

- Removes $421,369, of which $151,742 is from the general fund, to remove the 4 percent and 5 percent inflationary increases for children's dental services.

Compared to the Senate version, this amendment adds $1,272,289. Compared to the House version for these items, the general fund appropriation is reduced by $2,692,528.

4231

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/21/07

Your Conference Committee Sen App

For the Senate: Mathern amend 4/21 0216 **For the House:** 4/21 0216

Fisher	N	Y	Pollert	N	Y
Gilzer	N	Y	Bellew	N	Y
Mathern	Y	N	Metcalf	Y	N

failed

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) ______ -- ________

____ and place __________ on the Seventh order.

____, adopt (further) amendments as follows, and place _________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) ___________ was placed on the Seventh order of business on the calendar.

DATE: _________
HOUSE CARRIER: _____________ **SENATE CARRIER:** ____________________

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: ____________________
SECONDED BY: ____________________
VOTE COUNT: ____ **YES** ____ **NO** ___ **ABSENT**

Revised 4/22/05

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/22

Your Conference Committee Senate App

4/22 atten **For the Senate:** **For the House:** attend 4/20

✓	Fischer	Y	Pollert	Y	✓
✓	Kilzer	Y	Bellew	Y	✓
✓	Mathern	N	Metcalf	N	✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1101 -- 1110

____ and place __________ on the Seventh order.

____, adopt (further) amendments as follows, and place _________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) ___________ was placed on the Seventh order of business on the calendar.

DATE: __________
HOUSE CARRIER: ______________ **SENATE CARRIER:** ____________________

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: ______________________
SECONDED BY: ______________________
VOTE COUNT: ____ **YES** ____ **NO** ___ **ABSENT**

REPORT OF CONFERENCE COMMITTEE

SB 2012, as engrossed: Your conference committee (Sens. Fischer, Kilzer, Mathern and Reps. Pollert, Bellew, Metcalf) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1101-1110, adopt amendments as follows, and place SB 2012 on the Seventh order:

That the House recede from its amendments as printed on pages 1101-1110 of the Senate Journal and pages 1239-1247 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 3, remove the first "a" and replace "study" with "studies"

Page 1, line 6, remove "26.1-45-13,", remove "and", and replace "subsection 6 of section 50-06.2-02" with "50-06-24"

Page 1. remove line 7

Page 1, line 8, remove ", subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03"

Page 1, line 11, replace "qualified service providers" with "guardianship services" and after the semicolon insert "and"

Page 1, line 12, remove "; and to provide an"

Page 1, line 13, remove "effective date"

Page 3, line 7, replace "1,015,145" with "685,145"

Page 3, line 10, replace "($27,582,012)" with "($27,912,012)"

Page 3, line 12, replace "1,486,564" with "1,156,564"

Page 3, line 15, replace "2,856,130" with "2,186,130"

Page 3, line 16, replace "26,576,252" with "26,791,117"

Page 3, line 18, replace "8,938,273" with "9,023,335"

Page 3, line 19, replace "<u>132,453,022</u>" with "<u>94,404,026</u>"

Page 3, line 20, replace "170,790,212" with "132,371,143"

Page 3, line 21, replace "<u>92,129,556</u>" with "<u>67,943,796</u>"

Page 3, line 22, replace "78,660,656" with "64,427,347"

Page 3, line 25, replace "193,654" with "146,655"

Page 3, line 26, replace "1,540,622" with "1,446,512"

Page 3, line 27, replace "739,666" with "683,064"

Page 3, line 28, replace "1,647,335" with "1,537,933"

Page 3, line 29, replace "2,441,031" with "2,316,347"

Page 3, line 30, replace "2,584,618" with "2,496,321"

Page 3, line 31, replace "2,226,472" with "2,113,795"

Page 4, line 1, replace "621,652" with "564,763"

Page 4, line 2, replace "17,209,433" with "16,838,960"

Page 4, line 3, replace "6,031,330" with "5,331,330"

Page 4, line 4, replace "35,235,813" with "33,475,680"

Page 4, line 5, replace "4,462,288" with "4,472,489"

Page 4, line 6, replace "30,773,525" with "29,003,191"

Page 4, line 7, replace "110,920,745" with "94,587,102"

Page 4, line 8, replace "67,523,268" with "43,347,709"

Page 4, line 9, replace "178,444,013" with "137,934,811"

Page 4, line 18, replace "11,723,883" with "11,393,883"

Page 4, line 21, replace "44,098,190" with "43,768,190"

Page 4, line 23, replace "21,013,025" with "20,683,025"

Page 4, line 26, replace "25,668,611" with "24,998,611"

Page 4, line 27, replace "66,356,937" with "66,571,802"

Page 4, line 29, replace "341,776,723" with "341,861,785"

Page 4, line 30, replace "1,138,809,360" with "1,100,760,364"

Page 4, line 31, replace "1,572,612,030" with "1,534,192,961"

Page 5, line 1, replace "1,127,268,003" with "1,103,082,243"

Page 5, line 2, replace "445,344,027" with "431,110,718"

Page 5, line 5, replace "7,545,956" with "7,498,957"

Page 5, line 6, replace "16,888,313" with "16,794,203"

Page 5, line 7, replace "9,883,098" with "9,826,496"

Page 5, line 8, replace "22,230,466" with "22,121,064"

Page 5, line 9, replace "26,206,795" with "26,082,111"

Page 5, line 10, replace "14,781,265" with "14,692,968"

Page 5, line 11, replace "20,813,941" with "20,701,264"

Page 5, line 12, replace "9,863,050" with "9,806,161"

Page 5, line 13, replace "65,126,604" with "64,756,131"

Page 5, line 14, replace "48,456,612" with "47,756,612"

Page 5, line 15, replace "241,796,100" with "240,035,967"

Page 5, line 16, replace "112,810,933" with "112,821,134"

Page 5, line 17, replace "128,985,167" with "127,214,833"

Page 5, line 18, replace "595,342,219" with "579,008,576"

Page 5, line 19, replace "1,263,164,101" with "1,238,988,542"

Page 5, line 20, replace "1,858,506,320" with "1,817,997,118"

Page 5, line 25, remove "As determined necessary by the director of the department of human"

Page 5, remove lines 26 and 27

Page 5, line 28, remove "section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 6, replace lines 3 through 15 with:

"**SECTION 5. CONTINGENT USE OF 2007-09 ANTICIPATED UNSPENT GENERAL FUND APPROPRIATION AUTHORITY.** If the department of human services projects any funds remaining unspent from its 2007-09 biennium general fund appropriation, the department may spend the funds and any related federal funds for the biennium beginning July 1, 2007, and ending June 30, 2009, to the extent available as follows:

1. Use the first $3,575,000, or so much of that amount as may be necessary, to provide for any cost or caseload/utilization increases in excess of the amounts anticipated by the sixtieth legislative assembly for developmental disabilities-related medical assistance payments; and

2. Use the next $700,000, or so much of that amount as may be necessary, for the purpose of providing additional salaries and wages funding if savings resulting from vacant positions and employee turnover is less than anticipated by the sixtieth legislative assembly.

SECTION 6. CRITICAL ACCESS HOSPITALS - MEDICAL ASSISTANCE REIMBURSEMENT METHOD. The department of human services shall implement a cost-based reimbursement system for inpatient and outpatient hospital services of critical access hospitals based on the funding provided in section 3 of this Act for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. DEPARTMENT OF HUMAN SERVICES STUDY - REBASING MEDICAL SERVICES PAYMENT RATES - REPORT TO LEGISLATIVE ASSEMBLY. The department of human services shall determine, during the 2007-08 interim and with the assistance of a health care consultant, the estimated cost of rebasing payment rates under the medical assistance program for hospital, physician, dentist, ambulance, and chiropractic services to the actual cost of providing these services for use in preparing the department's budget request for the 2009-11 biennium. The base year

used in developing the cost estimate must be the most recent calendar year for which complete financial information is available to the department. The department shall report its findings and recommendations to the appropriations committees of the sixty-first legislative assembly. The department's recommendations may include options for staggered implementation or earlier implementation date preferences for service providers that have medical assistance service revenue that is ten percent or more of its total patient revenue. Any funds appropriated by the sixtieth legislative assembly to the department for providing the information required by this section may not be spent for other purposes during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. LEGISLATIVE COUNCIL STUDY - NURSING HOME RATE EQUALIZATION. The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of continuing the equalization of nursing home payment rates and the feasibility and desirability of establishing a provider tax or assessment on nursing homes. The study must include input from representatives of the department of human services, other appropriate state agencies, and the nursing home industry. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 9. LEGISLATIVE COUNCIL STUDY - INFANT DEVELOPMENT PROGRAM. The legislative council shall consider studying, during the 2007-08 interim, infant development programs. The study, if conducted, must include a review of the state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 10. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES SERVICE PROVIDERS FUNDING INCREASES - EMPLOYEE SALARY INCREASE PRIORITY. It is the intent of the sixtieth legislative assembly that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing employees' salaries.

SECTION 11. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in subdivision 3 of section 3 of this Act includes $8,244,131 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The department of human services shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

State hospital	
Sex offender treatment addition	$3,100,000
Capital improvements	3,062,757
Extraordinary repairs	1,153,500
Developmental center	
Capital improvements	300,000
Extraordinary repairs	547,092
Equipment	80,782
Total	$8,244,131"

Page 6, line 19, after "under" insert "the department's existing" and replace "with the Robinson recovery center" with "for methamphetamine treatment services"

Page 6, line 22, replace "$170,500" with "$525,597"

Page 6, remove lines 30 and 31

Page 7, remove lines 1 through 4

Page 11, remove lines 5 through 12

Page 13, replace lines 16 through 31 with:

"**SECTION 21. AMENDMENT.** Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

50-06-24. Guardianship services. The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29."

Page 14, remove lines 1 through 30

Page 16, remove lines 9 through 30

Page 17, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Management						
Total all funds	$44,098,190	$44,098,190	($330,000)	$43,768,190	$42,768,190	$1,000,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200
General fund	$21,013,025	$21,013,025	($330,000)	$20,683,025	$20,259,225	$423,800
DHS - Program and Policy						
Total all funds	$1,531,965,784	$1,572,612,030	($38,419,069)	$1,534,192,961	$1,537,744,534	($3,551,573)
Less estimated income	1,103,015,555	1,127,268,003	(24,185,760)	1,103,082,243	1,106,107,509	(3,025,266)
General fund	$428,950,229	$445,344,027	($14,233,309)	$431,110,718	$431,637,025	($526,307)
DHS - State Hospital						
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
DHS - Developmental Center						
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
DHS - Northwest HSC						
Total all funds	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
Less estimated income	3,136,258	3,136,258		3,136,258	3,136,258	

General fund	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC						
Total all funds	$16,842,742	$16,888,313	($94,110)	$16,794,203	$16,822,684	($28,481)
Less estimated income	7,917,967	7,917,967		7,917,967	7,917,967	
General fund	$8,924,775	$8,970,346	($94,110)	$8,876,236	$8,904,717	($28,481)
DHS - Lake Region HSC						
Total all funds	$9,853,344	$9,883,098	($56,602)	$9,826,496	$9,845,092	($18,596)
Less estimated income	4,417,334	4,417,334		4,417,334	4,417,334	
General fund	$5,436,010	$5,465,764	($56,602)	$5,409,162	$5,427,758	($18,596)
DHS - Northeast HSC						
Total all funds	$22,192,605	$22,230,466	($109,402)	$22,121,064	$22,144,727	($23,663)
Less estimated income	12,256,322	12,260,487	1,562	12,262,049	12,264,652	(2,603)
General fund	$9,936,283	$9,969,979	($110,964)	$9,859,015	$9,880,075	($21,060)
DHS - Southeast HSC						
Total all funds	$26,145,474	$26,206,795	($124,684)	$26,082,111	$26,120,436	($38,325)
Less estimated income	14,296,599	14,296,599		14,296,599	14,296,599	
General fund	$11,848,875	$11,910,196	($124,684)	$11,785,512	$11,823,837	($38,325)
DHS - South Central HSC						
Total all funds	$14,741,738	$14,781,265	($88,297)	$14,692,968	$14,717,673	($24,705)
Less estimated income	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
General fund	$8,291,192	$8,320,442	($92,150)	$8,228,292	$8,246,573	($18,281)
DHS - West Central HSC						
Total all funds	$20,768,172	$20,813,941	($112,677)	$20,701,264	$20,729,869	($28,605)
Less estimated income	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
General fund	$10,440,940	$10,470,232	($118,855)	$10,351,377	$10,369,684	($18,307)
DHS - Badlands HSC						
Total all funds	$9,848,996	$9,863,050	($56,889)	$9,806,161	$9,814,944	($8,783)
Less estimated income	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
General fund	$5,003,380	$5,017,294	($56,942)	$4,960,352	$4,969,047	($8,695)
Bill Total						
Total all funds	$1,817,398,360	$1,858,506,320	($40,509,202)	$1,817,997,118	$1,820,669,298	($2,672,180)
Less estimated income	1,238,880,594	1,263,164,101	(24,175,559)	1,238,988,542	1,241,457,021	(2,468,479)
General fund	$578,517,766	$595,342,219	($16,333,643)	$579,008,576	$579,212,277	($203,701)

Senate Bill No. 2012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	$11,723,883	$11,723,883	($330,000)	$11,393,883	$11,393,883	
Operating expenses	32,374,022	32,374,022		32,374,022	31,374,022	$1,000,000
Capital assets	285	285		285	285	
Total all funds	$44,098,190	$44,098,190	($330,000)	$43,768,190	$42,768,190	$1,000,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200
General fund	$21,013,025	$21,013,025	($330,000)	$20,683,025	$20,259,225	$423,800
FTE	102.10	102.10	0.00	102.10	102.10	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Management - Conference Committee Changes:				
Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover, the same as the House version		($330,000)		($330,000)
Administration Support Program No changes				
Division of Information Technology Program No changes				
Total Conference Committee Changes - Management	0.00	($330,000)	$0	($330,000)

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE	SENATE	CONFERENCE COMMITTEE	CONFERENCE COMMITTEE	HOUSE	COMPARISON

	BUDGET	VERSION	CHANGES [1]	VERSION	VERSION	TO HOUSE
Salaries and wages	$25,593,565	$25,668,611	($670,000)	$24,998,611	$24,998,611	
Operating expenses	65,561,106	66,356,937	214,865	66,571,802	66,514,290	$57,512
Capital assets	399	399		399	399	
Grants	339,435,262	341,776,723	85,062	341,861,785	341,964,940	(103,155)
Grants - Medical assistance	1,101,375,452	1,138,809,360	(38,048,996)	1,100,760,364	1,104,266,294	(3,505,930)
Total all funds	$1,531,965,784	$1,572,612,030	($38,419,069)	$1,534,192,961	$1,537,744,534	($3,551,573)
Less estimated income	1,103,015,555	1,127,268,003	(24,185,760)	1,103,082,243	1,106,107,509	(3,025,266)
General fund	$428,950,229	$445,344,027	($14,233,309)	$431,110,718	$431,637,025	($526,307)
FTE	230.30	231.30	0.00	231.30	231.30	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Program and Policy - Conference Committee Changes:** Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover, the same as the House version		($670,000)		($670,000)
Economic Assistance Policy Program No changes				
Child Support Program Removes operating expenses funding from the general fund for the Devils Lake Child Support Enforcement Unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement, the same as the House version		(215,016)		(215,016)
Medical Services Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for medical-related service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		565,968	$1,152,404	1,718,372
Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty. The House also removed this funding.		(2,529,690)	(4,493,325)	(7,023,015)
Reduces funding for grants - Medical assistance added by the Senate to provide $1 million from the general fund for continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed as well as the section added by the House providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.		(1,281,110)	(2,275,553)	(3,556,663)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:				
Inpatient hospital		(1,000,000)	(1,776,236)	(2,776,236)
Drugs		(1,783,368)	(3,167,035)	(4,950,403)
Healthy Steps		(200,000)	(593,336)	(793,336)
Durable medical equipment		(166,269)	(295,177)	(461,446)
The House also made these reductions.				
Adds funding for grants - Medical assistance to increase Medicaid payment rates to implement cost-based reimbursement for critical access hospitals. The House had added $1,394,469 from the general fund for increasing Medicaid hospital payment rates to the maximum base rate.		1,544,469	2,743,341	4,287,810
Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services. The House had also added a section requiring the payment rates for chiropractic services to be 50 percent of fiscal year 2006 billed charges, which is not included in the conference committee version.		31,845	56,564	88,409
Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services, the same as the House version		125,000	222,029	347,029
Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing hospital, physician, dentist, ambulance, and chiropractic services payment rates under the Medicaid program, the same as the House version		175,000	175,000	350,000

Long-Term Care Program

Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for long-term care service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase. Of the total, $525,597 is from the health care trust fund for the additional state matching funds relating to nursing homes. The House version included $1,144,080 from the health care trust fund.		645,293	2,431,014	3,076,307
Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium, the same as the House version		1,537,030	80,896	1,617,926
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance. The House also provided a $50 per month allowance.			(499,850)	(499,850)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(6,185,000)	(10,986,015)	(17,171,015)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(216,537)	(145,565)	(362,102)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(3,575,000)	(6,350,042)	(9,925,042)
Reduces funding added by the Senate from $900,000 to $300,000 from the general fund for the transition of selected Developmental Center residents to community programs. The House had provided $200,000 from the general fund for this item.		(600,000)	(1,065,741)	(1,665,741)
Aging Services Program No changes				
Children and Family Services Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for children and family service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		84,030	249,424	333,454
Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(300,000)	(426,392)	(726,392)
Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment, the same as the House version			770,800	770,800
Mental Health and Substance Abuse Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		9,360	2,191	11,551
Developmental Disabilities Council **Disabilities Program** Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		20,686	4,844	25,530
Reduces funding added by the Senate for centers for independent living. The conference committee version is the same as the House version which provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.		(250,000)		(250,000)
Total Conference Committee Changes - Program and Policy	0.00	($14,233,309)	($24,185,760)	($38,419,069)

Senate Bill No. 2012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Traditional	$52,371,738	$52,371,738		$52,371,738	$52,371,738	
Secure	12,587,384	12,587,384		12,587,384	12,587,384	
Institutions		167,482	($370,473)	(202,991)	(266,276)	63,285
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
FTE	465.01	466.51	(1.00)	465.51	465.01	0.50

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**State Hospital - Conference Committee Changes:** Removes funding for a vocational training position in the secure services unit added in the executive budget. The House also removed this position.	(1.00)	($69,028)	($1,445)	($70,473)
Reduces funding for capital improvements from $3,362,757 to $3,062,757, the same as the House version		(300,000)		(300,000)
Total Conference Committee Changes - State Hospital	(1.00)	($369,028)	($1,445)	($370,473)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Human service centers/ institutions	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
FTE	449.54	449.54	0.00	449.54	449.54	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Developmental Center - Conference Committee Changes:** Reduces funding for capital improvement projects from the general fund from $947,092 to $300,000, the same as the House version		($647,092)		($647,092)
Reduces funding for extraordinary repairs from $600,000 to $547,092, the same as the House version		(52,908)		(52,908)
Total Conference Committee Changes - Developmental Center	0.00	($700,000)	$0	($700,000)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC	8,924,775	8,970,346	(94,110)	8,876,236	8,904,717	(28,481)
DHS - Lake Region HSC	5,436,010	5,465,764	(56,602)	5,409,162	5,427,758	(18,596)
DHS - Northeast HSC	9,936,283	9,969,979	(110,964)	9,859,015	9,880,075	(21,060)
DHS - Southeast HSC	11,848,875	11,910,196	(124,684)	11,785,512	11,823,837	(38,325)
DHS - South Central HSC	8,291,192	8,320,442	(92,150)	8,228,292	8,246,573	(18,281)
DHS - West Central HSC	10,440,940	10,470,232	(118,855)	10,351,377	10,369,684	(18,307)
DHS - Badlands HSC	5,003,380	5,017,294	(56,942)	4,960,352	4,969,047	(8,695)
Total general fund	$64,270,778	$64,533,951	($701,306)	$63,832,645	$63,997,124	($164,479)

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$3,136,258	$3,136,258		$3,136,258	$3,136,258	
DHS - North Central HSC	7,917,967	7,917,967		7,917,967	7,917,967	
DHS - Lake Region HSC	4,417,334	4,417,334		4,417,334	4,417,334	
DHS - Northeast HSC	12,256,322	12,260,487	$1,562	12,262,049	12,264,652	($2,603)
DHS - Southeast HSC	14,296,599	14,296,599		14,296,599	14,296,599	
DHS - South Central HSC	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
DHS - West Central HSC	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
DHS - Badlands HSC	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
Total other funds	$63,647,874	$63,678,933	$11,646	$63,690,579	$63,709,992	($19,413)

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
DHS - North Central HSC	16,842,742	16,888,313	(94,110)	16,794,203	16,822,684	(28,481)
DHS - Lake Region HSC	9,853,344	9,883,098	(56,602)	9,826,496	9,845,092	(18,596)
DHS - Northeast HSC	22,192,605	22,230,466	(109,402)	22,121,064	22,144,727	(23,663)
DHS - Southeast HSC	26,145,474	26,206,795	(124,684)	26,082,111	26,120,436	(38,325)
DHS - South Central HSC	14,741,738	14,781,265	(88,297)	14,692,968	14,717,673	(24,705)
DHS - West Central HSC	20,768,172	20,813,941	(112,677)	20,701,264	20,729,869	(28,605)
DHS - Badlands HSC	9,848,996	9,863,050	(56,889)	9,806,161	9,814,944	(8,783)
Total all funds	$127,918,652	$128,212,884	($689,660)	$127,523,224	$127,707,116	($183,892)
FTE	838.73	838.73	0.00	838.73	838.73	0.00

[1] Funding for the human service centers provided from the general fund is reduced as follows (the House also made these reductions):

HUMAN SERVICE CENTER	GENERAL FUND
Northwest	($54,640)
North Central	(111,200)
Lake Region	(67,760)
Northeast	(123,600)
Southeast	(147,680)
South Central	(103,120)
West Central	(129,840)
Badlands	(62,160)
Total	($800,000)

Funding is added for the human service centers as listed below to provide a 4 percent inflationary increase for human service center contract service providers for the first year of the biennium and a 5 percent for the second year. The Senate provided a 4 percent annual increase and the House provided a 5 percent annual increase.

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$7,641		$7,641
North Central	17,090		17,090
Lake Region	11,158		11,158
Northeast	12,636	$1,562	14,198
Southeast	22,996		22,996
South Central	10,970	3,853	14,823
West Central	10,985	6,178	17,163
Badlands	5,218	53	5,271
Total	$98,694	$11,646	$110,340

Other changes to Senate Bill No. 2012:

Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval. The House also made this change.

Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center. The House also made this change.

Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed. The House also removed this section.

Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed. The House also removed these sections.

Sections are added which:

- Identify one-time funding included in the budget and provide for a report to the 2009 Legislative Assembly on the agency's use of the one-time funding. The House also added a similar section.

- Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians. The House also removed this requirement.

- Provide for a Legislative Council study of infant development services and funding. The House also provided for this study.

- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes. The House also provided for this study.

- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries. The House also added this section.

- Provide a priority for use by the department of any anticipated unspent general fund appropriation authority of the department for the 2007-09 biennium.

- Provide that the department implement a cost-based reimbursement system for critical access hospitals for the 2007-09 biennium.

Engrossed SB 2012 was placed on the Seventh order of business on the calendar.

78036.0222
Title. did not pass

Prepared by the Legislative Council staff for
Representative Metcalf
April 24, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

That the House recede from its amendments as printed on pages 1101-1110 of the Senate Journal and pages 1239-1247 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 3, remove the first "a" and replace "study" with "studies"

Page 1, line 6, remove "26.1-45-13,", remove "and", and replace "subsection 6 of section 50-06.2-02" with "50-06-24"

Page 1, remove line 7

Page 1, line 8, remove ", subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03"

Page 1, line 11, replace "qualified service providers" with "guardianship services" and after the semicolon insert "and"

Page 1, line 12, remove "; and to provide an"

Page 1, line 13, remove "effective date"

Page 3, line 7, replace "1,015,145" with "685,145"

Page 3, line 10, replace "($27,582,012)" with "($27,912,012)"

Page 3, line 12, replace "1,486,564" with "1,156,564"

Page 3, line 15, replace "2,856,130" with "2,186,130"

Page 3, line 16, replace "26,576,252" with "26,791,117"

Page 3, line 18, replace "8,938,273" with "9,023,335"

Page 3, line 19, replace "132,453,022" with "94,404,026"

Page 3, line 20, replace "170,790,212" with "132,371,143"

Page 3, line 21, replace "92,129,556" with "67,943,796"

Page 3, line 22, replace "78,660,656" with "64,427,347"

Page 3, line 25, replace "193,654" with "146,655"

Page 3, line 26, replace "1,540,622" with "1,446,512"

Page 3, line 27, replace "739,666" with "683,064"

Page 3, line 28, replace "1,647,335" with "1,537,933"

Page 3, line 29, replace "2,441,031" with "2,316,347"

Page 3, line 30, replace "2,584,618" with "2,496,321"

Page 3, line 31, replace "2,226,472" with "2,113,795"

Page 4, line 1, replace "621,652" with "564,763"

Page 4, line 2, replace "17,209,433" with "16,838,960"

Page 4, line 3, replace "6,031,330" with "5,331,330"

Page 4, line 4, replace "35,235,813" with "33,475,680"

Page 4, line 5, replace "4,462,288" with "4,472,489"

Page 4, line 6, replace "30,773,525" with "29,003,191"

Page 4, line 7, replace "110,920,745" with "94,587,102"

Page 4, line 8, replace "67,523,268" with "43,347,709"

Page 4, line 9, replace "178,444,013" with "137,934,811"

Page 4, line 18, replace "11,723,883" with "11,393,883"

Page 4, line 21, replace "44,098,190" with "43,768,190"

Page 4, line 23, replace "21,013,025" with "20,683,025"

Page 4, line 26, replace "25,668,611" with "24,998,611"

Page 4, line 27, replace "66,356,937" with "66,571,802"

Page 4, line 29, replace "341,776,723" with "341,861,785"

Page 4, line 30, replace "1,138,809,360" with "1,100,760,364"

Page 4, line 31, replace "1,572,612,030" with "1,534,192,961"

Page 5, line 1, replace "1,127,268,003" with "1,103,082,243"

Page 5, line 2, replace "445,344,027" with "431,110,718"

Page 5, line 5, replace "7,545,956" with "7,498,957"

Page 5, line 6, replace "16,888,313" with "16,794,203"

Page 5, line 7, replace "9,883,098" with "9,826,496"

Page 5, line 8, replace "22,230,466" with "22,121,064"

Page 5, line 9, replace "26,206,795" with "26,082,111"

Page 5, line 10, replace "14,781,265" with "14,692,968"

Page 5, line 11, replace "20,813,941" with "20,701,264"

Page 5, line 12, replace "9,863,050" with "9,806,161"

Page 5, line 13, replace "65,126,604" with "64,756,131"

Page 5, line 14, replace "48,456,612" with "47,756,612"

Page 5, line 15, replace "241,796,100" with "240,035,967"

Page 5, line 16, replace "112,810,933" with "112,821,134"

Page 5, line 17, replace "128,985,167" with "127,214,833"

Page 5, line 18, replace "595,342,219" with "581,863,100"

Page 5, line 19, replace "1,245,077,368" with "1,245,077,368"

Page 5, line 20, replace "1,826,940,468" with "1,826,940,468"

Page 5, line 25, remove "As determined necessary by the director of the department of human"

Page 5, remove lines 26 and 27

Page 5, line 28, remove "section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 6, replace lines 3 through 15 with:

"**SECTION 5. CONTINGENT USE OF 2007-09 ANTICIPATED UNSPENT GENERAL FUND APPROPRIATION AUTHORITY.** If the department of human services projects any funds remaining unspent from its 2007-09 biennium general fund appropriation, the department may spend the funds and any related federal funds for the biennium beginning July 1, 2007, and ending June 30, 2009, to the extent available as follows:

1. Use the first $3,575,000, or so much of that amount as may be necessary, to provide for any cost or caseload/utilization increases in excess of the amounts anticipated by the sixtieth legislative assembly for developmental disabilities-related medical assistance payments; and

2. Use the next $700,000, or so much of that amount as may be necessary, for the purpose of providing additional salaries and wages funding if savings resulting from vacant positions and employee turnover is less than anticipated by the sixtieth legislative assembly.

SECTION 6. CRITICAL ACCESS HOSPITALS - MEDICAL ASSISTANCE REIMBURSEMENT METHOD. The department of human services shall implement a cost-based reimbursement system for inpatient and outpatient hospital services of critical access hospitals based on the funding provided in section 3 of this Act for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. DEPARTMENT OF HUMAN SERVICES STUDY - REBASING MEDICAL SERVICES PAYMENT RATES - REPORT TO LEGISLATIVE ASSEMBLY. The department of human services shall determine, during the 2007-08 interim and with the assistance of a health care consultant, the estimated cost of rebasing payment rates under the medical assistance program for hospital, physician, dentist, ambulance, and chiropractic services to the actual cost of providing these services for use in preparing the department's budget request for the 2009-11 biennium. The base year used in developing the cost estimate must be the most recent calendar year for which complete

financial information is available to the department. The department shall report its findings and recommendations to the appropriations committees of the sixty-first legislative assembly. The department's recommendations may include options for staggered implementation or earlier implementation date preferences for service providers that have medical assistance service revenue that is ten percent or more of its total patient revenue. Any funds appropriated by the sixtieth legislative assembly to the department for providing the information required by this section may not be spent for other purposes during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. LEGISLATIVE COUNCIL STUDY - NURSING HOME RATE EQUALIZATION. The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of continuing the equalization of nursing home payment rates and the feasibility and desirability of establishing a provider tax or assessment on nursing homes. The study must include input from representatives of the department of human services, other appropriate state agencies, and the nursing home industry. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 9. LEGISLATIVE COUNCIL STUDY - INFANT DEVELOPMENT PROGRAM. The legislative council shall consider studying, during the 2007-08 interim, infant development programs. The study, if conducted, must include a review of the state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 10. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES SERVICE PROVIDERS FUNDING INCREASES - EMPLOYEE SALARY INCREASE PRIORITY. It is the intent of the sixtieth legislative assembly that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing employees' salaries.

SECTION 11. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in subdivision 3 of section 3 of this Act includes $8,244,131 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The department of human services shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

State hospital	
Sex offender treatment addition	$3,100,000
Capital improvements	3,062,757
Extraordinary repairs	1,153,500
Developmental center	
Capital improvements	300,000
Extraordinary repairs	547,092
Equipment	80,782
Total	$8,244,131"

Page 6, line 19, after "under" insert "the department's existing" and replace "with the Robinson recovery center" with "for methamphetamine treatment services"

Page 6, line 22, replace "$170,500" with "$525,597"

Page 6, remove lines 30 and 31

Page 7, remove lines 1 through 4

Page 11, remove lines 5 through 12

Page 13, replace lines 16 through 31 with:

"**SECTION 21. AMENDMENT.** Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

50-06-24. Guardianship services. The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29.

SECTION 22. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,854,524, or so much of the sum as may be necessary, out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of $618,483, or so much of the sum as may be necessary, and from federal funds or other income, the sum of $5,470,343, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a five percent annual inflationary increase for the department's service providers for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 14, remove lines 1 through 30

Page 16, remove lines 9 through 30

Page 17, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Management						
Total all funds	$44,098,190	$44,098,190	($330,000)	$43,768,190	$42,768,190	$1,000,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200

General fund	$21,013,025	$21,013,025	($330,000)	$20,683,025	$20,259,225	$423,800
DHS - Program and Policy						
Total all funds	$1,531,965,784	$1,572,612,030	($29,475,719)	$1,543,136,311	$1,537,744,534	$5,391,777
Less estimated income	1,103,015,555	1,127,268,003	(18,096,934)	1,109,171,069	1,106,107,509	3,063,560
General fund	$428,950,229	$445,344,027	($11,378,785)	$433,965,242	$431,637,025	$2,328,217
DHS - State Hospital						
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
DHS - Developmental Center						
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
DHS - Northwest HSC						
Total all funds	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
Less estimated income	3,136,258	3,136,258		3,136,258	3,136,258	
General fund	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC						
Total all funds	$16,842,742	$16,888,313	($94,110)	$16,794,203	$16,822,684	($28,481)
Less estimated income	7,917,967	7,917,967		7,917,967	7,917,967	
General fund	$8,924,775	$8,970,346	($94,110)	$8,876,236	$8,904,717	($28,481)
DHS - Lake Region HSC						
Total all funds	$9,853,344	$9,883,098	($56,602)	$9,826,496	$9,845,092	($18,596)
Less estimated income	4,417,334	4,417,334		4,417,334	4,417,334	
General fund	$5,436,010	$5,465,764	($56,602)	$5,409,162	$5,427,758	($18,596)
DHS - Northeast HSC						
Total all funds	$22,192,605	$22,230,466	($109,402)	$22,121,064	$22,144,727	($23,663)
Less estimated income	12,256,322	12,260,487	1,562	12,262,049	12,264,652	(2,603)
General fund	$9,936,283	$9,969,979	($110,964)	$9,859,015	$9,880,075	($21,060)
DHS - Southeast HSC						
Total all funds	$26,145,474	$26,206,795	($124,684)	$26,082,111	$26,120,436	($38,325)
Less estimated income	14,296,599	14,296,599		14,296,599	14,296,599	
General fund	$11,848,875	$11,910,196	($124,684)	$11,785,512	$11,823,837	($38,325)
DHS - South Central HSC						
Total all funds	$14,741,738	$14,781,265	($88,297)	$14,692,968	$14,717,673	($24,705)
Less estimated income	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
General fund	$8,291,192	$8,320,442	($92,150)	$8,228,292	$8,246,573	($18,281)
DHS - West Central HSC						
Total all funds	$20,768,172	$20,813,941	($112,677)	$20,701,264	$20,729,869	($28,605)
Less estimated income	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
General fund	$10,440,940	$10,470,232	($118,855)	$10,351,377	$10,369,684	($18,307)
DHS - Badlands HSC						
Total all funds	$9,848,996	$9,863,050	($56,889)	$9,806,161	$9,814,944	($8,783)
Less estimated income	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
General fund	$5,003,380	$5,017,294	($56,942)	$4,960,352	$4,969,047	($8,695)
Bill Total						
Total all funds	$1,817,398,360	$1,858,506,320	($31,565,852)	$1,826,940,468	$1,820,669,298	$6,271,170
Less estimated income	1,238,880,594	1,263,164,101	(18,086,733)	1,245,077,368	1,241,457,021	3,620,347
General fund	$578,517,766	$595,342,219	($13,479,119)	$581,863,100	$579,212,277	$2,650,823

Senate Bill No. 2012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	$11,723,883	$11,723,883	($330,000)	$11,393,883	$11,393,883	
Operating expenses	32,374,022	32,374,022		32,374,022	31,374,022	$1,000,000
Capital assets	285	285		285	285	
Total all funds	$44,098,190	$44,098,190	($330,000)	$43,768,190	$42,768,190	$1,000,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200
General fund	$21,013,025	$21,013,025	($330,000)	$20,683,025	$20,259,225	$423,800
FTE	102.10	102.10	0.00	102.10	102.10	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Management - Conference Committee Changes: Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover, the same as the House version		($330,000)		($330,000)

Administration Support Program
No changes

	FTE	General Fund	Estimated Income	Total
Division of Information Technology Program No changes				
Total Conference Committee Changes - Management	0.00	($330,000)	$0	($330,000)

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	$25,593,565	$25,668,611	($670,000)	$24,998,611	$24,998,611	
Operating expenses	65,561,106	66,356,937	214,865	66,571,802	66,514,290	$57,512
Capital assets	399	399		399	399	
Grants	339,435,262	341,776,723	85,062	341,861,785	341,964,940	(103,155)
Grants - Medical assistance	1,101,375,452	1,138,809,360	(38,048,996)	1,100,760,364	1,104,266,294	(3,505,930)
Total all funds	$1,531,965,784	$1,572,612,030	($38,419,069)	$1,534,192,961	$1,537,744,534	($3,551,573)
Less estimated income	1,103,015,555	1,127,268,003	(24,185,760)	1,103,082,243	1,106,107,509	(3,025,266)
General fund	$428,950,229	$445,344,027	($14,233,309)	$431,110,718	$431,637,025	($526,307)
FTE	230.30	231.30	0.00	231.30	231.30	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Program and Policy - Conference Committee Changes:** Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover, the same as the House version		($670,000)		($670,000)
Economic Assistance Policy Program No changes				
Child Support Program Removes operating expenses funding from the general fund for the Devils Lake Child Support Enforcement Unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement, the same as the House version		(215,016)		(215,016)
Medical Services Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for medical-related service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		$565,968	$1,152,404	1,718,372
Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty. The House also removed this funding.		(2,529,690)	(4,493,325)	(7,023,015)
Reduces funding for grants - Medical assistance added by the Senate to provide $1 million from the general fund for continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed as well as the section added by the House providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.		(1,281,110)	(2,275,553)	(3,556,663)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:				
Inpatient hospital		(1,000,000)	(1,776,236)	(2,776,236)
Drugs		(1,783,368)	(3,167,035)	(4,950,403)
Healthy Steps		(200,000)	(593,336)	(793,336)
Durable medical equipment		(166,269)	(295,177)	(461,446)
The House also made these reductions.				
Adds funding for grants - Medical assistance to increase Medicaid payment rates to implement cost-based reimbursement for critical access hospitals. The House had added $1,394,469 from the general fund for increasing Medicaid hospital payment rates to the maximum base rate.		1,544,469	2,743,341	4,287,810
Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services. The House had also added a section requiring the payment rates for chiropractic services to be 50 percent of fiscal year 2006 billed charges, which is not included in the conference committee version.		31,845	56,564	88,409
Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services, the same as the House version		125,000	222,029	347,029

Description	FTE	General Fund	Other Funds	Total
Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing hospital, physician, dentist, ambulance, and chiropractic services payment rates under the Medicaid program, the same as the House version		175,000	175,000	350,000
Long-Term Care Program				
Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for long-term care service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase. Of the total, $525,597 is from the health care trust fund for the additional state matching funds relating to nursing homes. The House version included $1,144,080 from the health care trust fund.		645,293	2,431,014	3,076,307
Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium, the same as the House version		1,537,030	80,896	1,617,926
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance. The House also provided a $50 per month allowance.			(499,850)	(499,850)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(6,185,000)	(10,986,015)	(17,171,015)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(216,537)	(145,565)	(362,102)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(3,575,000)	(6,350,042)	(9,925,042)
Reduces funding added by the Senate from $900,000 to $300,000 from the general fund for the transition of selected Developmental Center residents to community programs. The House had provided $200,000 from the general fund for this item.		(600,000)	(1,065,741)	(1,665,741)
Aging Services Program				
No changes				
Children and Family Services Program				
Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for children and family service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		84,030	249,424	333,454
Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(300,000)	(426,392)	(726,392)
Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment, the same as the House version			770,800	770,800
Mental Health and Substance Abuse Program				
Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		9,360	2,191	11,551
Developmental Disabilities Council Disabilities Program				
Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		20,686	4,844	25,530
Reduces funding added by the Senate for centers for independent living. The conference committee version is the same as the House version which provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.		(250,000)		(250,000)
Total Conference Committee Changes - Program and Policy	0.00	($14,233,309)	($24,185,760)	($38,419,069)

Senate Bill No. 2012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Traditional	$52,371,738	$52,371,738		$52,371,738	$52,371,738	
Secure	12,587,384	12,587,384		12,587,384	12,587,384	
Institutions		167,482	($370,473)	(202,991)	(266,276)	63,285
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
FTE	465.01	466.51	(1.00)	465.51	465.01	0.50

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]State Hospital - Conference Committee Changes: Removes funding for a vocational training position in the secure services unit added in the executive budget. The House also removed this position.	(1.00)	($69,028)	($1,445)	($70,473)
Reduces funding for capital improvements from $3,362,757 to $3,062,757, the same as the House version		(300,000)		(300,000)
Total Conference Committee Changes - State Hospital	(1.00)	($369,028)	($1,445)	($370,473)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Human service centers/ institutions	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
FTE	449.54	449.54	0.00	449.54	449.54	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Developmental Center - Conference Committee Changes: Reduces funding for capital improvement projects from the general fund from $947,092 to $300,000, the same as the House version		($647,092)		($647,092)
Reduces funding for extraordinary repairs from $600,000 to $547,092, the same as the House version		(52,908)		(52,908)
Total Conference Committee Changes - Developmental Center	0.00	($700,000)	$0	($700,000)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC	8,924,775	8,970,346	(94,110)	8,876,236	8,904,717	(28,481)
DHS - Lake Region HSC	5,436,010	5,465,764	(56,602)	5,409,162	5,427,758	(18,596)
DHS - Northeast HSC	9,936,283	9,969,979	(110,964)	9,859,015	9,880,075	(21,060)
DHS - Southeast HSC	11,848,875	11,910,196	(124,684)	11,785,512	11,823,837	(38,325)
DHS - South Central HSC	8,291,192	8,320,442	(92,150)	8,228,292	8,246,573	(18,281)
DHS - West Central HSC	10,440,940	10,470,232	(118,855)	10,351,377	10,369,684	(18,307)
DHS - Badlands HSC	5,003,380	5,017,294	(56,942)	4,960,352	4,969,047	(8,695)
Total general fund	$64,270,778	$64,533,951	($701,306)	$63,832,645	$63,997,124	($164,479)

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$3,136,258	$3,136,258		$3,136,258	$3,136,258	
DHS - North Central HSC	7,917,967	7,917,967		7,917,967	7,917,967	
DHS - Lake Region HSC	4,417,334	4,417,334		4,417,334	4,417,334	

DHS - Northeast HSC	12,256,322	12,260,487	$1,562	12,262,049	12,264,652	($2,603)
DHS - Southeast HSC	14,296,599	14,296,599		14,296,599	14,296,599	
DHS - South Central HSC	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
DHS - West Central HSC	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
DHS - Badlands HSC	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
Total other funds	$63,647,874	$63,678,933	$11,646	$63,690,579	$63,709,992	($19,413)

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
DHS - North Central HSC	16,842,742	16,888,313	(94,110)	16,794,203	16,822,684	(28,481)
DHS - Lake Region HSC	9,853,344	9,883,098	(56,602)	9,826,496	9,845,092	(18,596)
DHS - Northeast HSC	22,192,605	22,230,466	(109,402)	22,121,064	22,144,727	(23,663)
DHS - Southeast HSC	26,145,474	26,206,795	(124,684)	26,082,111	26,120,436	(38,325)
DHS - South Central HSC	14,741,738	14,781,265	(88,297)	14,692,968	14,717,673	(24,705)
DHS - West Central HSC	20,768,172	20,813,941	(112,677)	20,701,264	20,729,869	(28,605)
DHS - Badlands HSC	9,848,996	9,863,050	(56,889)	9,806,161	9,814,944	(8,783)
Total all funds	$127,918,652	$128,212,884	($689,660)	$127,523,224	$127,707,116	($183,892)
FTE	838.73	838.73	0.00	838.73	838.73	0.00

[1] Funding for the human service centers provided from the general fund is reduced as follows (the House also made these reductions):

HUMAN SERVICE CENTER	GENERAL FUND
Northwest	($54,640)
North Central	(111,200)
Lake Region	(67,760)
Northeast	(123,600)
Southeast	(147,680)
South Central	(103,120)
West Central	(129,840)
Badlands	(62,160)
Total	($800,000)

Funding is added for the human service centers as listed below to provide a 4 percent inflationary increase for human service center contract service providers for the first year of the biennium and a 5 percent for the second year. The Senate provided a 4 percent annual increase and the House provided a 5 percent annual increase.

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$7,641		$7,641
North Central	17,090		17,090
Lake Region	11,158		11,158
Northeast	12,636	$1,562	14,198
Southeast	22,996		22,996
South Central	10,970	3,853	14,823
West Central	10,985	6,178	17,163
Badlands	5,218	53	5,271
Total	$98,694	$11,646	$110,340

Other changes to Senate Bill No. 2012:

Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval. The House also made this change.

Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center. The House also made this change.

Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed. The House also removed this section.

Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed. The House also removed these sections.

Sections are added which:

- Identify one-time funding included in the budget and provide for a report to the 2009 Legislative Assembly on the agency's use of the one-time funding. The House also added a similar section.

- Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians. The House also removed this requirement.

- Provide for a Legislative Council study of infant development services and funding. The House also provided for this study.

- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes. The House also provided for this study.

- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries. The House also added this section.

- Provide a priority for use by the department of any anticipated unspent general fund appropriation authority of the department for the 2007-09 biennium.

- Provide that the department implement a cost-based reimbursement system for critical access hospitals for the 2007-09 biennium.

- Appropriate $8,943,350, of which $2,854,524 is from the general fund and $618,483 is from the health care trust fund, for providing 5 percent annual inflationary increases for the department's service providers. This amount is in addition to the appropriation included in Section 3 of the bill.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/24/07

Your Conference Committee ______________

For the Senate:				For the House:			
Fischer		no		Potter		no	
Kilzer		no		Bellew		no	
Mathern	yes			Metcalf	yes		

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _______

____ and place _________ on the Seventh order.

____ , adopt (further) amendments as follows, and place ________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) __________ was placed on the Seventh order of business on the calendar.

DATE: ________
HOUSE CARRIER: ____________ **SENATE CARRIER:** ________ on amt 222

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Metcalf
SECONDED BY: Mathern
VOTE COUNT: ____ **YES** ____ **NO** ___ **ABSENT**

Motion failed

Revised 4/22/05

78036.0225
Title.

did not pass

Prepared by the Legislative Council staff for
Representative Metcalf
April 24, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

This amendment is for consideration for inclusion in a set of amendments under consideration regarding Engrossed Senate Bill No. 2012.

Page 6, after line 2, insert:

"**SECTION 5. 2007-09 SPENDING LEVEL - AUTHORIZATION.** If department of human services expenditures exceed funding levels approved by the sixtieth legislative assembly during the 2007-09 biennium due to cost and caseload/utilization of programs exceeding the level anticipated by the legislative assembly or if savings from vacant positions and employee turnover is less than anticipated, the department may continue to spend at the increased level and may seek a deficiency appropriation from the sixty-first legislative assembly."

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/24/07

Your Conference Committee ______________

For the Senate: **For the House:**

Fischer	no		Porter	no	
Kilzer	no		Bellew	no	
Mathern	yes		Metcalf	yes	

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _______

____ and place _________ on the Seventh order.

____, adopt (further) amendments as follows, and place ________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) __________ was placed on the Seventh order of business on the calendar.

DATE: ________
HOUSE CARRIER: ____________ **SENATE CARRIER:** ____________

amd. 225.

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Metcalf
SECONDED BY: Mathern
VOTE COUNT: ___ **YES** ___ **NO** ___ **ABSENT**

motion failed.

Revised 4/22/05

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/24/07

Your Conference Committee Sen approp.

For the Senate:	4/24	Vote	For the House:	4/24	Vote
Ch Fischer	✓	yes	Pollert	✓	yes
Kilzer	✓	yes	Bellew	✓	yes
Mathern	✓	yes	Metcalf	✓	yes

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) ______ -- ________

____ and place __________ on the Seventh order.

____, adopt (further) amendments as follows, and place _________ on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) ___________ was placed on the Seventh order of business on the calendar.

DATE: ________
HOUSE CARRIER: ____________ **SENATE CARRIER:** mam. 224

LC NO. of amendment	Motion Carried
LC NO. of engrossment	
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: ___________________
SECONDED BY: ___________________
VOTE COUNT: ____ **YES** ____ **NO** ___ **ABSENT**

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2012 (, as (re)engrossed): Date: 4/24/07

Your Conference Committee Sen approp -

For the Senate:		For the House:	
Fischer	yes	Pollert	yes
Kilzer	yes	Bellew	yes
Mathern	NO	Metcalf	NO.

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1101 - 1110

✓ and place 2012 on the Seventh order.

✓, adopt (~~further~~) amendments as follows, and place 2012 on the Seventh order:

having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

(~~(Re) Engrossed~~) Engrossed 2012 was placed on the Seventh order of business on the calendar.

DATE: ________
HOUSE CARRIER: ________ **SENATE CARRIER:** ________

LC NO. of amendment	Wait for 224 to come from
	Leg Council -
LC NO. of engrossment	
	into Bill.
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Pollert
SECONDED BY: Bellew
VOTE COUNT: 4 **YES** 2 **NO** 0 **ABSENT**

it passed.

REPORT OF CONFERENCE COMMITTEE

SB 2012, as engrossed: Your conference committee (Sens. Fischer, Kilzer, Mathern and Reps. Pollert, Bellew, Metcalf) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1101-1110, adopt amendments as follows, and place SB 2012 on the Seventh order:

That the House recede from its amendments as printed on pages 1101-1110 of the Senate Journal and pages 1239-1247 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 3, remove the first "a" and replace "study" with "studies; to authorize a Bank of North Dakota loan; to provide a contingent appropriation"

Page 1, line 6, remove "26.1-45-13,", remove "and", and replace "subsection 6 of section 50-06.2-02" with "50-06-24"

Page 1, remove line 7

Page 1, line 8, remove ", subsection 4 of section 50-24.5-02, and subsection 2 of section 50-24.5-03"

Page 1, line 11, replace "qualified service providers" with "guardianship services" and after the semicolon insert "and"

Page 1, line 12, remove "; and to provide an"

Page 1, line 13, remove "effective date"

Page 3, line 7, replace "1,015,145" with "685,145"

Page 3, line 10, replace "($27,582,012)" with "($27,912,012)"

Page 3, line 12, replace "1,486,564" with "1,156,564"

Page 3, line 15, replace "2,856,130" with "2,186,130"

Page 3, line 16, replace "26,576,252" with "26,791,117"

Page 3, line 18, replace "8,938,273" with "9,023,335"

Page 3, line 19, replace "132,453,022" with "94,404,026"

Page 3, line 20, replace "170,790,212" with "132,371,143"

Page 3, line 21, replace "92,129,556" with "67,943,796"

Page 3, line 22, replace "78,660,656" with "64,427,347"

Page 3, line 25, replace "193,654" with "146,655"

Page 3, line 26, replace "1,540,622" with "1,446,512"

Page 3, line 27, replace "739,666" with "683,064"

Page 3, line 28, replace "1,647,335" with "1,537,933"

Page 3, line 29, replace "2,441,031" with "2,316,347"

Page 3, line 30, replace "2,584,618" with "2,496,321"

Page 3, line 31, replace "2,226,472" with "2,113,795"

Page 4, line 1, replace "621,652" with "564,763"

Page 4, line 2, replace "17,209,433" with "16,838,960"

Page 4, line 3, replace "6,031,330" with "5,331,330"

Page 4, line 4, replace "35,235,813" with "33,475,680"

Page 4, line 5, replace "4,462,288" with "4,472,489"

Page 4, line 6, replace "30,773,525" with "29,003,191"

Page 4, line 7, replace "110,920,745" with "94,587,102"

Page 4, line 8, replace "67,523,268" with "43,347,709"

Page 4, line 9, replace "178,444,013" with "137,934,811"

Page 4, line 18, replace "11,723,883" with "11,393,883"

Page 4, line 21, replace "44,098,190" with "43,768,190"

Page 4, line 23, replace "21,013,025" with "20,683,025"

Page 4, line 26, replace "25,668,611" with "24,998,611"

Page 4, line 27, replace "66,356,937" with "66,571,802"

Page 4, line 29, replace "341,776,723" with "341,861,785"

Page 4, line 30, replace "1,138,809,360" with "1,100,760,364"

Page 4, line 31, replace "1,572,612,030" with "1,534,192,961"

Page 5, line 1, replace "1,127,268,003" with "1,103,082,243"

Page 5, line 2, replace "445,344,027" with "431,110,718"

Page 5, line 5, replace "7,545,956" with "7,498,957"

Page 5, line 6, replace "16,888,313" with "16,794,203"

Page 5, line 7, replace "9,883,098" with "9,826,496"

Page 5, line 8, replace "22,230,466" with "22,121,064"

Page 5, line 9, replace "26,206,795" with "26,082,111"

Page 5, line 10, replace "14,781,265" with "14,692,968"

Page 5, line 11, replace "20,813,941" with "20,701,264"

Page 5, line 12, replace "9,863,050" with "9,806,161"

Page 5, line 13, replace "65,126,604" with "64,756,131"

Page 5, line 14, replace "48,456,612" with "47,756,612"

Page 5, line 15, replace "241,796,100" with "240,035,967"

Page 5, line 16, replace "112,810,933" with "112,821,134"

Page 5, line 17, replace "128,985,167" with "127,214,833"

Page 5, line 18, replace "595,342,219" with "580,008,576"

Page 5, line 19, replace "1,263,164,101" with "1,249,771,108"

Page 5, line 20, replace "1,858,506,320" with "1,829,779,684"

Page 5, line 25, remove "As determined necessary by the director of the department of human"

Page 5, remove lines 26 and 27

Page 5, line 28, remove "section 3 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 6, replace lines 3 through 15 with:

"**SECTION 5. BANK OF NORTH DAKOTA LOAN AUTHORIZATION - BUDGET SECTION APPROVAL - CONTINGENT APPROPRIATION.** If cost and caseload/utilization of developmental disabilities services is more than anticipated by the sixtieth legislative assembly, the department of human services, subject to budget section approval, may borrow the sum of $3,500,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated for the purpose of providing the state matching share of additional medical assistance grants for developmental disabilities services for the biennium beginning July 1, 2007, and ending June 30, 2009. The department of human services shall request funding from the sixty-first legislative assembly to repay any loan obtained pursuant to provisions of this section, including accrued interest.

SECTION 6. CRITICAL ACCESS HOSPITALS - MEDICAL ASSISTANCE REIMBURSEMENT METHOD. The department of human services shall implement a cost-based reimbursement system for inpatient and outpatient hospital services of critical access hospitals based on the funding provided in section 3 of this Act for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. DEPARTMENT OF HUMAN SERVICES STUDY - REBASING MEDICAL SERVICES PAYMENT RATES - REPORT TO LEGISLATIVE ASSEMBLY. The department of human services shall determine, during the 2007-08 interim and with the assistance of a health care consultant, the estimated cost of rebasing payment rates under the medical assistance program for hospital, physician, dentist, ambulance, and chiropractic services to the actual cost of providing these services for use in preparing the department's budget request for the 2009-11 biennium. The base year used in developing the cost estimate must be the most recent calendar year for which complete financial information is available to the department. The department shall report its findings and recommendations to the appropriations committees of the sixty-first legislative assembly. The department's recommendations may include

options for staggered implementation or earlier implementation date preferences for service providers that have medical assistance service revenue that is ten percent or more of its total patient revenue. Any funds appropriated by the sixtieth legislative assembly to the department for providing the information required by this section may not be spent for other purposes during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. LEGISLATIVE COUNCIL STUDY - NURSING HOME RATE EQUALIZATION. The legislative council shall consider studying, during the 2007-08 interim, the feasibility and desirability of continuing the equalization of nursing home payment rates and the feasibility and desirability of establishing a provider tax or assessment on nursing homes. The study must include input from representatives of the department of human services, other appropriate state agencies, and the nursing home industry. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 9. LEGISLATIVE COUNCIL STUDY - INFANT DEVELOPMENT PROGRAM. The legislative council shall consider studying, during the 2007-08 interim, infant development programs. The study, if conducted, must include a review of the state's lead agency agreement, service coordination, staffing, and funding structure, including the adequacy of the funding and the equitable distribution of the funds to providers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 10. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES SERVICE PROVIDERS FUNDING INCREASES - EMPLOYEE SALARY INCREASE PRIORITY. It is the intent of the sixtieth legislative assembly that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing employees' salaries.

SECTION 11. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in subdivision 3 of section 3 of this Act includes $8,244,131 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The department of human services shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

State hospital	
Sex offender treatment addition	$3,100,000
Capital improvements	3,062,757
Extraordinary repairs	1,153,500
Developmental center	
Capital improvements	300,000
Extraordinary repairs	547,092
Equipment	80,782
Total	$8,244,131"

Page 6, line 19, after "under" insert "the department's existing" and replace "with the Robinson recovery center" with "for methamphetamine treatment services"

Page 6, line 22, replace "$170,500" with "$525,597"

Page 6, remove lines 30 and 31

Page 7, remove lines 1 through 4

Page 11, remove lines 5 through 12

Page 13, replace lines 16 through 31 with:

"**SECTION 21. AMENDMENT.** Section 50-06-24 of the North Dakota Century Code is amended and reenacted as follows:

50-06-24. Guardianship services. The department of human services may create and coordinate a unified system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services. The system must include a base unit funding level at the same level as developmental disability corporate guardianship rates, provider standards, staff competency requirements, ~~the use of an emergency funding procedure to cover the costs of establishing needed guardianships,~~ and guidelines and training for guardians. ~~The department shall require that the contracting entity develop and maintain a system of volunteer guardians to serve the state.~~ The department shall adopt rules for guardianship services to vulnerable adults which are consistent with chapters 30.1-26, 30.1-28, and 30.1-29."

Page 14, remove lines 1 through 30

Page 16, remove lines 9 through 30

Page 17, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Management						
Total all funds	$44,098,190	$44,098,190	($200,000)	$43,898,190	$42,768,190	$1,130,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200
General fund	$21,013,025	$21,013,025	($220,000)	$20,813,025	$20,259,225	$553,800
DHS - Program and Policy						
Total all funds	$1,531,965,784	$1,572,612,030	($26,766,503)	$1,545,845,527	$1,537,744,534	$8,100,993
Less estimated income	1,103,015,555	1,127,268,003	(13,403,194)	1,113,864,809	1,106,107,509	7,757,300
General fund	$428,950,229	$445,344,027	($13,363,309)	$431,980,718	$431,637,025	$343,693
DHS - State Hospital						
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
DHS - Developmental Center						
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
DHS - Northwest HSC						
Total all funds	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
Less estimated income	3,136,258	3,136,258		3,136,258	3,136,258	
General fund	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC						
Total all funds	$16,842,742	$16,888,313	($94,110)	$16,794,203	$16,822,684	($28,481)
Less estimated income	7,917,967	7,917,967		7,917,967	7,917,967	
General fund	$8,924,775	$8,970,346	($94,110)	$8,876,236	$8,904,717	($28,481)
DHS - Lake Region HSC						

Total all funds	$9,853,344	$9,883,098	($56,602)	$9,826,496	$9,845,092	($18,596)
Less estimated income	4,417,334	4,417,334		4,417,334	4,417,334	
General fund	$5,436,010	$5,465,764	($56,602)	$5,409,162	$5,427,758	($18,596)
DHS - Northeast HSC						
Total all funds	$22,192,605	$22,230,466	($109,402)	$22,121,064	$22,144,727	($23,663)
Less estimated income	12,256,322	12,260,487	1,562	12,262,049	12,264,652	(2,603)
General fund	$9,936,283	$9,969,979	($110,964)	$9,859,015	$9,880,075	($21,060)
DHS - Southeast HSC						
Total all funds	$26,145,474	$26,206,795	($124,684)	$26,082,111	$26,120,436	($38,325)
Less estimated income	14,296,599	14,296,599		14,296,599	14,296,599	
General fund	$11,848,875	$11,910,196	($124,684)	$11,785,512	$11,823,837	($38,325)
DHS - South Central HSC						
Total all funds	$14,741,738	$14,781,265	($88,297)	$14,692,968	$14,717,673	($24,705)
Less estimated income	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
General fund	$8,291,192	$8,320,442	($92,150)	$8,228,292	$8,246,573	($18,281)
DHS - West Central HSC						
Total all funds	$20,768,172	$20,813,941	($112,677)	$20,701,264	$20,729,869	($28,605)
Less estimated income	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
General fund	$10,440,940	$10,470,232	($118,855)	$10,351,377	$10,369,684	($18,307)
DHS - Badlands HSC						
Total all funds	$9,848,996	$9,863,050	($56,889)	$9,806,161	$9,814,944	($8,783)
Less estimated income	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
General fund	$5,003,380	$5,017,294	($56,942)	$4,960,352	$4,969,047	($8,695)
Bill Total						
Total all funds	$1,817,398,360	$1,858,506,320	($28,726,636)	$1,829,779,684	$1,820,669,298	$9,110,386
Less estimated income	1,238,880,594	1,263,164,101	(13,392,993)	1,249,771,108	1,241,457,021	8,314,087
General fund	$578,517,766	$595,342,219	($15,333,643)	$580,008,576	$579,212,277	$796,299

Senate Bill No. 2012 - Department of Human Services - Management - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	$11,723,883	$11,723,883	($200,000)	$11,523,883	$11,393,883	$130,000
Operating expenses	32,374,022	32,374,022		32,374,022	31,374,022	1,000,000
Capital assets	285	285		285	285	
Total all funds	$44,098,190	$44,098,190	($200,000)	$43,898,190	$42,768,190	$1,130,000
Less estimated income	23,085,165	23,085,165		23,085,165	22,508,965	576,200
General fund	$21,013,025	$21,013,025	($200,000)	$20,813,025	$20,259,225	$553,800
FTE	102.10	102.10	0.00	102.10	102.10	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Management - Conference Committee Changes:**				
Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover. The House version reduced salaries and wages by $330,000.		($200,000)		($200,000)
Administration Support Program No changes				
Division of Information Technology Program No changes				
Total Conference Committee Changes - Management	0.00	($200,000)	$0	($200,000)

Senate Bill No. 2012 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	$25,593,565	$25,668,611	($400,000)	$25,268,611	$24,998,611	$270,000
Operating expenses	65,561,106	66,356,937	214,865	66,571,802	66,514,290	57,512
Capital assets	399	399		399	399	
Grants	339,435,262	341,776,723	85,062	341,861,785	341,964,940	(103,155)
Grants - Medical assistance	1,101,375,452	1,138,809,360	(26,666,430)	1,112,142,930	1,104,266,294	7,876,636

Total all funds	$1,531,965,784	$1,572,612,030	($26,766,503)	$1,545,845,527	$1,537,744,534	$8,100,993
Less estimated income	1,103,015,555	1,127,268,003	(13,403,194)	1,113,864,809	1,106,107,509	7,757,300
General fund	$428,950,229	$445,344,027	($13,363,309)	$431,980,718	$431,637,025	$343,693
FTE	230.30	231.30	0.00	231.30	231.30	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]**Program and Policy - Conference Committee Changes:** Reduces funding for salaries and wages in anticipation of savings resulting from vacant positions and employee turnover. The House version reduced salaries and wages by $670,000.		($400,000)		($400,000)
Economic Assistance Policy Program No changes				
Child Support Program Removes operating expenses funding from the general fund for the Devils Lake Child Support Enforcement Unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement, the same as the House version		(215,016)		(215,016)
Medical Services Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for medical-related service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		565,968	$1,152,404	1,718,372
Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty. The House also removed this funding.		(2,529,690)	(4,493,325)	(7,023,015)
Reduces funding for grants - Medical assistance added by the Senate to provide $1.5 million from the general fund for continuous Medicaid eligibility for children under 19 years of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed as well as the section added by the House providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.		(781,110)	(1,387,435)	(2,168,545)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:				
Inpatient hospital		(1,000,000)	(1,776,236)	(2,776,236)
Drugs		(1,783,368)	(3,167,035)	(4,950,403)
Healthy Steps		(200,000)	(593,336)	(793,336)
Durable medical equipment		(166,269)	(295,177)	(461,446)
The House also made these reductions.				
Adds funding for grants - Medical assistance to increase Medicaid payment rates to implement cost-based reimbursement for critical access hospitals. The House had added $1,394,469 from the general fund for increasing Medicaid hospital payment rates to the maximum base rate.		1,544,469	2,743,341	4,287,810
Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services. The House had also added a section requiring the payment rates for chiropractic services to be 50 percent of fiscal year 2006 billed charges, which is not included in the conference committee version.		31,845	56,564	88,409
Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services, the same as the House version		125,000	222,029	347,029
Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing hospital, physician, dentist, ambulance, and chiropractic services payment rates under the Medicaid program, the same as the House version		175,000	175,000	350,000
Long-Term Care Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for long-term care service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase. Of the total, $525,597 is from the health care trust fund for the additional		645,293	2,431,014	3,076,307

state matching funds relating to nursing homes. The House version included $1,144,080 from the health care trust fund.				
Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium, the same as the House version		1,537,030	80,896	1,617,926
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance. The House also provided a $50 per month allowance.			(499,850)	(499,850)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(6,185,000)	(10,986,015)	(17,171,015)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(216,537)	(145,565)	(362,102)
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(3,575,000)	(6,350,042)	(9,925,042)
Adds funding in a separate section for developmental disabilities services grants. The state matching funds of $3.5 million are from a Bank of North Dakota loan contingent on Budget Section Approval.			3,500,000	3,500,000
Adds federal funds for developmental disabilities services grants associated with the contingent Bank of North Dakota loan			6,216,824	6,216,824
Reduces funding added by the Senate from $900,000 to $400,000 from the general fund for the transition of selected Developmental Center residents to community programs. The House had provided $200,000 from the general fund for this item.		(500,000)	(888,117)	(1,388,117)
Aging Services Program No changes				
Children and Family Services Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for children and family service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		84,030	249,424	333,454
Reduces funding for grants to reflect an anticipated reduction in the cost and caseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version. The House also made this reduction.		(300,000)	(426,392)	(726,392)
Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment, the same as the House version			770,800	770,800
Mental Health and Substance Abuse Program Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		9,360	2,191	11,551
Developmental Disabilities Council **Disabilities Program** Adds funding to provide a 4 percent inflationary increase for the first year of the biennium and a 5 percent for the second year for contract service providers. The Senate provided a 4 percent annual inflationary increase and the House provided a 5 percent annual inflationary increase.		20,686	4,844	25,530
Reduces funding added by the Senate for centers for independent living. The conference committee version is the same as the House version which provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.		(250,000)		(250,000)
Total Conference Committee Changes - Program and Policy	0.00	($13,363,309)	($13,403,194)	($26,766,503)

Senate Bill No. 2012 - Department of Human Services - State Hospital - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Traditional	$52,371,738	$52,371,738		$52,371,738	$52,371,738	
Secure	12,587,384	12,587,384		12,587,384	12,587,384	
Institutions		167,482	($370,473)	(202,991)	(266,276)	63,285
Total all funds	$64,959,122	$65,126,604	($370,473)	$64,756,131	$64,692,846	$63,285
Less estimated income	15,888,310	15,888,310	(1,445)	15,886,865	15,886,865	
General fund	$49,070,812	$49,238,294	($369,028)	$48,869,266	$48,805,981	$63,285
FTE	465.01	466.51	(1.00)	465.51	465.01	0.50

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]State Hospital - Conference Committee Changes: Removes funding for a vocational training position in the secure services unit added in the executive budget. The House also removed this position.	(1.00)	($69,028)	($1,445)	($70,473)
Reduces funding for capital improvements from $3,362,757 to $3,062,757, the same as the House version		(300,000)		(300,000)
Total Conference Committee Changes - State Hospital	(1.00)	($369,028)	($1,445)	($370,473)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Human service centers/ institutions	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	
Total all funds	$48,456,612	$48,456,612	($700,000)	$47,756,612	$47,756,612	$0
Less estimated income	33,243,690	33,243,690		33,243,690	33,243,690	
General fund	$15,212,922	$15,212,922	($700,000)	$14,512,922	$14,512,922	$0
FTE	449.54	449.54	0.00	449.54	449.54	0.00

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
[1]Developmental Center - Conference Committee Changes: Reduces funding for capital improvement projects from the general fund from $947,092 to $300,000, the same as the House version		($647,092)		($647,092)
Reduces funding for extraordinary repairs from $600,000 to $547,092, the same as the House version		(52,908)		(52,908)
Total Conference Committee Changes - Developmental Center	0.00	($700,000)	$0	($700,000)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$4,389,323	$4,409,698	($46,999)	$4,362,699	$4,375,433	($12,734)
DHS - North Central HSC	8,924,775	8,970,346	(94,110)	8,876,236	8,904,717	(28,481)
DHS - Lake Region HSC	5,436,010	5,465,764	(56,602)	5,409,162	5,427,758	(18,596)
DHS - Northeast HSC	9,936,283	9,969,979	(110,964)	9,859,015	9,880,075	(21,060)
DHS - Southeast HSC	11,848,875	11,910,196	(124,684)	11,785,512	11,823,837	(38,325)
DHS - South Central HSC	8,291,192	8,320,442	(92,150)	8,228,292	8,246,573	(18,281)
DHS - West Central HSC	10,440,940	10,470,232	(118,855)	10,351,377	10,369,684	(18,307)
DHS - Badlands HSC	5,003,380	5,017,294	(56,942)	4,960,352	4,969,047	(8,695)
Total general fund	$64,270,778	$64,533,951	($701,306)	$63,832,645	$63,997,124	($164,479)

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$3,136,258	$3,136,258		$3,136,258	$3,136,258	
DHS - North Central HSC	7,917,967	7,917,967		7,917,967	7,917,967	
DHS - Lake Region HSC	4,417,334	4,417,334		4,417,334	4,417,334	
DHS - Northeast HSC	12,256,322	12,260,487	$1,562	12,262,049	12,264,652	($2,603)
DHS - Southeast HSC	14,296,599	14,296,599		14,296,599	14,296,599	
DHS - South Central HSC	6,450,546	6,460,823	3,853	6,464,676	6,471,100	(6,424)
DHS - West Central HSC	10,327,232	10,343,709	6,178	10,349,887	10,360,185	(10,298)
DHS - Badlands HSC	4,845,616	4,845,756	53	4,845,809	4,845,897	(88)
Total other funds	$63,647,874	$63,678,933	$11,646	$63,690,579	$63,709,992	($19,413)

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES [1]	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
DHS - Northwest HSC	$7,525,581	$7,545,956	($46,999)	$7,498,957	$7,511,691	($12,734)
DHS - North Central HSC	16,842,742	16,888,313	(94,110)	16,794,203	16,822,684	(28,481)
DHS - Lake Region HSC	9,853,344	9,883,098	(56,602)	9,826,496	9,845,092	(18,596)
DHS - Northeast HSC	22,192,605	22,230,466	(109,402)	22,121,064	22,144,727	(23,663)
DHS - Southeast HSC	26,145,474	26,206,795	(124,684)	26,082,111	26,120,436	(38,325)
DHS - South Central HSC	14,741,738	14,781,265	(88,297)	14,692,968	14,717,673	(24,705)
DHS - West Central HSC	20,768,172	20,813,941	(112,677)	20,701,264	20,729,869	(28,605)
DHS - Badlands HSC	9,848,996	9,863,050	(56,889)	9,806,161	9,814,944	(8,783)
Total all funds	$127,918,652	$128,212,884	($689,660)	$127,523,224	$127,707,116	($183,892)
FTE	838.73	838.73	0.00	838.73	838.73	0.00

[1] Funding for the human service centers provided from the general fund is reduced as follows (the House also made these reductions):

HUMAN SERVICE CENTER	GENERAL FUND
Northwest	($54,640)
North Central	(111,200)
Lake Region	(67,760)
Northeast	(123,600)
Southeast	(147,680)
South Central	(103,120)
West Central	(129,840)
Badlands	(62,160)
Total	($800,000)

Funding is added for the human service centers as listed below to provide a 4 percent inflationary increase for human service center contract service providers for the first year of the biennium and a 5 percent for the second year. The Senate provided a 4 percent annual increase and the House provided a 5 percent annual increase.

HUMAN SERVICE CENTER	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest	$7,641		$7,641
North Central	17,090		17,090
Lake Region	11,158		11,158
Northeast	12,636	$1,562	14,198
Southeast	22,996		22,996
South Central	10,970	3,853	14,823
West Central	10,985	6,178	17,163
Badlands	5,218	53	5,271
Total	$98,694	$11,646	$110,340

Other changes to Senate Bill No. 2012:

Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval. The House also made this change.

Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center. The House also made this change.

Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed. The House also removed this section.

Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed. The House also removed these sections.

Sections are added which:

- Identify one-time funding included in the budget and provide for a report to the 2009 Legislative Assembly on the agency's use of the one-time funding. The House also added a similar section.

- Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians. The House also removed this requirement.

- Provide for a Legislative Council study of infant development services and funding. The House also provided for this study.

- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes. The House also provided for this study.

- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries. The House also added this section.

- Provide that the department implement a cost-based reimbursement system for critical access hospitals for the 2007-09 biennium.

Engrossed SB 2012 was placed on the Seventh order of business on the calendar.

These are the cuts proposed by the House in SB 2012 which basically saves $10 million of all funds by reducing the number of persons that are estimated to need these services. My research says these people are still going to need these services and we need to restore this money or be prepared for denial of services to disabled services or go into deficit request to Budget Section some time in the second year of the biennium, or realize now that DHS will not fund things like % increase to providers, salary changes, and Medicaid payment increases. Senator Tim Mathern

4/9/2007

2007/2009 Caseload Growth Built in Budget	Unduplicated Individuals
* **Day Supports - eliminate growth from Special Ed. of 44** (22 each year of the biennium)	44
* **ISLA - eliminate growth from Special Ed. of 44** (22 each year of the biennium) ***(Same indivduals receiving Day Supports)***	-
* **Extended Services - eliminate growth from Special Ed. of 5** (Year 2 of the biennium)	5
Family Support Services-In Home Support - eliminate growth of 20 (12 Year 1 and 8 Year 2 of the biennium)	20
Family Support Services-In Home Support CHIPs - eliminate growth of 24 (12 each year of the biennium)	24
Family Support Services-Family Care Option - eliminate growth of 2 (1 each year of the biennium)	2
** **Family Support Services-Family Care Option 3 - eliminate growth of 20** (6 Year 1 and 14 Year 2 of the biennium)	20
ICF/MR Adult - eliminate growth of 9 (8-bed home in **Belcourt** and 1 bed increase in **Dickinson** Year 1 of the biennium)	9
MSLA - eliminate growth of 8 (4-bed home in **Minot** and 4-bed home in **Mandan** Year 1 of the biennium)	8
TCLF - eliminate growth of 14 (8-bed home in **Belcourt** Year 1 and 6-bed home in **Lisbon** Year 2 of the biennium)	14
Self-Directed Supports for Families - eliminate growth of 75 (25 Year 1 and 50 Year 2 of the biennium)	75
Known Unduplicated Individuals	**221**
Infant Development - reduce growth from 8 per month to 7 per month Aug '07 through Sept '08, 6 per month Oct '08 through June '09 and 4 in July '09 *(biennial growth reduced from 192 to 156)*	36
Estimate of Duplication	-5
Known & ESTIMATE of Unduplicated individuals	252

* Information from DPI

** 12 of these individuals aging are out of Foster Care settings and will need these services based upon discussions with providers

Other Information based upon discussions with various providers on community needs, and historical trends

ISLA	Individualized Supported Living Arrangements
ICF/MR	Intermediate Care Facility for the Mentally Retarded
MSLA	Minimally Supervised Living Arrangement
TCLF	Transitional Community Living Facilities

Restoration amounts suggested for
SB 2012
Sen. Tim Mathern 4/19/07

	General	Federal	Total
Group #1			
Inpatient Hospital	1,000,000	1,776,236	2,776,236
Drugs	1,783,368	3,167,035	4,950,403
Healthy Steps	200,000	593,336	793,336
Durable Medical equipment	166,269	295,177	461,446
Dentist inflation	313,738	557,414	871,152
Nursing Facilites	3,044,663	10,986,015	14,030,678
Basic Care	181,953		181,953
Aged and Disabled Waiver	496,097		496,097
Personal Care Option	1,312,287		1,312,287
Basic Care	216,537	145,565	362,102
Funding for DD providers	3,575,000	6,350,042	9,925,042
Subsidized Adoptions	300,000	426,392	726,392
	12,589,912	24,297,212	36,887,124

Group #1 items are all related to differences in opinion on case load size and utilization rates between the House, Senate, and DHS. I suggest they all be funded on a contingency basis only, with permanent oil trust fund as the source if the caseload and utilization merits. See amendment with budget section involvement attached.

	General	Federal	Total
Group #2			
IT project	423,800	576,200	1,000,000
Child Support - Devils Lake RCSEU	215,016	-	215,016
Salary underfunding - central office	1,000,000	-	1,000,000
Restore the 0.5 security position at SH - relates to SB 2136	63,285	-	63,285
	1,702,101	576,200	2,278,301

Group #2 items are crucial to DHS central office operations.

	General	Federal	Total
Group #3			
Personal care Allowance from $50 to $55	-	499,850	499,850
Increase funding for Centers for Independent Living to Senate level OAR	250,000	-	250,000
Medically Needy Income Level by $100 (83% is $200l) OAR	1,215,776	2,159,505	3,375,281
Family Preservation services provided by the counties	1,000,000	-	1,000,000
Increase Transition funds from the Development Center to community OAR	700,000	1,243,365	1,943,365
Increase medically fragile at Anne Carlson to Senate level OAR	100,000	177,624	277,624
Increase funding for Children's Advocay Centers to Senate level	300,000	-	300,000
Increase funding for IPAT to Senate level OAR	150,000	-	150,000
	3,715,776	4,080,344	7,796,120

Group #3 items are legislative priorities identified during the legislative hearings, all heard in House and Senate.

Total general fund suggested for entire list of group 1,2, and 3 items is: 3,715,776+1,702,101=$5,417,877

The total potential federal dollars we gain if we adopt this plan is $28,953,756.

This plan leaves the 5 and 5 and other enhancements made by the House in place.

Restoration amounts suggested for
SB 2012
Sen. Tim Mathern 4/21/07

	General	Federal	Total
Group #1			
Inpatient Hospital	1,000,000	1,776,236	2,776,236
Healthy Steps	100,000	296,668	396,668
Durable Medical Equipment	166,269	295,177	461,446
Dentist inflation	313,738	557,414	871,152
Nursing Facilites	1,150,000	2,042,671	3,192,671
Aged and Disabled Waiver	496,097	881,185	1,377,282
Funding for DD providers	3,575,000	6,350,042	9,925,042
Subsidized Adoptions	300,000	426,392	726,392
	7,101,104	12,625,785	19,726,889

Group #1 items are all related to differences in opinion on case load size and utilization rates between the House, Senate, and DHS. I suggest they all be funded on a contingency basis only, with permanent oil trust fund as the source if the caseload and utilization merits. All in Governor's budget.

	General	Federal	Total
Group #2			
IT project	423,800	576,200	1,000,000
Salary underfunding - central office	1,000,000	-	1,000,000
Restore the 0.5 security position at SH - relates to SB 2136	63,285	-	63,285
	1,487,085	576,200	2,063,285

Group #2 items are crucial to DHS central office operations. In Governor's budget.

	General	Federal	Total
Group #3			
Personal care Allowance from $50 to $55	-	499,850	499,850
Increase funding for Centers for Independent Living to Senate level OAR	250,000	-	250,000
Medically Needy Income Level by $100 (83% is $200I) OAR	1,215,776	2,159,505	3,375,281
Increase Transition funds from the Development Center to community OAR	500,000	888,117	1,388,117
Increase medically fragile & behavioral challanged, OAR	150,000	266,435	416,435
Increase funding for Children's Advocay Centers to Senate level	300,000	-	300,000
Increase funding for IPAT to Senate level OAR	150,000	-	150,000
	2,565,776	3,813,907	6,379,683

Group #3 items are legislative priorities identified during the legislative hearings, all heard in House and Senate.

Total general fund suggested for entire list of group 1,2, and 3 items is: $11,153,965
(2,565,776+1,487,085+7,101,104)

The total potential federal dollars we gain if we adopt this plan is $17,015,892.

This plan leaves the 5 and 5 and other enhancements made by the House in place.

2007 TESTIMONY

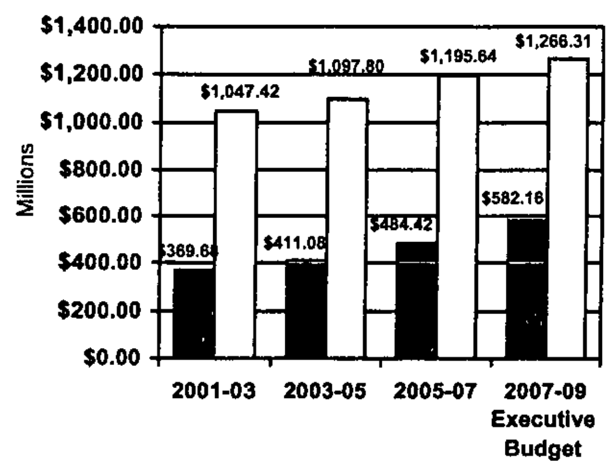
SB 2012

Prepared by the North Dakota Legislative Council
staff for Senate Appropriations
January 5, 2007

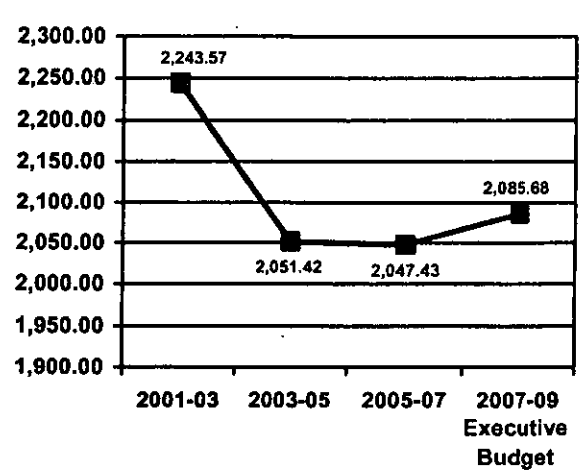
Department 325 - Department of Human Services
Senate Bill Nos. 2012 and 2024

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	2,085.68	$582,160,899	$1,266,310,102	$1,848,471,001
2005-07 Legislative Appropriations	2,047.43	484,421,474	1,195,640,833	1,680,062,307
Increase (Decrease)	38.25	$97,739,425	$70,669,269	$168,408,694

Agency Funding



FTE Positions



Executive Budget Highlights

Departmentwide	General Fund	Other Funds	Total
1. Reflects the additional state matching funds required due to changes in the state's federal medical assistance percentage **(FMAP)**. The FMAP determines the federal and state share of Medicaid, foster care, and other program expenditures. North Dakota's FMAP is decreasing from 64.72 percent in federal fiscal year 2007 to 63.75 percent in federal fiscal year 2008, and then increasing to an estimated 64.08 percent in federal fiscal year 2009. These changes are also reflected in selected program amounts below.	$9,120,000	($9,120,000)	$0
2. Adds general fund support to continue programs funded from the **health care trust fund** in the 2005-07 biennium. These changes are also reflected in selected program amounts below.	$3,200,000	($3,200,000)	$0
3. Adds general fund support to replace an anticipated reduction in the federal social services block grant	$1,385,023	($1,385,023)	$0
4. Provides **inflationary increases** to the department's service providers of 3 percent for each year of the biennium. The 2005 Legislative Assembly approved 2.65 percent annual inflationary increases for the 2005-07 biennium. These increases are also reflected in selected program amounts below.	$14,126,950	$24,148,237	$38,275,187
Management			
1. Provides funding in Senate Bill No. 2024 for additional costs of rewriting the Medicaid management information system **(MMIS)** computer application. The 2005 Legislative Assembly provided $29.2 million, of which the state matching share of $3.7 million is from the permanent oil tax trust fund. The 2005-07 funding is recommended to be continued in the 2007-09 biennium by Section 2 of Senate Bill No. 2024.	$3,643,133	$27,429,508	$31,072,641
2. Includes funding for developing a **client information sharing computer system**	$423,800	$576,200	$1,000,000

3. Includes funding for paying accrued annual leave and sick leave of employees anticipated to retire during the 2007-09 biennium	$58,255	$45,035	$103,290
Program and Policy			
1. Removes 1 FTE in economic assistance policy not requested by the agency			$L
2. Includes funding for paying accrued annual leave and sick leave of employees anticipated to retire during the 2007-09 biennium	$81,036	$186,297	$267,333
3. Provides $3,536,807, of which $1,572,200 is from the general fund and $1,964,607 is from retained funds for the **Indian county allocation**. The grants are provided at 100 percent of the excess costs calculated, pursuant to North Dakota Century Code Section 50-01.2-03.2(3).	$425,026		$425,026
4. Reduces funding for temporary assistance for needy families **(TANF)** to $22,439,980, of which $4,314,942 is from the general fund and $6,174,667 is retained funds. The funding level is anticipated to provide services for an average monthly caseload of 2,750 and to provide an average monthly payment of $340 per case.	$376,500	($2,196,520)	($1,820,020)
5. Provides $3,000,000 of federal funds for job opportunities and basic skills **(JOBS)** transportation grants compared to the $2,544,480 appropriated for the 2005-07 biennium		$455,520	$455,520
6. Provides $21,136,608, of which $5,225,819 is from retained funds and the remainder from federal funds for **child care** grants. The change reflects an additional $998,924 of retained funds and a $1,825,440 reduction in federal funds.		($826,516)	($826,516)
7. Increases federal funding for **food stamps** to provide a total of $107,017,992 of federal funds		$1,177,333	$1,177,333
8. Increases federal funding for the low-income home energy assistance program **(LIHEAP)** to provide a total of $40,540,430 of federal funds		$4,033,861	$4,033,861
9. Continues providing general fund support for the **Devils Lake Child Support Enforcement Unit** in the amount of $215,016, the same as the 2005-07 biennium			$0
10. Adds operating expense funding for **child support enforcement** relating to a parental employment project, a receivables project, an electronic parent locator network, and medical insurance matching	$197,810	$168,300	$366,110
11. Transfers the **children's special health services** program to the State Department of Health, including 8 FTE positions	($949,241)	($1,120,339)	($2,069,580)
12. Provides $382,231,740, of which $118,873,801 is from the general fund and retained funds for medical assistance grants in the **medical services** program compared to $369,706,833 provided for the 2005-07 biennium, of which $101,239,259 is from the general fund and retained funds. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes for medical assistance grants in the **medical services** program, including the cost of continuing the July 2006 inflationary increase for providers of 2.65 percent for both years of the 2007-09 biennium	$4,648,142	($4,208,204)	$439,938
Adds additional general fund support for medical assistance grants in the **medical services** program as a result of FMAP changes and the removal of funding from the health care trust fund	$3,540,752	($3,540,752)	$0
Provides for inflationary increases of 3 percent for each year of the 2007-09 biennium for **medical service providers**	$3,931,101	$8,153,868	$12,084,969
13. Increases funding for **Healthy Steps** (children's health insurance program) to provide a total of $19,690,305, of which $4,965,555 is from the general fund to provide health insurance coverage for an average of 3,958 children at a monthly premium of $207.31	$2,046,142	$5,568,621	$7,614,763

14. Includes $19,149,615 from the general fund for making Medicare Part D prescription drug **"clawback" payments** to the federal government for the estimated prescription drug costs paid by Medicare for individuals eligible for both Medicare and Medicaid. During the 2005-07 biennium, the payments were made for 18 months (January 2006 through June 2007). The payments will be made for 24 months in 2007-09.	$3,297,906		$3,297,906
15. Provides $378,455,376, of which $136,360,652 is from the general fund for **nursing facility care** under the long-term care program compared to $343,013,040, of which $120,807,641 is from the general fund provided for the 2005-07 biennium. Major components of the additional funding are listed below:			
Adds funding for **cost and caseload/utilization changes** for nursing homes, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$8,485,881	$15,758,612	$24,244,493
Adds funding for **rebasing** nursing home rates effective January 1, 2009, pursuant to North Dakota Century Code Section 50-24.4-10	$375,175	$626,625	$1,001,800
Adds general fund support for nursing homes as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$3,016,472	($3,016,472)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for nursing homes	$3,479,535	$6,172,510	$9,652,045
Adds funding to change the nursing home **rebasing** formula to use the RS means construction index rather than the consumer price index	$195,948	$348,050	$543,998
16. Provides $14,401,246, of which $6,323,372 is from the general fund for **basic care** services compared to $13,301,971, of which $5,374,918 is from the general fund for the 2005-07 biennium. Major components of the additional funding are listed below:			
Adds funding for **cost and caseload/utilization changes** for basic care, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$505,014	$272,834	$777,848
Adds additional general fund support for basic care as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$216,537	($216,537)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for basic care facilities	$226,903	$94,524	$321,427
17. Reduces funding for service payments for the elderly and disabled **(SPED) and expanded SPED** to $9,769,510, of which $9,314,437 is from the general fund compared to the 2005-07 biennium appropriation of $13,859,300, of which $12,839,169 is from the general fund. Major changes include:			
Reduces funding for **cost and caseload/utilization changes** for SPED and expanded SPED and includes the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	($4,077,388)	($429,844)	($4,507,232)
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for SPED and expanded SPED providers	$398,025	$19,417	$417,442
18. Provides $5,007,179, of which $1,757,075 is from the general fund for the **aged and disabled waiver**. The additional funding reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary increase for each year of the 2007-09 biennium.	$595,349	$1,011,927	$1,607,276
19. Reduces funding for **targeted case management** to $892,602, of which $321,632 is from the general fund. The reduction reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary	($403,559)	($768,532)	($1,172,091)

increase for each year of the 2007-09 biennium.			
20. Increases funding for the **personal care option** to $19,357,368, of which $6,974,676 is from the general fund. The additional funding reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary increase for each year of the 2007-09 biennium.	$1,528,318	$2,320,666	$3,848,984
21. Provides $267,128,377, of which $96,812,766 is from the general fund for **developmental disabilities services** under the long-term care program compared to $211,329,320, of which $74,502,161 is from the general fund provided for the 2005-07 biennium. Major components of the additional funding are:			
Adds funding for **cost and caseload/utilization changes** for developmental disabilities services, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$10,932,195	$22,992,798	$33,924,993
Adds general fund support for developmental disabilities services as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$3,436,146	($3,436,146)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for developmental disabilities service providers	$4,057,735	$7,128,142	$11,185,877
Provides for **increasing the average wage** of employees of developmental disabilities service providers by 60 cents per hour. The 2005 Legislative Assembly added funding to increase the average wage of these employees by 15 cents for the first year of the 2005-07 biennium and by an additional 20 cents for the second year.	$3,884,529	$6,804,874	$10,689,403
22. Adds funding to register and conduct background checks on certified nurse aides	$75,081	$225,176	$300,257
23. Increases **state matching** funds for Title III aging services funds to provide a total of $1,000,000	$280,000		$280,000
24. Provides $59,965,754, of which $8,867,456 is from the general fund for **foster care** services compared to the 2005-07 biennium appropriation of $58,311,009, of which $9,433,499 is from the general fund. Major components of the additional funding are:			
Reduces funding for **cost and caseload/utilization changes** for foster care services, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	($1,615,374)	$1,090,065	($525,309)
Adds general fund support for foster care services as a result of **FMAP** changes and the removal of funding from **the health care trust fund**	$597,912	($597,912)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for foster care providers	$451,419	$1,728,635	$2,180,054
25. Provides $14,620,467, of which $6,038,361 is from the general fund for **subsidized adoption** compared to the 2005-07 biennium appropriation of $10,970,862, of which $4,237,273 is from the general fund. The additional funding reflects cost and caseload/utilization changes and FMAP changes.	$1,801,088	$1,848,517	$3,649,605
26. Adds funding to recruit and retain foster homes	$112,500	$37,500	$150,000
27. Phases in a community-based **sex offender treatment** program to provide services for up to 140 offenders	$2,774,562		$2,774,562
28. Adds funding for a second residential treatment center for providing **methamphetamine treatment** services for 24 months of the 2007-09 biennium	$700,000		$700,000
29. Increases funding for **corporate guardianship** for individuals with developmental disabilities	$483,860		$483,860
30. Provides $1,131,457 for **independent living centers**, of which $296,040 is from the general fund	$4,040	$32,878	$36,918

State Hospital			
1. Reduces funding for salaries and wages in the traditional services program in anticipation of **salary savings** from vacant positions and employee turnover	($1,059,046)		($1,059,046)
2. Adds 1 FTE security position in the secure services unit	$98,102	$2,053	$100,155
3. Adds 1 FTE vocational training position in the secure services unit	$69,028	$1,445	$70,473
4. Provides funding to continue the 19 FTE positions approved by the Emergency Commission during the 2005-07 biennium and related operating expenses for the State Hospital's **secure services unit** (sex offender treatment program)	$2,191,341	$158,432	$2,349,773
5. Expands the State Hospital's **secure services unit** by an additional 20 beds for a total of 82 beds. An additional 17 FTE positions are included at a cost of $1,102,904 and related operating expenses of $206,837.	$1,309,741		$1,309,741
6. Provides funding to construct a **high security addition** to the GM building at the State Hospital for individuals requiring a high level of security within the secure services unit **(executive budget identified as one-time funding)**	$3,100,000		$3,100,000
7. Reduces funding for **extraordinary repairs** from $412,600 in 2005-07 to $180,000 in 2007-09 (see No. 8 directly below)	($232,600)		($232,600)
8. Provides additional funding for **extraordinary repairs (executive budget identified as one-time funding)**	$1,153,500		$1,153,500
9. Provides funding for the following **capital improvement** projects at the State Hospital: upgrading the electrical service - $2,498,757, road improvements - $614,000, and lift station repairs - $250,000 **(executive budget identified as one-time funding)**	$3,362,757		$3,362,757
Developmental Center			
1. Reduces funding for salaries and wages in anticipation of **salary savings** from vacant positions and employee turnover	($1,047,908)		($1,047,908)
2. Provides funding for **capital improvements**, including roof repairs, flooring replacements, road repairs, steam distribution repairs, heating plant electrical panel replacement, etc. **(executive budget identified as one-time funding)**	$947,092	$51,108	$998,200
3. Provides funding for **extraordinary repairs (executive budget identified as one-time funding)**	$600,000		$600,000
4. Provides funding for **equipment** purchases **(executive budget identified as one-time funding)**	$80,782	$11,858	$92,640
Human Service Centers			
1. Removes 1.15 FTE infant development positions at the Northeast Human Service Center and a .6 FTE infant development position at the South Central Human Service Center. The services are being provided by private contract providers in these regions.			$0
2. Includes funding for paying accrued annual leave and sick leave of human service center employees anticipated to retire during the 2007-09 biennium	$102,056	$100,312	$202,368
3. Adds funding for the following human service centers to enhance **drug court activities**:			
North Central - 1 FTE	$64,227	$25,027	$89,254
Northeast - 1 FTE - $95,934 and operating expenses - $1,116	$58,232	$38,818	$97,050
Southeast - 1 FTE	$94,070	$4,164	$98,234
West Central - 1 FTE - $100,002 and operating expenses - $3,373	$84,395	$18,980	$103,375
4. Adds funding to increase the **service capacity** at the following centers:			
Lake Region - 1 FTE human service aide II that was previously a temporary position	$23,286		$23,286

Northeast - 1 FTE SMI case manager - $81,596 and operating expenses for contracting for additional crisis beds - $651,016	$541,912	$190,700	$732,612
Southeast - 1 FTE addiction counselor for the Off Main program - $98,234 and 3 FTE SMI case managers that were previously temporary positions - $255,396	$165,031	$188,599	$353,630
West Central - Operating expenses for providing additional adolescent residential substance abuse treatment services	$95,800		$95,800
5. Adds 1 FTE sexual abuse therapist at the **Southeast Human Service Center** for the treatment of adolescent sex offenders in the southeast region	$89,900	$9,990	$99,890
6. Adds funding to contract for community residential services at the **South Central Human Service Center** as an alternative to admission to the State Hospital	$1,480,474	$24,130	$1,504,604
7. Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for contract providers of the human service centers as follows:			
Northwest	$61,124		$61,124
North Central	$136,712		$136,712
Lake Region	$89,263		$89,263
Northeast	$101,088	$12,494	$113,582
Southeast	$183,962		$183,962
South Central	$87,751	$30,831	$118,582
West Central	$87,875	$49,430	$137,305
Badlands	$41,741	$422	$42,163

Other Sections in Bill

Senate Bill No. 2012

Section 4 authorizes the department to transfer appropriation authority between line items and subdivisions of the bill during the 2007-09 biennium, the same authority provided during the 2005-07 biennium. The section also authorizes the department to increase its number of FTE positions over the number authorized by the Legislative Assembly for the 2007-09 biennium. This authorization was not provided for the 2005-07 biennium.

Sections 5 through 11 relate to the transfer of the children's special health services program from the Department of Human Services to the State Department of Health as recommended in the executive budget.

Senate Bill No. 2024

Sections 2 and 3 allow the department to continue the unspent 2005-07 biennium appropriation authority relating to the MMIS computer project.

Continuing Appropriations

Child support collection and disbursement - NDCC Section 14-09-25 - Allows the department to receive child support payments and provide the funds to the custodial parent or appropriate governmental entity for those custodial parents receiving governmental assistance.

Child support improvement account - NDCC Section 50-09-15.1 - Allows the department to receive federal child support incentive funds and spend the funds in accordance with its business plan to improve the child support collection process.

Major Related Legislation

Senate Bill No. 2041 - This bill appropriates $110,000 of federal TANF block grant funds to the Department of Human Services to establish a voucher system for providing a reduced marriage license fee for individuals completing premarital counseling.

Senate Bill No. 2066 - This bill continues the moratorium on the expansion of bed capacity of residential treatment centers and residential child care facilities for children that is scheduled to expire on July 31, 2007.

Senate Bill No. 2069 - This bill makes changes to self-employment income eligibility determinations for Healthy Steps--the children's health insurance program.

Senate Bill No. 2070 - This bill appropriates $840,000, of which $40,000 is from the general fund and $800,000 of federal funds, to the Department of Human Services to establish and operate an aging and disability resource center.

Senate Bill No. 2071 - This bill changes Medicaid provisions relating to transfers involving annuities.

Senate Bill No. 2109 - This bill continues the moratorium on the expansion of basic care bed capacity and nursing facility bed capacity that is scheduled to expire on July 31, 2007.

Senate Bill No. 2124 - This bill makes changes to Medicaid provisions relating to long-term care insurance policies and estate recoveries.

Senate Bill No. 2132 - This bill authorizes the Department of Human Services to recover medical assistance benefits paid on behalf of a recipient from responsible third-party payers.

Senate Bill No. 2133 - This bill provides for consumer-directed care for medical assistance recipients.

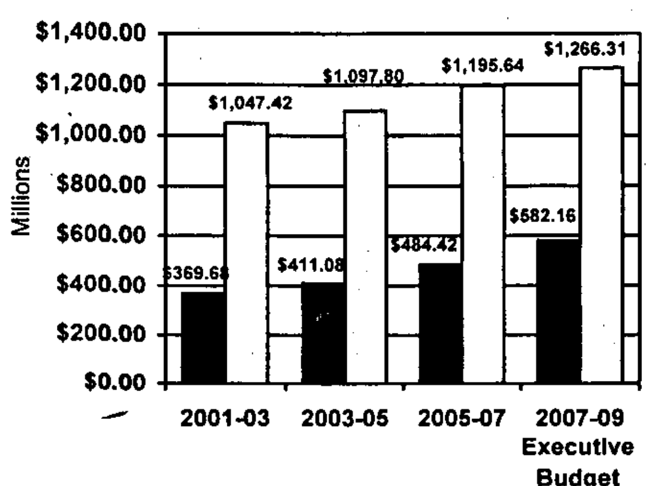
Senate Bill No. 2136 - This bill transfers the State Hospital's sex offender treatment program from the Department of Human Services to the Department of Corrections and Rehabilitation during the 2007-09 biennium.

House Bill No. 1047 - This bill changes the income eligibility limit of Healthy Steps--the children's health insurance program--from 140 to 200 percent of poverty.

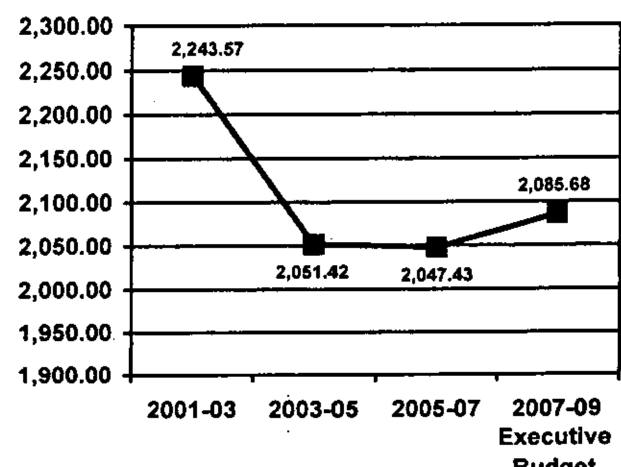
Department 325 - Department of Human Services
Senate Bill Nos. 2012 and 2024

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	2,085.68	$582,160,899	$1,266,310,102	$1,848,471,001
2005-07 Legislative Appropriations	2,047.43	484,421,474	1,195,640,833	1,680,062,307
Increase (Decrease)	38.25	$97,739,425	$70,669,269	$168,408,694

Agency Funding



FTE Positions



First House Action

Attached is a summary of first house changes.

Executive Budget Highlights (With First House Changes in Bold)

Departmentwide	General Fund	Other Funds	Total
1. Reflects the additional state matching funds required due to changes in the state's federal medical assistance percentage (**FMAP**). The FMAP determines the federal and state share of Medicaid, foster care, and other program expenditures. North Dakota's FMAP is decreasing from 64.72 percent in federal fiscal year 2007 to 63.75 percent in federal fiscal year 2008, and then increasing to an estimated 64.08 percent in federal fiscal year 2009. These changes are also reflected in selected program amounts below.	$9,120,000	($9,120,000)	$0
2. Adds general fund support to continue programs funded from the **health care trust fund** in the 2005-07 biennium. These changes are also reflected in selected program amounts below.	$3,200,000	($3,200,000)	$0
3. Adds general fund support to replace an anticipated reduction in the federal social services block grant	$1,385,023	($1,385,023)	$0
4. Provides **inflationary increases** to the department's service providers of 3 percent for each year of the biennium. The 2005 Legislative Assembly approved 2.65 percent annual inflationary increases for the 2005-07 biennium. These increases are also reflected in selected program amounts below. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$14,126,950	$24,148,237	$38,275,187

Management	General Fund	Other Funds	Total
1. Provides funding in Senate Bill No. 2024 for additional costs of rewriting the Medicaid management information system (**MMIS**) computer application. The 2005 Legislative Assembly provided	$3,643,133	$27,429,508	$31,072,641

$29.2 million, of which the state matching share of $3.7 million is from the permanent oil tax trust fund. The 2005-07 funding is recommended to be continued in the 2007-09 biennium by Section 2 of Senate Bill No. 2024.			
2. Includes funding for developing a **client information sharing computer system**	$423,800	$576,200	$1,000,
3. Includes funding for paying accrued annual leave and sick leave of employees anticipated to retire during the 2007-09 biennium	$58,255	$45,035	$103,290
Program and Policy			
1. Removes 1 FTE in economic assistance policy not requested by the agency			$0
2. Includes funding for paying accrued annual leave and sick leave of employees anticipated to retire during the 2007-09 biennium	$81,036	$186,297	$267,333
3. Provides $3,536,807, of which $1,572,200 is from the general fund and $1,964,607 is from retained funds for the **Indian county allocation**. The grants are provided at 100 percent of the excess costs calculated, pursuant to North Dakota Century Code Section 50-01.2-03.2(3). **Senate Bill No. 2205 (state administration of child support enforcement) reduces amounts needed for Indian county allocation.**	$425,026		$425,026
4. Reduces funding for temporary assistance for needy families **(TANF)** to $22,439,980, of which $4,314,942 is from the general fund and $6,174,667 is retained funds. The funding level is anticipated to provide services for an average monthly caseload of 2,750 and to provide an average monthly payment of $340 per case.	$376,500	($2,196,520)	($1,820,020)
5. Provides $3,000,000 of federal funds for job opportunities and basic skills **(JOBS)** transportation grants compared to the $2,544,480 appropriated for the 2005-07 biennium		$455,520	$455,520
6. Provides $21,136,608, of which $5,225,819 is from retained funds and the remainder from federal funds for **child care** grants. The change reflects an additional $998,924 of retained funds and a $1,825,440 reduction in federal funds.		($826,516)	($826,5
7. Increases federal funding for **food stamps** to provide a total of $107,017,992 of federal funds		$1,177,333	$1,177,333
8. Increases federal funding for the low-income home energy assistance program **(LIHEAP)** to provide a total of $40,540,430 of federal funds		$4,033,861	$4,033,861
9. Continues providing general fund support for the **Devils Lake Child Support Enforcement Unit** in the amount of $215,016, the same as the 2005-07 biennium. **Senate Bill No. 2205 (state administration of child support enforcement) affects amounts needed for these payments.**			$0
10. Adds operating expense funding for **child support enforcement** relating to a parental employment project, a receivables project, an electronic parent locator network, and medical insurance matching	$197,810	$168,300	$366,110
11. Transfers the **children's special health services** program to the State Department of Health, including 8 FTE positions	($949,241)	($1,120,339)	($2,069,580)
12. Provides $382,231,740, of which $118,873,801 is from the general fund and retained funds for medical assistance grants in the **medical services** program compared to $369,706,833 provided for the 2005-07 biennium, of which $101,239,259 is from the general fund and retained funds. Major components of the additional funding are listed below:			
Adds funding for cost and caseload/utilization changes for medical assistance grants in the **medical services** program, including the cost of continuing the July 2006 inflationary increase for providers of 2.65 percent for both years of the 2007-09 biennium	$4,648,142	($4,208,204)	$439,938
Adds additional general fund support for medical assistance grants in the **medical services** program as a	$3,540,752	($3,540,752)	$0

Description			
result of FMAP changes and the removal of funding from the health care trust fund			
Provides for inflationary increases of 3 percent for each year of the 2007-09 biennium for **medical service providers. The Senate added funding to provide for 4 percent annual inflationary increases and other Medicaid enhancements.**	$3,931,101	$8,153,868	$12,084,969
13. Increases funding for **Healthy Steps** (children's health insurance program) to provide a total of $19,690,305, of which $4,965,555 is from the general fund to provide health insurance coverage for an average of 3,958 children at a monthly premium of $207.31. **The Senate added funding for a number of enhancements to the Healthy Steps program.**	$2,046,142	$5,568,621	$7,614,763
14. Includes $19,149,615 from the general fund for making Medicare Part D prescription drug **"clawback" payments** to the federal government for the estimated prescription drug costs paid by Medicare for individuals eligible for both Medicare and Medicaid. During the 2005-07 biennium, the payments were made for 18 months (January 2006 through June 2007). The payments will be made for 24 months in 2007-09.	$3,297,906		$3,297,906
15. Provides $378,455,376, of which $136,360,652 is from the general fund for **nursing facility care** under the long-term care program compared to $343,013,040, of which $120,807,641 is from the general fund provided for the 2005-07 biennium. Major components of the additional funding are listed below:			
Adds funding for **cost and caseload/utilization changes** for nursing homes, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$8,485,881	$15,758,612	$24,244,493
Adds funding for **rebasing** nursing home rates effective January 1, 2009, pursuant to North Dakota Century Code Section 50-24.4-10	$375,175	$626,625	$1,001,800
Adds general fund support for nursing homes as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$3,016,472	($3,016,472)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for nursing homes. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$3,479,535	$6,172,510	$9,652,045
Adds funding to change the nursing home **rebasing** formula to use the RS means construction index rather than the consumer price index	$195,948	$348,050	$543,998
16. Provides $14,401,246, of which $6,323,372 is from the general fund for **basic care** services compared to $13,301,971, of which $5,374,918 is from the general fund for the 2005-07 biennium. Major components of the additional funding are listed below:			
Adds funding for **cost and caseload/utilization changes** for basic care, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$505,014	$272,834	$777,848
Adds additional general fund support for basic care as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$216,537	($216,537)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for basic care facilities. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$226,903	$94,524	$321,427
17. Reduces funding for service payments for the elderly and disabled **(SPED) and expanded SPED** to $9,769,510, of which $9,314,437 is from the general fund compared to the 2005-07 biennium appropriation of $13,859,300, of which $12,839,169 is from the general fund. Major changes include:			
Reduces funding for **cost and caseload/utilization changes** for SPED and expanded SPED and includes the cost of continuing the July 2006 inflationary increase of	($4,077,388)	($429,844)	($4,507,232)

2.65 percent for both years of the 2007-09 biennium			
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for SPED and expanded SPED providers. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$398,025	$19,417	$417,442
18. Provides $5,007,179, of which $1,757,075 is from the general fund for the **aged and disabled waiver**. The additional funding reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary increase for each year of the 2007-09 biennium. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$595,349	$1,011,927	$1,607,2.
19. Reduces funding for **targeted case management** to $892,602, of which $321,632 is from the general fund. The reduction reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary increase for each year of the 2007-09 biennium. **The Senate added funding to provide for 4 percent annual inflationary increases.**	($403,559)	($768,532)	($1,172,091)
20. Increases funding for the **personal care option** to $19,357,368, of which $6,974,676 is from the general fund. The additional funding reflects cost and caseload/utilization changes, the cost of continuing the July 2006 inflationary increase for both years of the 2007-09 biennium, FMAP and health care trust fund changes, and the cost of providing a 3 percent inflationary increase for each year of the 2007-09 biennium. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$1,528,318	$2,320,666	$3,848,984
21. Provides $267,128,377, of which $96,812,766 is from the general fund for **developmental disabilities services** under the long-term care program compared to $211,329,320, of which $74,502,161 is from the general fund provided for the 2005-07 biennium. Major components of the additional funding are:			
Adds funding for **cost and caseload/utilization changes** for developmental disabilities services, including the cost of continuing the July 2006 inflationary increase of 2.65 percent for both years of the 2007-09 biennium	$10,932,195	$22,992,798	$33,924,993
Adds general fund support for developmental disabilities services as a result of **FMAP** changes and the removal of funding from the **health care trust fund**	$3,436,146	($3,436,146)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for developmental disabilities service providers. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$4,057,735	$7,128,142	$11,185,877
Provides for **increasing the average wage** of employees of developmental disabilities service providers by 60 cents per hour. The 2005 Legislative Assembly added funding to increase the average wage of these employees by 15 cents for the first year of the 2005-07 biennium and by an additional 20 cents for the second year.	$3,884,529	$6,804,874	$10,689,403
22. Adds funding to register and conduct background checks on certified nurse aides. **The Senate removed this funding.**	$75,081	$225,176	$300,257
23. Increases **state matching** funds for Title III aging services funds to provide a total of $1,000,000	$280,000		$280,000
24. Provides $59,965,754, of which $8,867,456 is from the general fund for **foster care** services compared to the 2005-07 biennium appropriation of $58,311,009, of which $9,433,499 is from the general fund. Major components of the additional funding are:			
Reduces funding for **cost and caseload/utilization changes** for foster care services, including the cost of continuing the July 2006 inflationary increase of	($1,615,374)	$1,090,065	($525,309)

2.65 percent for both years of the 2007-09 biennium			
Adds general fund support for foster care services as a result of **FMAP** changes and the removal of funding from **the health care trust fund**	$597,912	($597,912)	$0
Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for foster care providers. **The Senate added funding to provide for 4 percent annual inflationary increases.**	$451,419	$1,728,635	$2,180,054
25. Provides $14,620,467, of which $6,038,361 is from the general fund for **subsidized adoption** compared to the 2005-07 biennium appropriation of $10,970,862, of which $4,237,273 is from the general fund. The additional funding reflects cost and caseload/utilization changes and FMAP changes.	$1,801,088	$1,848,517	$3,649,605
26. Adds funding to recruit and retain foster homes	$112,500	$37,500	$150,000
27. Phases in a community-based **sex offender treatment** program to provide services for up to 140 offenders	$2,774,562		$2,774,562
28. Adds funding for a second residential treatment center for providing **methamphetamine treatment** services for 24 months of the 2007-09 biennium. **The senate added a section that this funding be used to expand the number of residents that may be served at the Robinson Recovery Center.**	$700,000		$700,000
29. Increases funding for **corporate guardianship** for individuals with developmental disabilities	$483,860		$483,860
30. Provides $1,131,457 for **independent living centers**, of which $296,040 is from the general fund. **The Senate added $500,000 from the general fund for the independent living centers.**	$4,040	$32,878	$36,918
State Hospital			
1. Reduces funding for salaries and wages in the traditional services program in anticipation of **salary savings** from vacant positions and employee turnover	($1,059,046)		($1,059,046)
2. Adds 1 FTE security position in the secure services unit. **In addition, the Senate added 1.5 FTE security positions.**	$98,102	$2,053	$100,155
3. Adds 1 FTE vocational training position in the secure services unit	$69,028	$1,445	$70,473
4. Provides funding to continue the 19 FTE positions approved by the Emergency Commission during the 2005-07 biennium and related operating expenses for the State Hospital's **secure services unit** (sex offender treatment program)	$2,191,341	$158,432	$2,349,773
5. Expands the State Hospital's **secure services unit** by an additional 20 beds for a total of 82 beds. An additional 17 FTE positions are included at a cost of $1,102,904 and related operating expenses of $206,837.	$1,309,741		$1,309,741
6. Provides funding to construct a **high security addition** to the GM building at the State Hospital for individuals requiring a high level of security within the secure services unit **(executive budget identified as one-time funding)**	$3,100,000		$3,100,000
7. Reduces funding for **extraordinary repairs** from $412,600 in 2005-07 to $180,000 in 2007-09 (see No. 8 directly below)	($232,600)		($232,600)
8. Provides additional funding for **extraordinary repairs (executive budget identified as one-time funding)**	$1,153,500		$1,153,500
9. Provides funding for the following **capital improvement** projects at the State Hospital: upgrading the electrical service - $2,498,757, road improvements - $614,000, and lift station repairs - $250,000 **(executive budget identified as one-time funding)**	$3,362,757		$3,362,757
Developmental Center			
1. Reduces funding for salaries and wages in anticipation of **salary savings** from vacant positions and employee turnover	($1,047,908)		($1,047,908)
2. Provides funding for **capital improvements**, including roof repairs, flooring replacements, road repairs, steam distribution	$947,092	$51,108	$998,200

repairs, heating plant electrical panel replacement, etc. **(executive budget identified as one-time funding)**			
3. Provides funding for **extraordinary repairs (executive budget identified as one-time funding)**	$600,000		$600,000
4. Provides funding for **equipment** purchases **(executive budget identified as one-time funding)**	$80,782	$11,858	$92,
Human Service Centers			
1. Removes 1.15 FTE infant development positions at the Northeast Human Service Center and a .6 FTE infant development position at the South Central Human Service Center. The services are being provided by private contract providers in these regions.			$0
2. Includes funding for paying accrued annual leave and sick leave of human service center employees anticipated to retire during the 2007-09 biennium	$102,056	$100,312	$202,368
3. Adds funding for the following human service centers to enhance **drug court activities**:			
North Central - 1 FTE	$64,227	$25,027	$89,254
Northeast - 1 FTE - $95,934 and operating expenses - $1,116	$58,232	$38,818	$97,050
Southeast - 1 FTE	$94,070	$4,164	$98,234
West Central - 1 FTE - $100,002 and operating expenses - $3,373	$84,395	$18,980	$103,375
4. Adds funding to increase the **service capacity** at the following centers:			
Lake Region - 1 FTE human service aide II that was previously a temporary position	$23,286		$23,286
Northeast - 1 FTE SMI case manager - $81,596 and operating expenses for contracting for additional crisis beds - $651,016	$541,912	$190,700	$732,612
Southeast - 1 FTE addiction counselor for the Off Main program - $98,234 and 3 FTE SMI case managers that were previously temporary positions - $255,396	$165,031	$188,599	$353,6
West Central - Operating expenses for providing additional adolescent residential substance abuse treatment services	$95,800		$95,800
5. Adds 1 FTE sexual abuse therapist at the **Southeast Human Service Center** for the treatment of adolescent sex offenders in the southeast region	$89,900	$9,990	$99,890
6. Adds funding to contract for community residential services at the **South Central Human Service Center** as an alternative to admission to the State Hospital	$1,480,474	$24,130	$1,504,604
7. Provides for **inflationary increases** of 3 percent for each year of the 2007-09 biennium for contract providers of the human service centers as follows:			
Northwest	$61,124		$61,124
North Central	$136,712		$136,712
Lake Region	$89,263		$89,263
Northeast	$101,088	$12,494	$113,582
Southeast	$183,962		$183,962
South Central	$87,751	$30,831	$118,582
West Central	$87,875	$49,430	$137,305
Badlands	$41,741	$422	$42,163

The Senate added funding to provide for 4 percent annual inflationary increases.

Other Sections in Bill

enate Bill No. 2012

Section 4 authorizes the department to transfer appropriation authority between line items and subdivisions of the bill during the 2007-09 biennium, the same authority provided during the 2005-07 biennium. The section also authorizes the department to increase its number of FTE positions over the number authorized by the Legislative Assembly for the 2007-09 biennium. This authorization was not provided for the 2005-07 biennium.

Sections 5 through 11 relate to the transfer of the children's special health services program from the Department of Human Services to the State Department of Health as recommended in the executive budget.

Senate Bill No. 2024

Sections 2 and 3 allow the department to continue the unspent 2005-07 biennium appropriation authority relating to the MMIS computer project.

Continuing Appropriations

Child support collection and disbursement - NDCC Section 14-09-25 - Allows the department to receive child support payments and provide the funds to the custodial parent or appropriate governmental entity for those custodial parents receiving governmental assistance.

Child support improvement account - NDCC Section 50-09-15.1 - Allows the department to receive federal child support incentive funds and spend the funds in accordance with its business plan to improve the child support collection process.

Major Related Legislation

Senate Bill No. 2041 - This bill appropriates $110,000 of federal TANF block grant funds to the Department of Human Services to establish a voucher system for providing a reduced marriage license fee for individuals completing premarital counseling.

Senate Bill No. 2066 - This bill continues the moratorium on the expansion of bed capacity of residential treatment centers and residential child care facilities for children that is scheduled to expire on July 31, 2007. The bill allows additional beds if designated for out-of-state children.

Senate Bill No. 2069 - This bill makes changes to self-employment income eligibility determinations for Healthy Steps--the children's health insurance program.

Senate Bill No. 2070 - This bill appropriates $840,000, of which $40,000 is from the general fund and $800,000 of federal funds, to the Department of Human Services to establish and operate an aging and disability resource center.

Senate Bill No. 2071 - This bill changes Medicaid provisions relating to transfers involving annuities.

Senate Bill No. 2109 - This bill continues the moratorium on the expansion of basic care bed capacity and nursing facility bed capacity that is scheduled to expire on July 31, 2007.

Senate Bill No. 2124 - This bill makes changes to Medicaid provisions relating to long-term care insurance policies and estate recoveries.

Senate Bill No. 2129 - This bill establishes fees for child support services.

Senate Bill No. 2132 - This bill authorizes the Department of Human Services to recover medical assistance benefits paid on behalf of a recipient from responsible third-party payers.

Senate Bill No. 2133 - This bill provides for consumer-directed care for medical assistance recipients.

Senate Bill No. 2136 - This bill provides that the Department of Corrections and Rehabilitation provide safety and security services at the State Hospital's sex offender treatment program.

House Bill No. 1047 - This bill changes the income eligibility limit of Healthy Steps--the children's health insurance program--from 140 to 200 percent of poverty.

Senate Bill No. 2186 - This bill appropriates $1.9 million from the general fund to the Department of Human Services for early childhood care workforce development and for the establishment of a quality improvement rating system for early childhood care facilities.

Senate Bill No. 2205 - This bill appropriates $12,796,830, of which $7,181,707 is from the **permanent oil tax trust fund** to the Department of Human Services for state administration of regional child support enforcement units. The provisions of the bill result in an additional 122.6 FTE positions being added to the Department of Human Services.

Senate Bill No. 2312 - This bill appropriates $400,000 from the temporary assistance for needy families (TANF) block grant to the Department of Human Services for continuing the alternatives-to-abortion services program.

Senate Bill No. 2326 - This bill appropriate $2,733,767, of which $1,059,932 is from the general fund to the Department of Human Services for establishing and implementing a Medicaid buy-in program for families of children with disabilities and for the Medicaid waiver to provide in-home services to children with extraordinary medical needs. The department is authorized 1 FTE position for these programs.

House Bill No. 1246 - This bill appropriates $3,193,061, of which $1,150,106 is from the general fund to the Department of Human Services for increasing payment rates for dentists under the medical assistance program.

House Bill No. 1390 - This bill requires the department to provide liability coverage for family foster care homes for damage caused by a foster child.

House Bill No. 1404 - This bill provides for a Legislative Council study of the medical assistance program.

House Bill No. 1431 - This bill precludes dentists from dispensing substitute epilepsy drugs.

House Bill No. 1459 - This bill appropriates $1,933,500 from the general fund to the Department of Human Services for extraordinary repairs at the State Hospital and Developmental Center.

House Bill No. 1463 - This bill raises Medicaid income eligibility for children under age 19 to 133 percent of poverty and net income eligibility for the children's health insurance program to 150 percent of poverty.

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Funding Summary

	Executive Budget	Senate Changes	Senate Version
DHS - Management			
Salaries and wages	$11,723,883		$11,723,883
Operating expenses	32,374,022		32,374,022
Capital assets	285		285
Total all funds	$44,098,190	$0	$44,098,190
Less estimated income	23,085,165	0	23,085,165
General fund	$21,013,025	$0	$21,013,025
FTE	102.10	0.00	102.10
DHS - Program/Policy			
Salaries and wages	$25,593,565	$75,046	$25,668,611
Operating expenses	65,561,106	795,831	66,356,937
Capital assets	399		399
Grants	339,435,262	2,341,461	341,776,723
Grants - Medical assistance	1,101,375,452	37,433,908	1,138,809,360
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
FTE	230.30	1.00	231.30
DHS - State Hospital			
Traditional	$52,371,738		$52,371,738
Secure	12,587,384		12,587,384
Institutions		167,482	167,482
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310	0	15,888,310
General fund	$49,070,812	$167,482	$49,238,294
FTE	465.01	1.50	466.51
DHS - Developmental Center			
Human service centers/institutions	$48,456,612		$48,456,612
Total all funds	$48,456,612	$0	$48,456,612
Less estimated income	33,243,690	0	33,243,690
General fund	$15,212,922	$0	$15,212,922
FTE	449.54	0.00	449.54
DHS - Northwest HSC			
Human service centers/institutions	$7,525,581	$20,375	$7,545,956
Total all funds	$7,525,581	$20,375	$7,545,956
Less estimated income	3,136,258	0	3,136,258
General fund	$4,389,323	$20,375	$4,409,698
FTE	45.75	0.00	45.75
DHS - North Central HSC			
Human service centers/institutions	$16,842,742	$45,571	$16,888,313
Total all funds	$16,842,742	$45,571	$16,888,313
Less estimated income	7,917,967	0	7,917,967
General fund	$8,924,775	$45,571	$8,970,346

FTE	117.78	0.00	117.78
DHS - Lake Region HSC			
Human service centers/institutions	$9,853,344	$29,754	$9,883,098
Total all funds	$9,853,344	$29,754	$9,883,098
Less estimated income	4,417,334	0	4,417,334
General fund	$5,436,010	$29,754	$5,465,764
FTE	62.25	0.00	62.25
DHS - Northeast HSC			
Human service centers/institutions	$22,192,605	$37,861	$22,230,466
Total all funds	$22,192,605	$37,861	$22,230,466
Less estimated income	12,256,322	4,165	12,260,487
General fund	$9,936,283	$33,696	$9,969,979
FTE	137.10	0.00	137.10
DHS - Southeast HSC			
Human service centers/institutions	$26,145,474	$61,321	$26,206,795
Total all funds	$26,145,474	$61,321	$26,206,795
Less estimated income	14,296,599	0	14,296,599
General fund	$11,848,875	$61,321	$11,910,196
FTE	183.35	0.00	183.35
DHS - South Central HSC			
Human service centers/institutions	$14,741,738	$39,527	$14,781,265
Total all funds	$14,741,738	$39,527	$14,781,265
Less estimated income	6,450,546	10,277	6,460,823
General fund	$8,291,192	$29,250	$8,320,442
FTE	87.00	0.00	87.00
DHS - West Central HSC			
Human service centers/institutions	$20,768,172	$45,769	$20,813,941
Total all funds	$20,768,172	$45,769	$20,813,941
Less estimated income	10,327,232	16,477	10,343,709
General fund	$10,440,940	$29,292	$10,470,232
FTE	131.55	0.00	131.55
DHS - Badlands HSC			
Human service centers/institutions	$9,848,996	$14,054	$9,863,050
Total all funds	$9,848,996	$14,054	$9,863,050
Less estimated income	4,845,616	140	4,845,756
General fund	$5,003,380	$13,914	$5,017,294
FTE	73.95	0.00	73.95
Bill Total			
Total all funds	$1,817,398,360	$41,107,960	$1,858,506,320
Less estimated income	1,238,880,594	24,283,507	1,263,164,101
General fund	$578,517,766	$16,824,453	$595,342,219
FTE	2085.68	2.50	2088.18

Senate Bill No. 2012 - DHS - Management - Senate Action

The Senate did not change the executive recommendation for the Management Subdivision.

Senate Bill No. 2012 - DHS - Program/Policy - Senate Action

	Executive Budget	Senate Changes[1]	Senate Version
Salaries and wages	$25,593,565	$75,046	$25,668,611
Operating expenses	65,561,106	795,831	66,356,937
Capital assets	399		399
Grants	339,435,262	2,341,461	341,776,723
Grants - Medical assistance	1,101,375,452	37,433,908	1,138,809,360
Total all funds	$1,531,965,784	$40,646,246	$1,572,612,030
Less estimated income	1,103,015,555	24,252,448	1,127,268,003
General fund	$428,950,229	$16,393,798	$445,344,027
FTE	230.30	1.00	231.30

[1] Program and Policy - Senate changes:	FTE	General Fund	Estimated Income	Total
Economic Assistance Policy Program				
No changes				
Child Support Program				
No changes				
Medical Services Program				
Adds funding to provide a 4 percent annual inflationary increase for medical services providers. The executive budget provided a 3 percent annual inflationary increase.		1,545,512	3,127,127	4,672,639
Adds funding for grants - Medical assistance to increase medically needy income levels from 61 to 83 percent of poverty beginning July 2007		2,529,690	4,493,325	7,023,015
Adds funding for grants - Medical assistance to provide for continuous Medicaid eligibility for children under 19 years of age who are either categorically needy or optionally categorically needy beginning January 2008. A section is added that the department monitor the additional expenditures resulting from this change, report to an interim legislative committee on the status of these expenditures, and turnback to the general fund any unused appropriation authority		2,281,110	4,051,789	6,332,899
Adds funding for increasing Medicaid eligibility for children under 19 years of age to 133 percent of poverty and the children's health insurance program net income eligibility to 150 percent of poverty in accordance with provisions of House Bill No. 1463		833,039	701,775	1,534,814
Adds funding for the children's health insurance program to make policies relating to		393,005	1,165,922	1,558,927

disregards similar to the Medicaid program				
Adds operating expense funding for providing additional outreach relating to the children's health insurance program. A section of legislative intent is added that the department provide this funding to an entity that focuses on statewide community health care initiatives and issues.		114,201	338,799	453,000
Adds salaries and wages funding for 1 additonal FTE position for administration of the children's health insurance program	1.00	18,919	56,127	75,046
Removes funding added in the executive budget for registering and conducting background checks on certified nurse aides		(75,081)	(225,176)	(300,257)
Long-Term Care Program				
Adds funding to provide a 4 percent annual inflationary increase for long-term care service providers. The executive budget provided a 3 percent annual inflationary increase.		3,075,412	5,011,150	8,086,562
Adds funding for grants - Medical assistance to provide that home service providers be paid using a fee-for-service method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases, for each 15-minute unit of service be as follows: Agency home service provider - $4.50 Individual home service provider - $3.16 Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate.		2,154,808	1,983,921	4,138,729
Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by $5 per month, from $50 to $55 beginning July 1, 2007. Of the estimated income amount, $170,500 is from the health care trust fund.			499,850	499,850
Adds funding to provide for the transition of selected Developmental Center residents to community programs		900,000	1,598,612	2,498,612
Adds funding for grants - Medical assistance for increasing payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children		300,000	532,871	832,871
Adds funding for grants - Medical assistance for increasing payment rates for facilities serving children with behavioral challenges		200,000	355,247	555,247
Aging Services Program				
No changes				
Children and Family Services Program				
Adds funding to provide a 4 percent annual inflationary increase for children and family service providers. The executive budget provided a 3 percent annual inflationary increase.		284,277	561,109	845,386

Adds grants funding to provide a total of $500,000 from the general fund for the Children's Advocacy Centers in Bismarck and Fargo		400,000		400,000
Adds funding for grants for the Healthy Families program - A home visitation program for newborns and their parents		300,000		300,000
Mental Health and Substance Abuse Program				
Adjusts funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		(9,600)		(9,600)
Adds operating expenses funding for increasing the department's contract for substance abuse treatment services at the Robinson Recovery Center prior to any inflationary or other legislative increases		134,000		134,000
Developmental Disabilities Council				
No changes				
Disabilities Program				
Adds funding to provide a 4 percent annual inflationary increase for the department's contract service providers. The executive budget provided a 3 percent annual inflationary increase.		14,506		14,506
Adds grants funding to supporting and maintaining assistive technology services for the elderly and disabled provided through the interagency program for assistive technology		500,000		500,000
Adds grants funding to provide a total of $1,631,457, of which $796,040 is from the general fund for the centers for independent living		500,000		500,000
Total Senate Changes - Program and Policy	1.00	$16,393,798	$24,252,448	$40,646,246

Other changes affecting Program and Policy programs:

Sections are added that:

- Provide legislative intent that the department estimate the costs of rebasing Medicaid inpatient hospital payment rates for the 2009-11 biennium and present the information to the Appropriations Committees during the 2009 legislative session.
- Specify the use of the additional $700,000 from the general fund added in the executive budget for methamphetamine treatment services for increasing the contract with the Robinson Recovery Center to provide treatment services to more individuals.
- Provide for a Legislative Council study of the use of local property tax revenue to finance the delivery of human services on an individual county basis.
- Amend NDCC Section 50-24.4-15 to change the nursing home property cost values relating to assets acquired as a result of a natural disaster.
- Change the statutory name of qualified service providers to home service providers beginning July 1, 2008.

Senate Bill No. 2012 - DHS - State Hospital - Senate Action

	Executive Budget	Senate Changes[1]	Senate Version
Traditional	$52,371,738		$52,371,738
Secure	12,587,384		12,587,384
Institutions		167,482	167,482
Total all funds	$64,959,122	$167,482	$65,126,604
Less estimated income	15,888,310	0	15,888,310
General fund	$49,070,812	$167,482	$49,238,294
FTE	465.01	1.50	466.51

[1] State Hospital - Senate changes:	FTE	General Fund	Estimated Income	Total
Adds funding for increasing security in the secure services unit	1.50	$167,482	$0	$167,482

Senate Bill No. 2012 - DHS - Developmental Center - Senate Action

The Senate did not change the executive recommendation for the Developmental Center.

Senate Bill No. 2012 - Human Service Centers - General Fund Summary of Senate Action

	Executive Budget	Senate Changes[1]	Senate Version
DHS - Northwest HSC	$4,389,323	$20,375	$4,409,698
DHS - North Central HSC	8,924,775	45,571	8,970,346
DHS - Lake Region HSC	5,436,010	29,754	5,465,764
DHS - Northeast HSC	9,936,283	33,696	9,969,979
DHS - Southeast HSC	11,848,875	61,321	11,910,196
DHS - South Central HSC	8,291,192	29,250	8,320,442
DHS - West Central HSC	10,440,940	29,292	10,470,232
DHS - Badlands HSC	5,003,380	13,914	5,017,294
Total general fund	$64,270,778	$263,173	$64,533,951

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary of Senate Action

	Executive Budget	Senate Changes[1]	Senate Version
DHS - Northwest HSC	$3,136,258		$3,136,258
DHS - North Central HSC	7,917,967		7,917,967
DHS - Lake Region HSC	4,417,334		4,417,334
DHS - Northeast HSC	12,256,322	4,165	12,260,487
DHS - Southeast HSC	14,296,599		14,296,599
DHS - South Central HSC	6,450,546	10,277	6,460,823
DHS - West Central HSC	10,327,232	16,477	10,343,709
DHS - Badlands HSC	4,845,616	140	4,845,756
Total other funds	$63,647,874	$31,059	$63,678,933

Glossary of Terms and Acronyms

December 2006

960 - Refers to the State Form Number 960 (SFN 960) for the reporting of suspected child abuse or neglect.

AASK - Adults Adopting Special Kids is a collaboration involving the department's Children and Family Services Division, Catholic Charities North Dakota, and PATH ND. They work together to promote and facilitate the adoption of children with special needs from the foster care system.

Abuse - Any willful act or omission of a caregiver or any other person, which results in physical injury, mental anguish, unreasonable confinement, sexual abuse or exploitation, or financial exploitation of a vulnerable adult.

Abused Child - An individual under the age of 18 who is suffering from serious physical harm or traumatic abuse caused by other than accidental means by a person responsible for the individual's welfare.

Access Services - Services such as transportation, escort/shopping assistance, outreach, and information and assistance, which help people to identify, obtain, and use existing services.

Acute Care Unit – A service unit in the department's Human Service Centers that provides general outpatient mental health services.

ADA - Americans with Disabilities Act of 1990 [Pub. L. 101-336; 104 Stat. 327; 42 U.S.C. § 12101 et seq.]

ADL - Activity of Daily Living. Self care activities performed daily such as: bathing, dressing, toileting, transferring to and from a bed or chair, mobility, continence, and eating/feeding.

Administrative Assessment - Process of documenting reports of suspected child abuse or neglect that do not meet the criteria for a Child Protection Services Assessment.

Administrative Referral - Process of documenting the referral of reports of suspected child abuse or neglect that fall outside the jurisdiction of the county where the report is received.

Adoption Assistance - A form of monetary assistance to families adopting children from foster care who have special needs. This assistance can take the form of a monthly payment, Medicaid as a backup to a family's private health insurance, or reimbursement of nonrecurring expenses related to adoption.

Adoption Search/Disclosure - The process whereby an adopted individual, a birth parent, or birth sibling of an adopted individual, or an adult child of a deceased adopted individual can request and receive identifying information related to the adoption.

Adoption Subsidy - See Adoption Assistance.

Adult Day Care - A program of non-residential activities provided at least three (3) hours per day on a regularly scheduled basis one or more days per week and encompassing both health and social services needed to ensure the optimal functioning of the individual.

Adult Education Transition Services (AETS) - Refers to services provided to students 18-21 years of age who are eligible for Developmental Disabilities Case Management Services and can benefit from residential and/or day services provided in the developmental disabilities system while they are still in school. This is a joint initiative between the Department of Public Instruction and the Department of Human Services. Individuals must meet eligibility requirements. Education agencies and Medicaid provide funding.

Adult Family (Foster) Care - Provision of 24-hour room, board, supervision, and extra care to adults who are unable to function independently or who may benefit from a family home environment. Care is provided in a licensed home.

ACJ - Alliance for Children's Justice is a statewide multi-disciplinary coalition of professionals and parents dedicated to quality child protection services in North Dakota.

ADRC - Aging and Disability Resource Center is a visible and trusted place at the community-level where people can turn for information and counseling on all available long term support and service options. It functions as a single point of entry to public long term support programs and services. North Dakota does not have an ADRC. A federal grant program currently funds centers in 43 states.

Arrearages - Past-due, unpaid child support owed by the noncustodial parent. Also may be referred to as "arrears."

ASAM - American Society of Addiction Medicine, Patient Placement Criteria, Second Edition-Revised. These are the clinical guidelines used for matching clients to the appropriate level of care for the treatment of substance-related disorders.

ASFA - The Adoption and Safe Families Act of 1997 [Pub. L. 105-89; 111 Stat. 2115; 42 U.S.C. § 1305 et seq.] is federal legislation to shorten the length of time in foster care and to ensure safety and permanency for children.

Assisted Living - An environment that helps people maintain as much independence as possible by providing apartment-like units and individualized support services, which accommodate individual needs and abilities.

Assistive Technology (AT) Device - Any item or piece of equipment used to maintain or improve the functional capabilities of individuals with disabilities.

Assistive Technology (AT) Service - Any service that directly assists an individual with a disability in selecting, acquiring or using an assistive technology device. AT services may include: evaluation, purchasing, designing, leasing, training for individuals, family members, and professionals; and coordinating therapies. It also includes services that expand access to electronic and information technology for people with disabilities.

Attendant Care Service – Hands-on care, of both supportive and medical nature, specific to a client who is ventilator-dependent for a minimum of 20 hours per day. The services are provided under the direction of a licensed nurse who is enrolled with the Department of Human Services to provide Nurse Management.

Basic Care Assistance Program - Supplements room and board payments made by individuals of limited means living in basic care facilities. The Basic Care Assistance Program is funded with state general funds.

Basic Care Facility - A licensed facility for aged, blind or disabled individuals who do not require extensive medical care.

BEST - Basic Employment and Skills Training program provides motivation and job seeking skills to Food Stamp recipients who are required to register for work. The department contracts with Job Service North Dakota to provide the service in Burleigh County and Cass County.

Business Services - Part of Vocational Rehabilitation, *Business Services* is also known as *Rehabilitation Consulting and Services* and provides consultation, technical assistance, and information to businesses so they can resolve disability-related issues and have an available source of qualified employees.

CA/N - Child Abuse and Neglect

Care Coordinator - Describes the comprehensive case manager in a child and family case involving severe emotional disturbance.

CARF - Commission for Accreditation for Rehabilitation Facilities

Case Management - A process in which a professional case manager assesses the needs of the client and arranges, coordinates, monitors and evaluates services, and advocates to meet the specific client's needs in the least restrictive environment.

CCAP - Child Care Assistance Program provides partial payment for child care services provided to children from qualifying low-income families.

CCWIPS - The Comprehensive Child Welfare, Information, and Payment System is a computerized case management and payment system for foster care and adoption services.

CFS - Refers to the Children and Family Services Division of the Department of Human Services. CFS has administrative responsibility for the policies and procedures relating to children and families. The division is responsible for program supervision and technical assistance for the delivery of public child welfare services.

CFSR - Children and Family Services Review is a federal child welfare review conducted in all states. North Dakota uses this same review process and conducts Child Welfare Reviews in each region of the state once each year.

Child and Family Team - Related to children's mental health services and child welfare services, the Child and Family Team consists of the child, family and persons most pertinent in the life of the child and family, as determined by the family (in most instances). The team meets to identify family strengths, needs, risks, and resources to reduce and/or eliminate the risk of removal from the home, reunification, emotional and educational needs, child abuse and neglect and ensure the safety, permanency and well-being of children and families.

Child Fatality Review Panel - A multi-professional group that meets to review the deaths of all minors in the state and identifies trends or patterns in the deaths of minors.

Chore Service - These tasks enable a client to remain in the home. Tasks include heavy housework and periodic cleaning, professional extermination, snow removal, and the task must be the responsibility of the client and not the responsibility of the landlord. Emergency Response Systems (ERS), such as electronic devices enabling the client to secure help in an emergency by activating the "help" button, are also available under this service.

CIL - Center for Independent Living. The four CILs serving North Dakota provide services to individuals with disabilities so they can live and work more independently in their homes and communities.

Client Assistance Program (CAP) - Designed to inform and advise all Vocational Rehabilitation clients and applicants about the benefits available under the Federal Rehabilitation Act of 1973, and to assist clients in securing those services.

CMHS Block Grant - Community Mental Health Service Block Grant

Congregate Care - Refers to a specialized group residential facility that provides programming for elderly individuals with mental retardation to help them maintain their current level of functioning. The health and medical conditions of the individuals served are stable and do not require continued nursing or medical care.

Continuum of Care - A functional philosophy that seeks to ensure clients receive the right service in the right place, at the right time.

Corporate Guardianship - A service purchased on behalf of individuals eligible for developmental disabilities case management services when a district court has determined the individual requires a guardian and no one else is available to serve as guardian.

The Council - This organization accredits providers of services for mentally retarded/ developmentally disabled persons.

CP - For child support purposes, the Custodial Parent is the person (generally a parent) who has primary care, custody, and control of a child or, if a court has made a custody determination, the person who has legal custody of a child.

CPS - Child Protection Services protect the health and welfare of children by encouraging the reporting of children known to be or suspected of being abused or neglected; provide services for the protection and treatment of abused and neglected children to protect them from further harm.

CPS Assessment - A fact finding process designed to provide information that enables a determination to be made whether services are required for the protection and treatment of a child. These assessments are completed by County Social Service Board social workers.

CPS Assessment Decision - The result of a CPS assessment, which reflects whether services are required for the protection and treatment of an abused or neglected child.

CRU - Crisis Residential Units provide generally short-term stabilization and support to individuals diagnosed with mental illness and/or chemical dependence who are experiencing crisis as a result of exacerbation of symptoms.

CSAP - Center for Substance Abuse Prevention is the sole Federal organization with responsibility for improving accessibility and quality of substance abuse prevention services.

CSAT - Center for Substance Abuse Treatment is a component of the Substance Abuse and Mental Health Services Administration (SAMHSA), U.S. Department of Health and Human Services (DHHS) that works to expand the availability of effective treatment and recovery services for alcohol and drug problems.

CSCC - Children Services Coordinating Committee

CSHCN - Children with Special Health Care Needs. As defined at the federal level, this population of children has or is at increased risk for chronic physical, developmental, behavioral, or emotional conditions requiring health and related services of a type or amount beyond that required by children generally.

CSHS - Children's Special Health Services (formerly Crippled Children's Services) is a unit in the Medical Services Division of the Department of Human Services, which provides services directly or through contracts to children with special health care needs and their families.

Day Supports - This is a single day program, which encompasses services previously known as Developmental Day Activity, Developmental Work Activity, Prevocational Work Activity and Adult Day Care. Day supports may include assistance with acquisition, retention or improvement in self-help, socialization and adaptive skills; provision of social, recreational, and therapeutic activities to maintain physical, recreational, personal care, and community integration skills; development of non-job task oriented prevocational skills such as compliance, attendance, task completion, problem solving and safety; and supervision for health and safety. Services are provided in settings appropriate to an individual's needs.

DD - Refers to the Developmental Disabilities service system, which provides case management, day supports, residential services, and family support services to individuals with mental retardation or developmental disabilities of all ages, and early intervention services to infants and toddlers who are at risk for, or experiencing developmental delays.

DDS - Disability Determination Services makes eligibility decisions for Social Security Disability Insurance and Supplemental Security Income so that eligible individuals can receive disability benefits. This is a unit of the department's Disability Services Division.

Debit Card - A card that may be used to electronically withdraw account deposits at an Automated Teller Machine (ATM) or a bank teller window, or to use at a point-of-sale (POS) machine to purchase goods, or services, or to obtain cash. Debit cards are used by the Department of Human Services to pay cash assistance under TANF programs and to distribute child support payments to custodial parents. Custodial parents receiving child support payments may also choose "direct deposit" as an alternative.

Determination - The result of an assessment of suspected institutional child abuse or neglect.

Developmental Disability - Refers to a severe chronic condition that constitutes a lifelong mental or physical impairment, which became apparent during childhood and has hampered an individual's ability to participate in mainstream society, either socially or vocationally.

Direct Deposit - For child support purposes, it is a process involving the electronic funds transfer of support payments from the State Disbursement Unit (SDU) into a custodial parent's bank account. This is done only upon the request of the custodial parent.

Custodial parents may also choose an alternative method of receiving payments via a debit card.

Disease Management - A system of coordinated healthcare interventions and communications for populations with conditions in which patient self-care efforts are significant (for example, Medicaid recipients). Disease management: (1) supports the physician or practitioner/patient relationship and plan of care, (2) emphasizes prevention of exacerbations and complications using evidence-based practice guidelines and empowerment strategies, and (3) evaluates clinical, quality of life and economic outcomes on an on-going basis with a goal of improving participants overall health.

Diversion Assistance - An alternative to Temporary Assistance for Needy Families (TANF) assistance, Diversion Assistance is available for no more than four months in a year, and is intended to allow individuals to avoid some of the complications of TANF in an effort to quickly achieve self-sufficiency.

DJS - Division of Juvenile Services is a division of the North Dakota Department of Corrections and Rehabilitation. DJS is responsible for the custody of delinquent and unruly children placed in its care by the courts.

DRA - Deficit Reduction Act of 2005 [Pub. L. 109-171; 120 Stat. 4; 42 U.S.C. § 1108, et seq.]

Dual Diagnosed - Diagnosed with two disorders such as those individuals diagnosed with mental illness and chemical dependence or individuals diagnosed with mental illness and developmental disabilities.

Dual Eligibles - Individuals who qualify for both Medicaid (state and federally-funded health coverage for low-income persons) and Medicare (federal health coverage program for persons age 65 and older and other qualifying individuals with disabilities). Before Medicare Part D (the Medicare Prescription Drug benefit) became available in 2006, their medications were provided by North Dakota Medicaid.

DUR Board - Drug Utilization Review Board is a volunteer board whose makeup and duties appear in Code of Federal Regulations and subsequently in state statute. Comprised of pharmacists and physicians, the Board was established to advise the Medicaid program on prior authorization and other pharmacy cost control and utilization matters.

EAP - Economic Assistance Policy is a division of the department that administers policy for and includes the following programs: Child Care Assistance Program, Basic Care Assistance Program, Energy Assistance (also referred to as Low Income Home Energy Assistance, or LIHEAP), Food Stamps, and Temporary Assistance for Needy Families (TANF), including Diversion Assistance and Job Opportunities and Basic Skills (JOBS). EAP is also responsible for Medicaid Estate Recovery, Quality Control, and System Support and Development.

Early Intervention Services - Refers to a statewide program for infants and toddlers who range from newborn to three years of age who have a developmental delay, disability, or a condition that could result in substantial limitations if intervention is not provided. Intervention services are designed to help address the physical and developmental needs of children, and to augment the capacity of their families to meet their special needs.

EFT - Electronic Funds Transfer is a process by which money is transmitted electronically from one bank to another.

Environmental Modification - Physical adaptions to the home necessary to ensure the health, welfare, and safety of a client or that enable a client to function with greater independence in his/her home.

Expanded SPED Program - Expanded Service Payments to the Elderly and Disabled Program is a companion program to the Basic Care Assistance Program. It pays for services that can be provided in the home and community so that institutionalization in a basic care facility is avoided. The Expanded SPED Program is funded with state general funds.

Extended Services - This refers to long term supports provided by a job coach for individuals with disabilities employed in the community.

FACSES - The Fully Automated Child Support Enforcement System is the statewide automated system that supports the case processing of 50,000+ child support cases in North Dakota and supports the State Disbursement Unit (SDU) in processing child support payments.

Family Caregiver Support Program - Federally funded under the Older Americans Act, this Aging Services program offers help to caregivers who are caring for an adult age 60 or older, or who are themselves age 60 years or older and are caring for grandchildren or other relatives who are age 18 or younger. Services include information and referral, assistance from a trained caregiver coordinator to help caregivers assess needs and access support services, individual and family counseling, support groups, training, and respite care for caregivers.

Family Group Decision Making - Relating to the provision of child welfare services, this is defined as a strengths-based collaborative, coordinated decision making process using family, agency and support service resources to ensure the safety, permanency and well-being of children and families.

Family Home Care - The provision of room, board, supervisory care, and personal service to an eligible elderly or disabled individual by the spouse or by one the following relatives, or the current or former spouse of one of the following relatives of the elderly or disabled person: parent, grandparent, adult child, adult sibling, adult grandchild, adult niece, or adult nephew. The family home care provider does not need to be present in the home on a 24-hour basis if the welfare and safety of the client is maintained.

Family Subsidy - A program that may reimburse a family for excess expenses related to their child's disability. This offers support to enable families to keep their children in their homes when lack of financial support would make it very difficult for families to care for their children at home. A child may be eligible for this program through age 21.

Family Support Services - Refers to services, which are provided for eligible individuals with developmental disabilities to enable them to remain in appropriate home environments. Services are based on the primary caregiver's need for support in meeting the health, safety, developmental and personal care needs of their family member. Personal care needs include activities of daily living such as eating, bathing, dressing, and personal hygiene. When the eligible client is a minor, out-of-home support may also be provided in a licensed family home. This Family Care Option may be appropriate for children who cannot

remain in their family home on a full-time basis. It is available only if the child is not considered deprived within the definition of NDCC 27-20-02 (5), and is not considered boarding care according to the definition of the North Dakota Department of Public Instruction.

FFY - Federal Fiscal Year runs from October 1 to September 30.

FIDM - The Financial Institution Data Match process is operated by the Child Support Enforcement program in coordination with financial institutions and pursuant to federal and state laws. The process provides for a data match system in which account records are matched with child support cases.

FLEP - Family Life Education Program. The department of human services is required by law (NDCC 50-06-06.10) to enter into an agreement with the North Dakota State University extension service for the design of a program to educate and support individuals at all points within the family life cycle. The program must provide support for families and youth with research-based information relating to personal, family, and community concerns and must contain a research component aimed at evaluation of planned methods or programs for prevention of family and social problems. The program must address: 1) child and youth development; 2) parent education with an emphasis on parents as educators; 3) human development; 4) interpersonal relationships; 5) family interaction and family systems; 6) family economics; 7) intergenerational issues; 8) impact of societal changes on the family; 9) coping skills; and 10) community networks and supports for families.

FMAP - Federal Medical Assistance Percentage is the federal matching rate for the Medicaid program. FMAP changes annually on October 1.

Food Stamps - A program that raises levels of nutrition among low-income households by supplementing their food purchasing power with monthly benefits distributed through an electronic benefit card.

GA - General Assistance is a county program designed to cover emergency needs of low-income individuals or families. The covered needs may include rent, fuel and utilities, medical, and burial expenses.

Guardian Ad Litem - A court-appointed child advocate mandated by North Dakota law for all abused and neglected children involved in a Juvenile Court proceeding.

HCBS - Home and Community Based Services refers to the array of services that are essential and appropriate to sustain individuals in their homes and communities, and to delay or prevent institutional care.

Health Care Trust Fund - This trust fund was established by the 1999 North Dakota Legislature as a source of funding for grants and loans to pay for legislatively approved projects.

Health Tracks - See North Dakota Health Tracks.

Healthy Steps - Is North Dakota's Children's Health Insurance Program that offers comprehensive health coverage for children 18 years of age and younger. To qualify, a child's family must have a net income that is greater than the Medicaid eligibility level, but not exceeding 140% of the federal poverty level. (Deductions for child care, child support,

and taxes are allowed when determining eligible income.) Healthy Steps is a "State Children's Health Insurance Program" (SCHIP).

HIPAA - Health Insurance Portability and Accountability Act of 1996 [Pub. L. 104-191; 110 Stat. 1936; 42 U.S.C. § 1301 et seq.] that among other things standardizes the format of certain health care information that is transmitted electronically and regulates the release of health care information. HIPAA impacts entities (and their computer systems) that handle individual health care information.

Homemaker Service - Provides nonpersonal care tasks such as housekeeping, laundry, and shopping. This allows an individual to maintain or develop the independence needed to remain in the home.

IADL - Instrumental Activities of Daily Living are considered more complex tasks than those comprised by activities of daily living (ADLs). Performance of tasks such as these requires mental/cognitive (memory, judgment, intellectual ability) and/or physical ability. IADL are usually identified as preparing meals, shopping, managing money, doing housework and laundry, taking medication, self-transportation, and using the telephone.

ICFMR - Intermediate Care Facility for the Mentally Retarded. A residential facility operated pursuant to federal regulations and serving people with mental retardation and related conditions. The programming provided in this type of residence is for individuals with extensive needs. Each client must receive a continuous active treatment program, which includes an aggressive and consistent program of training, health services, and related services so that the client acquires the ability to function with as much self-determination and independence as possible.

ICWA - **Indian Child Welfare Act** of 1978 [Pub. L. 95-608; 92 Stat. 3069; 25 USCA § 1901 et seq.] This law recognizes the importance of allowing tribal courts to assume full responsibility for the placement of Indian children in foster care and adoptive homes. Under ICWA, Indian tribes may intervene in such State court proceedings concerning Indian children, and Indian Tribal courts have exclusive jurisdiction over some such proceedings.

Individualized Supported Living Arrangement (ISLA) - This residential service is provided to people with developmental disabilities and/or mental retardation in their own homes or apartments. The level of support provided is individualized to the person's need for training and assistance with personal care, laundry, money management, etc. Individuals who receive ISLA typically need a higher level of support than people in Supported Living Arrangement (SLA).

Infant Development - Home-based, family focused services that provide supports to families of eligible infants and toddlers at high risk for, or with developmental delays or disabilities. An Individual Family Service Plan is developed that identifies services and learning opportunities that support the family in meeting the needs of their child, enhance their child's development, and increase the child's and family's participation in everyday routines and activities within the home and community. An eligible child may receive Infant Development services until he or she is three years of age.

Institutional Child Abuse or Neglect – Situations of known or suspected child abuse or neglect where the person responsible for the child's welfare is an employee of a residential child care facility, a treatment or care center for the mentally retarded, a public or private residential educational facility, a maternity home, or any residential facility owned or managed by the state or a political subdivision of the state.

Intensive In-Home Services - Services provided under contract with a private agency to families who have at least one child about to be placed in foster care. The program's purpose is to preserve the family, prevent foster care, and assist with family re-unification of children who are placed in foster care.

Intergovernmental Transfer (IGT) - A complex funding process that was used by North Dakota and about 20 other states to access extra federal Medicaid dollars. The Health Care Financing Administration approved the IGT as part of North Dakota's Medicaid State Plan Amendment. Funds generated by the IGT were deposited into the Health Care Trust Fund. In a compromise worked out in Congress, this source of extra federal Medicaid funding has been phased out. The final North Dakota payment was in July 2004.

IPAT - Refers to the Interagency Program for Assistive Technology. IPAT's mission is to increase access to assistive technology devices and services for individuals with disabilities regardless of their type of disability, age, or income level in order to positively impact work, independent living, learning, community involvement and recreation.

IV-D - Refers to Title IV-D of the Social Security Act [Pub. L. 93-647; 42 U.S.C. title IV-D]. A Child Support Enforcement program that provides services to locate parents, to establish paternity, to establish child support and medical support obligations, to enforce child support and medical support obligations, and to review and adjust obligations. Services are provided to families receiving public assistance [through Temporary Assistance for Needy Families (TANF) or Medicaid], in cases in which a child has been placed in foster care or upon application for services from either parent.

IPE - Is an Individualized Plan for Employment. It describes the nature and scope of rehabilitation, employment and training services provided to an individual with a disability to help that individual reach his or her employment goal. A Vocational Rehabilitation counselor and the client write the client's IPE.

JCAHO - Joint Commission on Accreditation of Healthcare Organizations

JOBS - Job Opportunities and Basic Skills program provides vocational training and employment for eligible individuals through TANF for the purpose of entering or reentering the job market. Program services are administered by Job Service North Dakota under contract with the Department of Human Services.

Kinship Care - A Temporary Assistance for Needy Families (TANF) program that allows relatives, with supportive services, to provide care and protection to children who are under the care, custody, and control of County Social Services and who would otherwise be in foster care.

LIHEAP - Low Income Home Energy Assistance Program. Commonly referred to as the energy assistance program, LIHEAP provides heating assistance grants and services for qualifying low-income households. Benefits equal each household's estimated cost of heat minus a percentage of the household's income and are usually paid directly to a heating fuel supplier.

Local Child Protection Team - A multidisciplinary team of staff members from public and private community agencies who assist child protection service agencies to make decisions and recommendations for families involved in Child Protection System (CPS) assessments.

Long Term Care Facility - (As defined by North Dakota law) A nursing facility, basic care facility or swing bed hospital unit.

Long Term Care Ombudsman - A person who identifies, investigates, and resolves complaints made by or on behalf of residents of long term care facilities and tenants of assisted living facilities. The ombudsman also works in other ways to protect the health, safety, welfare, and rights of residents.

MA - Medical Assistance, commonly referred to as "Medicaid," provides medical assistance to certain specified groups of needy low-income individuals as defined by federal law.

Managed Care - A system of health care that combines delivery and payment and influences utilization of services by employing management techniques (i.e., case management, referral for specialty services, etc.) designed to promote the delivery of cost-effective health care.

MDS - Minimum Data Set is an assessment used to determine a nursing facility resident's classification for rate setting purposes.

Medicaid - See MA above.

Medicaid Waiver for Home and Community Based Services - A program authorized by federal law that funds in-home and community based services to individuals who meet Medicaid eligibility standards and require the level of care provided in a nursing facility. This waiver combines the previously separate waivers for aged and disabled and traumatic brain injury populations. The waiver's goal is to adequately and appropriately sustain individuals in their own homes and communities and to delay or divert institutional care. The waiver provides service options for a continuum of home and community based services in the least restrictive environment.

Medicaid Waiver for Mentally Retarded and Developmentally Disabled - A program authorized by federal law that funds in-home and community based services for individuals with mental retardation and/or developmental disabilities who meet Medicaid eligibility standards and require the level of care provided in an Intermediate Care Facility for Mentally Retarded (ICFMR).

Medicare Part D - The federal Medicare Prescription Drug Program that began January 1, 2006 and provides Medicare beneficiaries with access to prescription drug coverage from a host of private plans.

Medicare Savings Programs - Medicaid coverage that pays all or part of the Medicare premiums, deductibles, and co-insurance for Qualified Medicare Beneficiaries, Specified Low income Medicare Beneficiaries and Qualifying Individuals.

Mental Retardation - Is a condition diagnosed by age 18 and characterized both by a significantly below-average score on a test of mental ability or intelligence and by limitations in the ability to function in areas of daily life such as communication, self-care, and getting along in social situations and school activities. Mental retardation is sometimes referred to as a cognitive or intellectual disability.

MHSAS - Mental Health & Substance Abuse Services is a division of the Department of Human Services.

MHSIP - Mental Health Statistical Improvement Project is the statistical and outcome measurement system for the Department's community based mental health system of care at the regional human service centers.

MMIS - Medicaid Management Information System is the computer system that processes all Medicaid claims. Developed in 1978, it is also used to monitor utilization and to provide information needed to manage the Medicaid program.

MSLA - Minimally Supervised Living Arrangement is a community waiver group home or community complex setting, which provides training in community integration, social, leisure, and daily living skills.

NCP - For child support purposes, the NonCustodial Parent is the parent who does not have primary care, custody, and control of the child(ren) or, if a court has made a custody determination, the parent who does not have legal custody of the child(ren).

Neglect - The failure of a caregiver to provide essential services necessary to maintain the physical and mental health of another person in the caregiver's care.

Neglected Child - Uses the definition in juvenile law for a "deprived child". A child who is without proper parental care, control, subsistence or education necessary for the child's physical, mental or emotional health or morals. A child who has been placed for care or adoption in violation of law. A child who has been abandoned. A child who is without proper care (as described above) because of the physical, mental, emotional, or other illness, or disability of the parent. A child who is in need of treatment and whose caregiver has refused to participate in treatment, which is court-ordered. A child who was subject to prenatal exposure to chronic and severe use of alcohol or any controlled substance. A child who is present in an environment subjecting the child to exposure to a controlled substance, chemical substance or drug paraphernalia.

New Hire Reporting - Under this reporting process mandated by federal and state law, employers must submit new hire information within 20 days of hiring to the State Directory of New Hires, a component of the Child Support Enforcement Division.

NF LOC Determination - Nursing Facility Level Of Care Determination is criteria to establish minimum medical necessity standards before an individual can receive Medicaid funded nursing facility services, home and community based services through the Medicaid Waiver for Home and Community Based Services.

Non-Medical Transportation - Transportation the enables individuals to access essential community services such as grocery, pharmacy, banking, post office, laundromat, utility company, social services, and social security office, in order to maintain themselves in their home. *Non-Medical Transportation Driver with Vehicle* refers to situations when the driver with the vehicle is considered as solely transporting the client to and from his/her home and points of destination. *Non-Medical Transportation Escort* is solely accompanying the client for the purpose of assisting in boarding and exiting, as well as during transport, in order that the client may complete the activity for which (non-medical) transportation is authorized.

North Dakota Health Tracks - Also known as Early and Periodic Screening, Diagnosis and Treatment (EPSDT), this program provides preventive health care to Medicaid eligible individuals up to age 21. Services include physical exams and screenings, immunizations, and referrals.

No Services Required - A Child Protection Services (CPS) assessment decision, which reflects the belief that a child has not been abused or neglected.

No Services Required, Services Recommended - A CPS assessment decision that reflects the belief that a child has not been abused or neglected, but the family may be in need of preventative services.

NSDUH - National Survey on Drug Use and Health is a survey of the U.S. Department of Health and Human Services' Substance Abuse and Mental Health Services Administration's Office of Applied Studies.

Nurse Management - A service for ventilator-dependent individuals eligible for Medicaid Waiver services and receiving Attendant Care Service, where a licensed nurse provides nursing assessment, care planning, delegation of skilled nursing tasks to Unlicensed Assistive Personnel (UAPs) and monitoring of delegated tasks related to the client's medical needs.

Obligee - The person to whom a child support obligation is owed, generally the custodial parent (CP). It may also be an entity to which a child support obligation is owed.

Obligor - The person who is obliged to pay child support. See also noncustodial parent (NCP).

Older Americans Act (OAA) - The Older Americans Act of 1965 [Pub. L. 89-73; 79 Stat. 219; 42 U.S.C. § 3001 et seq.] provides federal funding for services to older persons, especially those who are low income, socially needy, frail, or minority persons. Among the services offered are nutrition services, support services, Long Term Care Ombudsman program, and information and referral.

Olmstead Decision - A 1999 U.S. Supreme Court decision, *Olmstead v. L.C. ex rel. Zimring*, 527 U.S. 581, 119 S.Ct. 2176 (1999), in which the Court held that it is a form of discrimination under the Americans With Disabilities Act of 1990 (ADA) if a state fails to find community placements for institutionalized individuals if: 1) the state's treatment professionals have determined that community placement is appropriate, 2) the individual does not oppose the transfer to a community setting, and 3) the placement can be reasonably accommodated taking into account the resources available to the state and the needs of others with disabilities.

Outreach - Actions and communication initiated by an agency or organization for the purpose of identifying potential clients and encouraging their use of existing services and benefits.

PAC - Prevention Advisory Council was formed by the Governor's office and charged with oversight and monitoring of the substance abuse prevention activities across state agencies in North Dakota. The Department holds two of the eight council membership positions.

Parent Aides - Individuals who, through training and support, work with parents who are at risk of abusing or neglecting their children. County social service boards employ parent aides.

Part C - Is a section within the federal law of the Individuals with Disabilities Education Act (IDEA) [Pub. L. 94-142; 84 Stat. 175; 20 U.S.C. § 1400 et seq.] that entitles a child under

the age of three years and their family to certain supports, services, and rights, which in North Dakota are known as Early Intervention Services for Infants and Toddlers. Part C provides federal financial assistance to states to develop and implement a collaborative statewide system of services for these children and their families.

Partnerships Program - Integrated comprehensive services for children with serious emotional disorders.

PASRR - Pre-Admission Screening and Resident Review is a federal requirement that every person who seeks admission to a nursing facility be screened by the state for evidence of mental retardation or mental illness. If either exists, the screening is intended to determine if nursing facility care is necessary, and if so, to determine if specialized services are needed.

PEPP - Parental Employment Pilot Project. Renamed "PRIDE" (Parental Responsibility Initiative for the Development of Employment) in late 2006. (See PRIDE definition below.)

PERM - Payment Error Rate Measurement is an examination of selected Medicaid and Healthy Steps (SCHIP) provider claims to determine if a service is required and the beneficiary is eligible. This federal requirement became effective October 1, 2005.

Personal Care Service - A service which provides assistance with bathing, dressing, toileting, continence, transferring, mobility in the home, eating, and personal hygiene, passive range of motion exercises and simple bandage changes. When specified within the plan of care, this service may also include supervision, cueing or prompting, housekeeping tasks such as bed making, dusting and vacuuming, which are incidental to the care furnished or which are essential to the health and welfare of the individual, rather than the individual's family.

Pharmacy Point of Sale - This is a computerized point of sale (POS) system that allows pharmacists to enter claims on a real time basis into the payment system. Within a matter of seconds, providers receive confirmation that the claim has been processed for payment or denied. If the claim is denied, providers receive immediate information regarding the reason for the denial. The system also prevents payment of duplicate claims, audits claims to ensure the health of Medicaid recipients is maintained by preventing inappropriate drug dispensing, reduces administrative costs and streamlines identification of recipient liability for pharmacy providers.

PRIDE - Parental Responsibility Initiative for the Development of Employment provides employment-related services to noncustodial parents who are behind in their child support obligations. It is administered through the Child Support Enforcement Division with TANF funding assistance. The goal is to help the parents obtain work in order to increase their incomes so that they can support their children. This may result in better family relationships and improved visitation. The Department has implemented it in Dickinson and Grand Forks. It was formerly referred to as PEPP (Parental Employment Pilot Project).

Prime Time Care - A prevention program designed to provide temporary child care to families at risk of neglecting or abusing their children.

Psychiatric Residential Treatment Facility (PRTF) - (*Formerly called Residential Treatment Center or RTC*) A facility or a distinct part of a facility that provides children and adolescents with a 24-hour, therapeutic environment integrating group living, educational services, and a clinical program based upon a comprehensive, interdisciplinary clinical

assessment and an individualized treatment plan that meets the needs of the child and family.

QMB - Qualified Medicare Beneficiaries are persons for whom Medicaid pays the Medicare premiums, deductibles, and co-insurance. Income cannot exceed 100% of the poverty level. See Medicare Savings Programs.

QI - Qualifying Individuals are individuals for whom Medicaid pays their Medicare Part B premium. Income must be between 120% and 135% of poverty level. They cannot be covered by other Medicaid to receive benefits. See Medicare Savings Programs.

Qualified Service Provider (QSP) - An agency or independent contractor that agrees to meet standards for services and operations established by the Department of Human Services to provide home and community based long term services.

RCCF - Residential Child Care Facility (foster care facility)

RCSEU - There are eight Regional Child Support Enforcement Units in North Dakota. These county-administered offices provide child support enforcement services pursuant to cooperative agreements with the Department of Human Services.

Recipient Liability - This is the amount an individual who is eligible for Medicaid under the "Medically Needy" coverage group is expected to contribute toward his or her monthly medical expenses.

Refugee Cash Assistance - A benefit program available for the first eight months refugees are in the United States.

Rehabilitation Consulting and Services (RCS) – Associated with vocational rehabilitation (VR) services, these services are designed to assist business owners and employers in developing short and long term strategies regarding disability-related issues including staffing, education, tapping into financial incentives associated with hiring an individual who has a permanent injury, illness, or impairment; or ensuring accessibility to goods or services.

Rehabilitation Services - Medical, psychological, social, and vocational services, including physical items, which are necessary to assist persons with disabilities to engage in gainful activity.

Report of Suspected Child Abuse or Neglect - Information received by child protection services concerning the suspected maltreatment of a child.

Residential Care - Services provided in a facility in which at least five (5) unrelated adults reside, and in which personal care, therapeutic, social, and recreational programming are provided in conjunction with shelter. This service includes 24-hour on-site response staff to meet scheduled and unpredictable needs and to provide supervision, safety, and security.

Respite Care - Temporary relief to a primary caregiver for a specified period of time. The caregiver is relieved of the stress and demands associated with continuous daily care.

Right Track - This Developmental Disabilities program works to identify infants or toddlers who may be at-risk for developmental delays. The program provides developmental screenings in environments natural and familiar to the child, refers families to appropriate supports and shares child development information with families. For purposes of this

program, at-risk infants and toddlers are defined as children younger than three years of age who have environmental or biological risk factors for developmental delays or parental concern regarding development.

RIS - Regional Intervention Services provide community based intervention for individuals with serious mental health and/or substance abuse needs to determine appropriate level of care. RIS units at the department's human service centers conduct the admission screening for State Hospital admissions.

ROAP - The Regional Office Automation Project is a technology system that provides a comprehensive and integrated electronic medical records system to manage and support the business functions and requirements of the department's eight regional Human Service Centers and the Central Office.

RTC - Term is no longer used. *See Psychiatric Residential Treatment Facility (PRTF) entry.*

Safety, Strengths, Risk Assessment - Refers to State Form Number (SFN 455) that is used to document the Child Protection Services (CPS) assessment.

SAMHSA - Substance Abuse and Mental Health Services Administration is an agency of the U.S. Department of Health and Human Services (DHHS) that focuses on programs and providing funding to improve the lives of people with or at risk for mental and substance abuse disorders.

SAPT - Substance Abuse Prevention and Treatment block grant

SCHIP - State Children's Health Insurance Program, which is called Healthy Steps in North Dakota. (*See Healthy Steps definition.*)

SDU - The State Disbursement Unit is the unit within the department's Child Support Enforcement Division that receives, records, and distributes all child support payments in North Dakota.

SED - Serious Emotional Disorder (or Disturbance)

Services Required - A Child Protection Services (CPS) assessment decision, which reflects the belief that a child has been abused or neglected and requires contact with the juvenile court.

SFY - State Fiscal Year is the period of time in the state budget cycle from July 1 to June 30.

Single Plan of Care (SPOC) - The Single Plan of Care is the computerized treatment/service plan that supports the Wraparound Process in the provision of mental health services to children.

SLA - Supported Living Arrangement is a residential service that provides support to people living in their own homes or apartments. Supportive services include help with budgeting, shopping, laundry, etc. and are provided on an intermittent basis, generally less than 20 hours per month. There is a fixed staff to client ratio. People receiving this service generally need less support than people receiving services through an Individualized Supported Living Arrangement.

SLMB - Specified Low-Income Medicare Beneficiaries are persons for whom Medicaid pays the Medicare Part B premium. Income must be between 100% and 120% of poverty level. See Medicare Savings Programs.

SMI - Seriously Mentally Ill

Special Needs Adoption - The classification of adoption for children who have a physical, emotional, and/or psychological disability (or are at risk for such a disability), are older than age seven, part of a sibling group, or are children whose race/ethnicity is a barrier to placement.

Specialized Equipment and Supplies - Includes devices, controls, or appliances specified in the plan of care, which enable recipients to increase their abilities to perform activities of daily living, or to perceive, control, or communicate with the environment in which they live.

Specialized Placement - Refers to a residence for people who are diagnosed as both mentally retarded and mentally ill and whose individualized programs address residential, psychosocial and psychiatric development prior to entry into less restrictive settings.

SPED - Service Payments for Elderly and Disabled is authorized by state law to provide a number of in home and community based services to functionally impaired older individuals and people with physical disabilities who require assistance to continue to live in a home-like setting.

SSA - Social Security Administration

SSDI - Social Security Disability Insurance

SSI - Supplemental Security Income

State Child Protection Team - A multidisciplinary team of staff members from public and private agencies (determined by law) that makes the determination whether child abuse or neglect is indicated in cases of suspected institutional child abuse or neglect.

State Interagency Coordinating Council (ICC) - Is a council appointed by the Governor. Federal law under Part C of the Individuals with Disabilities Education Act (IDEA) requires the ICC to advise and assist the designated lead agency (N.D. Department of Human Services) in the performance of responsibilities set forth under Part C regarding early intervention services and to advise the Department of Public Instruction (DPI) regarding the transition of toddlers with disabilities to preschool and other appropriate services. The council is comprised of parents of infants and toddlers with disabilities and representatives of providers of early intervention services, the state legislature, the Department of Human Services, preschools, the State Insurance Department, Head Start, child care providers, and other members at large.

Subject - In child welfare terminology, the person who is suspected of abuse or neglect of a child or the person who has abused or neglected a child.

Supported Employment - Competitive work, in an integrated work environment, with ongoing support services for individuals with the most severe disabilities.

TANF - Temporary Assistance for Needy Families is a federal block grant program established under Title IV-A of the Social Security Act. It serves many needs, such as

meeting some of the costs of Foster Care and Child Care Assistance programs. TANF also provides temporary cash assistance to needy families primarily to facilitate the return to or preparation for work.

TBI - Traumatic Brain Injury

TCC - Transitional Child Care provides partial payment of child care to families who lose TANF assistance eligibility.

TCLF - Transitional Community Living Facility is a community waiver group home that provides training for individuals in community integration, social, leisure, and daily living skills in a group living environment. It is preliminary to entry into a lesser restrictive setting.

TECS - Technical Eligibility Computer System is the computer system currently used by county social service boards to manage Food Stamps and some Medicaid cases.

TPL - Third Party Liability describes potential resources that may be available to offset claims against the Medicaid program. They include health insurance, accident insurance, court settlements, and decrees stemming from accidents of various kinds.

Transitional Living Service - Services that train people to live with greater independence in their own homes. This includes training, supervision, or assistance to the individual with self-care, communication skills, socialization, sensory/motor development, reduction/elimination of maladaptive behavior, community living, and mobility.

Transition Services - Services provided to assist students with disabilities as they move from school to adult services and/or employment.

Transitional Medicaid Benefits - Provides up to 12 months of Medicaid coverage for families who lose eligibility under the Family Coverage group due to earnings.

Tribal NEW - Tribal Native Employment Works program is the tribal equivalent of the Job Opportunities and Basic Skills (JOBS) program. The job placement and education program is available to American Indian TANF recipients.

Tribal TANF - Tribal governments have the option of direct administration of TANF programs. As of January 2007, no Tribe in North Dakota has yet exercised this option.

Uniform Interstate Family Support Act (UIFSA) - is a model Act, enacted at the state level, to provide mechanisms for establishing and enforcing child support obligations in interstate cases (cases in which a noncustodial parent lives in a different state than the custodial parent and child).

UPA - Either the Uniform Parentage Act or Unreimbursed Public Assistance. The **Uniform Parentage Act** refers to laws, based on model legislation, drafted by the National Conference of Commissioners on Uniform State Laws (NCCUSL), enacted at the state level to provide mechanisms for establishing paternity. **Unreimbursed Public Assistance** refers to money paid in the form of public assistance (for example, Temporary Assistance for Needy Families (TANF) expenditures), which has not been recovered by retaining assigned child support.

VIPR - The Very Intelligent Payment Recognition system is a computerized check processing system used by the Child Support Enforcement Division to process child support

payments quickly and accurately. It interfaces with the Fully Automated Child Support Enforcement System (FACSES) computer system.

Vision - The computer system currently used by county social services to administer Temporary Assistance for Need Families (TANF) benefits and some Medicaid cases.

Vocational Development - A program of vocational preparation prior to competitive or extended employment.

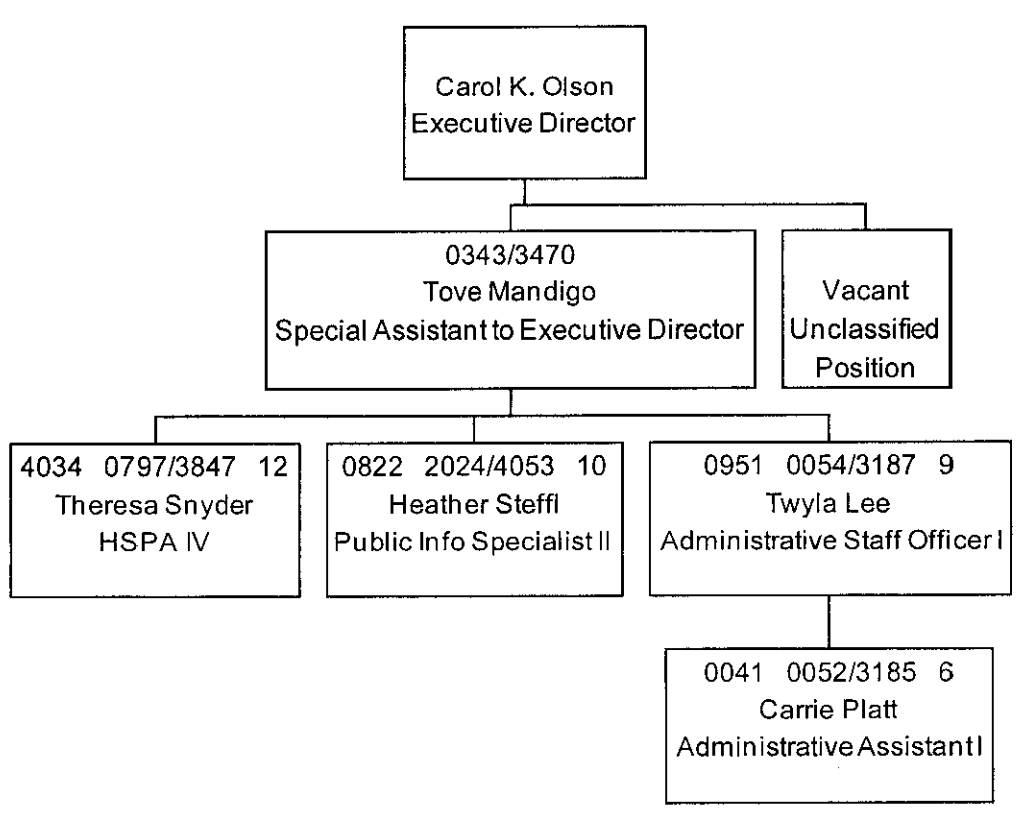
VR - Vocational Rehabilitation provides training and employment services to individuals with disabilities so they can become and/or remain employed. For information about a related service provided by department VR professionals for businesses, see *Rehabilitation Consulting and Services.*

Vulnerable Adult Protective Services - Refers to remedial social, legal, health, mental health, and referral services provided for prevention, correction, or discontinuation of abuse or neglect which are necessary and appropriate under the circumstances to protect an abused or neglected vulnerable adult, and ensures that the least restrictive alternatives provided, prevent further abuse or neglect, and promotes self care and independent living. (Reference: North Dakota Century Code Chapter 50-25)

Wraparound - This is a strength-based philosophy of care that includes a definable process involving the child and family that results in a unique set of community services and supports individualized for that child and family. Wraparound is a process. It is not a program. It does not create new programs or services, but is the method of meeting the needs of families through the coordination and identification of natural supports and formal supports, which constitute the Child and Family Team. This process is team driven, focuses on least restrictive methods of care, and uses the family's strengths, preferences, and choices whenever possible. It is a continuum of intensity, which is driven by family needs, complexity, and level of risk.

YRBS - Youth Risk Behavioral Survey is conducted by the North Dakota Department of Health and the North Dakota Department of Public Instruction and monitors health-risk behaviors among youth and young adults including behaviors that contribute to injuries, tobacco use, alcohol and other drug use, sexual behaviors, dietary behaviors, and physical activity.

North Dakota Department of Human Services
Executive Office



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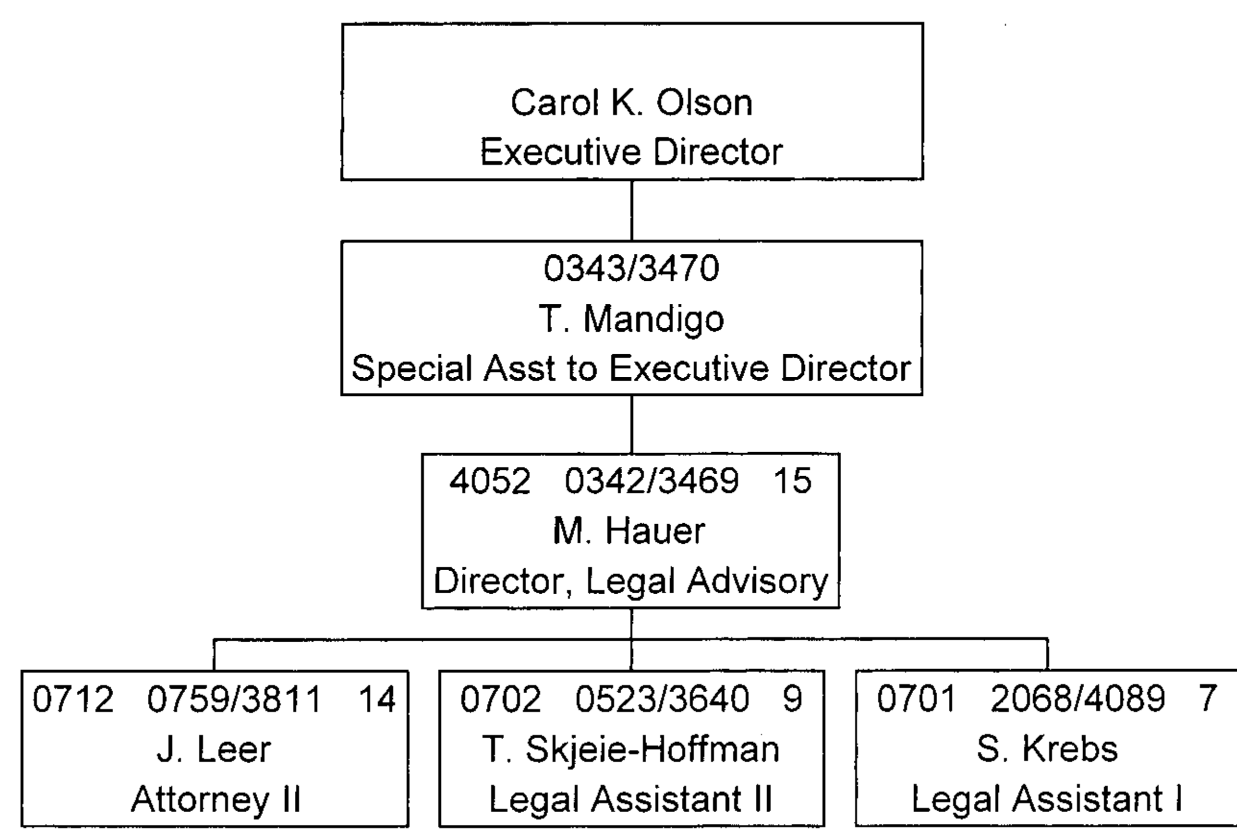
North Dakota Department of Human Services
Legal Advisory Division



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North Dakota Department of Human Services
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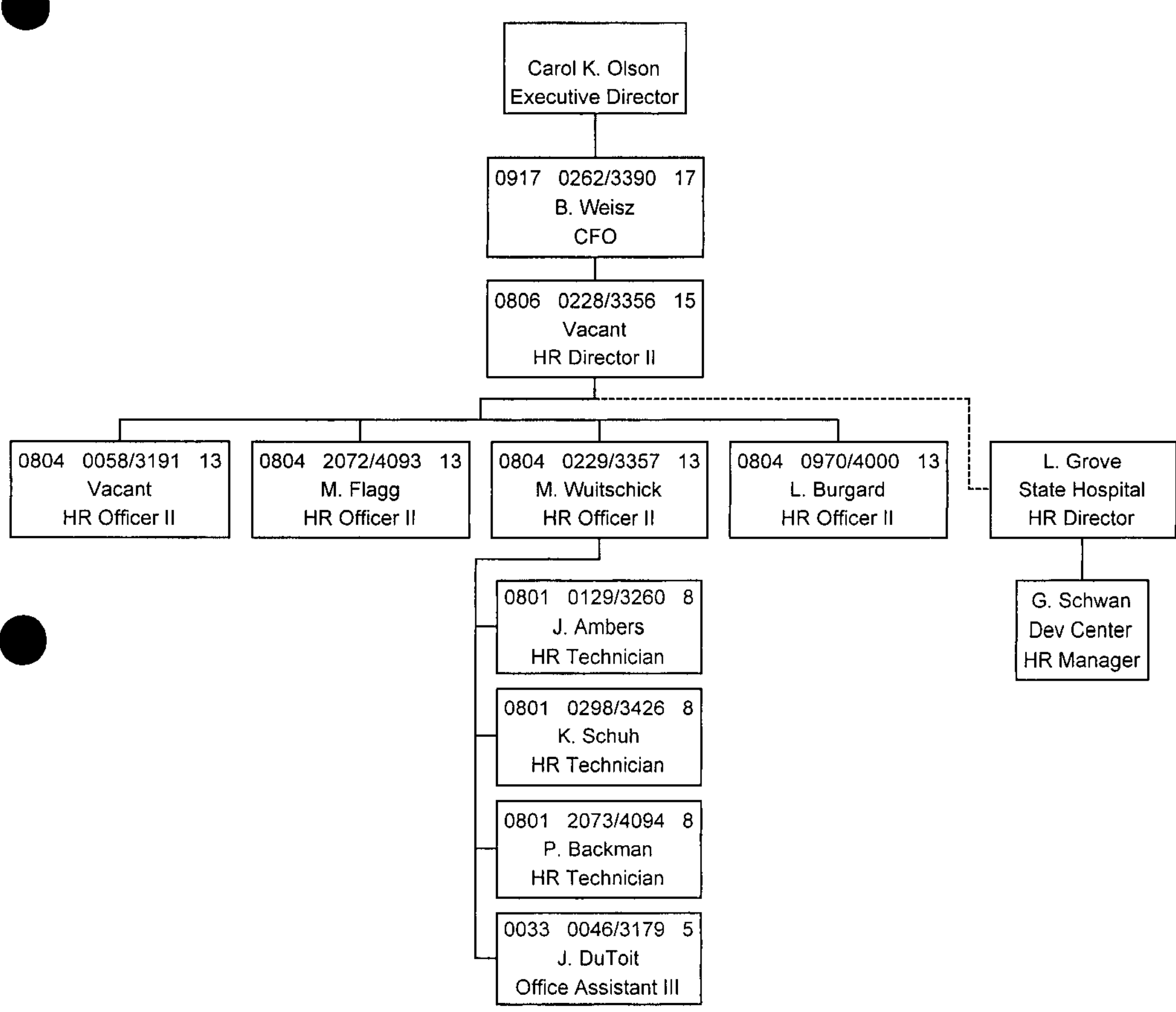

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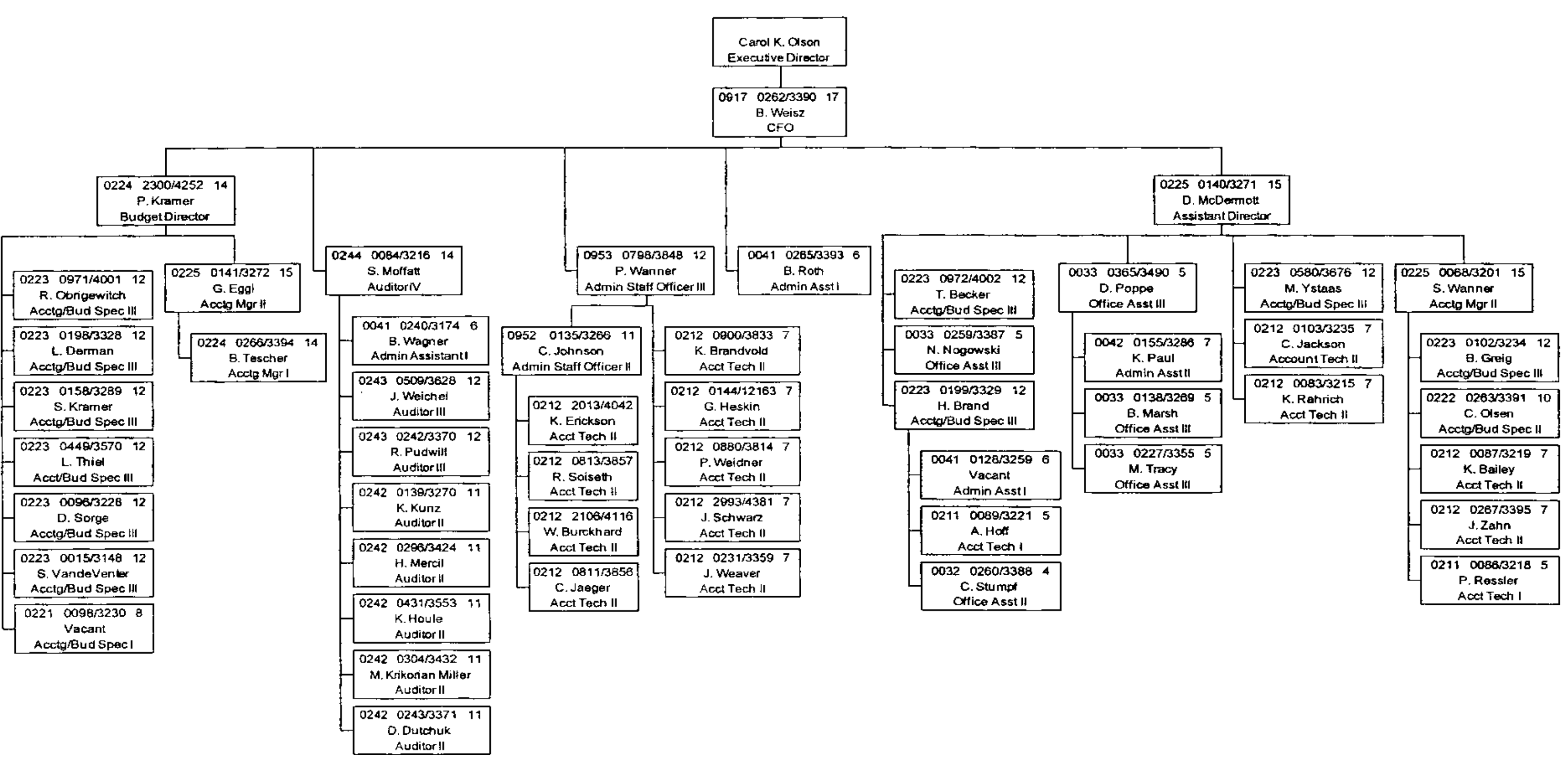

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Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 8, 2007

Chairman Holmberg and members of the Senate Appropriations Committee, I am Carol K. Olson, Executive Director of the Department of Human Services (DHS). Thank you for the opportunity to appear before you today to present the Department's budget request for the 2007-2009 biennium.

The Department's mission is to provide effective and efficient human services, which improve the lives of people. This biennium the Department held a series of stakeholder meetings across the state to gauge its effectiveness in meeting this mission. Organizations and individuals involved in the delivery of human services in North Dakota, as well as clients and department staff, were invited to discuss community needs, capacity, and resources for the purpose of shaping the Department's budget and strategic planning. This budget reflects many local priorities and needs.

In order to be more responsive to environmental changes in the human services system whether due to federal actions or evolving local issues, the Department established a new cabinet management structure (effective January 1, 2006). This has strengthened collaboration, communication, and long-range planning.

Also, all Medicaid waivers, as well as home and community based services, were consolidated within the Medical Services Division in order to be more inclusive for the populations served. Pooling staff expertise

and placing responsibility and accountability for waivers in one location assures better oversight, greater consistency in policy, and improved responsiveness to clients and providers.

This places a greater focus and awareness on home and community based services and disability services in the continuum of long-term care from birth to death.

Included in the restructuring, the Department refocused its Research Team to utilize data from electronic record systems to provide more outcome and service data. This information helps guide strategic planning and service delivery decisions.

Following my testimony, Brenda Weisz, Chief Financial Officer (CFO) will be providing an overview of the Executive Budget and the changes contained in it.

Allow me to share with you some of the program achievements from the current biennium that have improved the lives of people in North Dakota.

Aging Services

- Received a federal Administration on Aging grant to expand the state's existing legal services to low-income seniors by implementing and marketing a legal assistance hotline. North Dakota was one of six states to receive funding.

- Collaborated with Minot State University on a federal grant to balance resources through the long term care continuum.

- Supported Medicare Part D enrollment assistance efforts by outreach workers at designated senior centers to help elders sign up for appropriate plans.

Children and Family Services

- Surveyed social workers and determined there has been an increase in the percentage of children removed from homes due to parental involvement in the manufacture, use, or sale of methamphetamine. Based on surveys conducted by the Children and Family Services Division in 2003 and 2005, child removal rates due to meth increased from 15% in 2003 to 23.7% in 2005.

- Collaborated with child welfare service providers to fulfill all of the recommendations resulting from the federal Children and Family Services Review. North Dakota raised its score on the 23 performance items from 83% in 2001 to 98.3% in 2005. We anticipate the next federal review of child welfare services in April 2008.

- Increased Kinship Care by 140% from FFY 2000 to FFY 2006. This type of placement, which keeps children in the care of extended family members, now comprises about 26% of all child placements. In comparison, 34% of children are in family foster care, 29% are in facility-based care, and preadoptive homes comprise the remaining 11% of the child welfare placements.

Child Support Enforcement

- Ranked second in the nation on federal child support enforcement performance measures and will receive increased incentive payments in recognition of this accomplishment.

- Received a federal Administration for Children and Families grant that, when matched with other federal funds, will allow the Department to develop a multi-year $670,000 project strengthening the coordination between child support and child welfare services.

- Expanded the successful Parental Responsibility Initiative for the Development of Employment (PRIDE) program that seeks to increase child support by addressing the unemployment and underemployment of non-custodial parents. Fifty-six percent of the parents participating in the Dickinson pilot program became employed. Increased child support payments typically result in more interaction between children and non-custodial parents, therefore strengthening family relationships.

Economic Assistance Policy

- Developed a Diversion Assistance program to help Temporary Assistance for Needy Families (TANF) clients transition into the workforce and ensure that North Dakota complies with the increased federal work participation rate of 50% required under the Deficit Reduction Act (DRA) of 2005. North Dakota's work participation rate for October 2006 was 71%.

- Ranked sixth best in Food Stamp Program accuracy and received almost $461,000 in a high performance bonus from the United States Department of Agriculture (USDA).
    - North Dakota achieved a 96.4% accuracy rate.
    - Placed in the top 10 among states for the second year in a row.

Disabilities Services

- Reported that people with disabilities who became employed through vocational rehabilitation during FFY 2006 saw their average weekly wages rise from $88 to $347.

- Determined that for every $1 Vocational Rehabilitation spent in FFY 2006, clients will earn $11.49 and will pay back $2.30 in taxes.

- Assisted 1,045 visually impaired individuals age 55 and older to remain in their homes during FFY 2006 through Vocational Rehabilitation – Older Blind Services Program.

Mental Health and Substance Abuse

- Implemented evidence-based practices such as the Matrix Model, a national treatment model for methamphetamine (meth) addiction, at the Department's eight regional human service centers. All of the Department's addiction treatment professionals have been trained in the Matrix Model. Also some private treatment providers in North Dakota, including the Robinson Recovery Center, have adopted this model.

- Contracted with the Robinson Recovery Center for residential meth treatment services. This has been a successful partnership resulting in 44% of participants completing the program successfully, a 58% reduction in homelessness following treatment and a 55% increase in employment. The average length of treatment is 3.4 months.

- Contracted with a private provider to make community based treatment services available to sex offenders already living in communities under the supervision of the Department of Corrections and Rehabilitation. This new service is provided to offenders with high risk levels involving children and any risk level involving adults.

- Collaborated with NDSU in training natural (informal) caregivers in aging/mental health needs.

Medical Services

- Received approval from the Centers for Medicare & Medicaid Services (CMS) to implement an Independence Plus Self-Directed Supports Waiver for children and adults with developmental disabilities (effective April 1, 2006). This gives individuals and their families more choice and control in making decisions and obtaining support, and allows them to direct a fixed amount of public dollars through an individual budget.

- Received a $372,315 grant from the U.S. Department of Justice to help implement a prescription drug-monitoring program in compliance

with the 2005-2007 legislation (HB 1459). The Board of Pharmacy will implement the program.

- As directed by Governor Hoeven, the Department stepped in to assure that Medicaid clients impacted by the transition of their prescription drug coverage to Medicare Part D received their needed medications. (This assistance continued through February 15, 2006.)

- Signed a contract with Affiliated Computer Services Inc. (ACS) to complete phase one of the design, development and implementation of a new Medicaid Management Information System (MMIS) and a Pharmacy Point of Sales System, as authorized by the legislature.

Regional Human Service Centers

- Partnered with community providers to expand placement options for individuals needing residential care for addiction and/or mental health treatment (to help ease the capacity issues at the ND State Hospital and at local hospitals).

- Initiated a pilot program using the Integrated Dual Disorder Treatment Model at Southeast Human Service Center. This is an evidence-based model for those with chronic substance abuse <u>and</u> serious and persistent mental illness. It is designed to decrease hospitalizations and crisis response, and to increase employment and client satisfaction with services. We are collecting outcome information and could expand to other sites.

- Continued piloting different uses of telemedicine to increase access to mental health and substance abuse assessment and treatment in rural areas. An example is the Northwood Clinic – Northeast Human Service Center Pilot that provides mental health counseling services from a therapist in Grand Forks to individuals at the rural clinic.

North Dakota State Hospital

- Continued to strengthen security at the sex offender unit at the ND State Hospital and added additional beds to meet increased demand.

- Continued to collaborate with the Department of Corrections and Rehabilitation (DOCR) on service planning for alternatives to incarceration and/or post-incarceration treatment.

North Dakota Developmental Center

- Worked with providers and advocates on long-range planning to transition individuals from the Developmental Center to community placements.

Thank you for your time. I would like to introduce Brenda Weisz, CFO for the Department, who will be presenting the overview of the Department's 2007-2009 Budget.

Senate Bill 2012 – Department of Human Services
Carol K. Olson
Executive Director
January 10, 2007

Chairman Holmberg and members of the Senate Appropriations Committee, thank you for giving the Department of Human Services the opportunity to appear before you this week to present the Department's 2007-2009 Executive Budget.

I am handing out a two-sided document containing the Department of Human Services' Budget Highlights (SB 2012) for your use.

Department senior managers have provided you with a large amount of information about our programs and services. We appreciate the difficult work ahead of you as you shape state budgets to meet legislative priorities. Department staff stand ready to provide you with any additional information necessary to assist you with your decisions. My door is always open. Please contact me if you have any comments, concerns or questions.

Thank you.

(13)

Department of Human Services
2007 – 2009 Appropriations
Budget Highlights

- Funding necessary to complete the design, development and implementation of **MMIS.** Includes an appropriation of $31.1m total funds; $3.6m general funds. Proposes to carryover from the current biennium unspent authority of $21.5m total funds; $2.5m from the Permanent Oil Trust Fund.

- The Department has **held administrative costs to 5.5%** of the total budget while including the administrative and business office expenses of the Human Service Centers and Institutions.

- **Healthy Steps Program** will cover 3,958 ND children, the largest number thus far. Includes funding of $19.7m total funds; $5.0m general funds.

- **Residential treatment** for those with **meth addiction** is included in the Executive Budget at the level of $1.2m general funds. This is a $700,000 increase over the current biennium.

- Fully funds bed expansion and building security needs for the **civilly committed sex offender program** at the State Hospital ($6.6m total funds). Other legislation (SB 2136) proposes moving the program and building to the Department of Corrections and Rehabilitation.

- **Home and Community Based Care** includes changes to the waiver services including: the expansion of the waiver for services needed by individuals on a ventilator; the consolidation of the services provided under the TBI waiver with the aged and disabled waiver; and payment to spouses who serve as formal caregivers. (Total budget for all HCBS is $36.8 total funds; $19.0m general funds)

- 3% inflationary increase to **providers** in each year of the biennium ($14.1 m general funds)

- **FMAP decrease** resulting in a $9.1m general funds increase

- Funding for deferred **capital projects**, extraordinary repairs and major equipment needs at the **Institutions** - Developmental Center ($1.6m general funds) State Hospital ($4.5m general funds)

- $.60 per hour increase to **employees of the DD providers** in addition to the 3% inflationary increase ($3.9m general funds)

- **Medicare Part D "clawback"** ($3.3m general funds increase)

- Addresses **capacity issues being experienced at the Human Service Centers by**
    - Providing funding for the continuation of the drug courts that have been so effective in North Dakota. Increases provided for Bismarck, Fargo, Grand Forks and Minot ($.3m general funds)
    - Increasing funding for additional crisis beds for those with both serious mental illness and substance abuse issues in the Fargo region, residential beds for seriously mentally ill in Grand Forks region and enhanced adolescent substance abuse treatment in Bismarck region. ($1.0 m general funds)
    - Providing for community placement in the Jamestown region for those in the State Hospital with a serious mental illness by continuing with a six-bed expansion and a new facility for up to 15 beds, which will be operational by May 2007. ($1.6m general funds)

- Provides for the **community treatment of sex offenders** who have not been civilly committed ($2.8m general funds)

- Increase in daily rate for the **corporate guardianship services to those with a developmental disability**. This also provides for petitioning costs, the elimination of the waiting list and anticipated growth ($0.4m general funds increase)

- Increase in the program State Funds to Providers, which is passed through to those providing services under the **Older American Act** in order to keep seniors in their homes. The providers offer congregate meal sites and home delivered meals among other services ($0.3m general funds)

- **Rebasing of Nursing Facility building limits** ($0.2m general funds)

- Increase for the recruitment and retention of **foster care** homes for those children in our system ($0.1m general funds)

- Governor's **salary and benefit package** ($9.9m general funds increase)

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 21, 2007

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Children and Family Services

- Surveyed social workers and determined there has been an increase in the percentage of children removed from homes due to parental involvement in the manufacture, use, or sale of methamphetamine. Based on surveys conducted by the Children and Family Services Division in 2003 and 2005, child removal rates due to meth increased from 15% in 2003 to 23.7% in 2005.

- Collaborated with child welfare service providers to fulfill all of the recommendations resulting from the federal Children and Family Services Review. North Dakota raised its score on the 23 performance items from 83% in 2001 to 98.3% in 2005. We anticipate the next federal review of child welfare services in April 2008.

- Increased Kinship Care by 140% from FFY 2000 to FFY 2006. This type of placement, which keeps children in the care of extended family members, now comprises about 26% of all child placements. In comparison, 34% of children are in family foster care, 29% are in facility-based care, and preadoptive homes comprise the remaining 11% of the child welfare placements.

Child Support Enforcement

- Ranked second in the nation on federal child support enforcement performance measures and will receive increased incentive payments in recognition of this accomplishment.

- Received a federal Administration for Children and Families grant that, when matched with other federal funds, will allow the Department to develop a multi-year $670,000 project strengthening the coordination between child support and child welfare services.

- Expanded the successful Parental Responsibility Initiative for the Development of Employment (PRIDE) program that seeks to increase child support by addressing the unemployment and underemployment of non-custodial parents. Fifty-six percent of the parents participating in the Dickinson pilot program became employed. Increased child support payments typically result in more interaction between children and non-custodial parents, therefore strengthening family relationships.

Economic Assistance Policy

- Developed a Diversion Assistance program to help Temporary Assistance for Needy Families (TANF) clients transition into the workforce and ensure that North Dakota complies with the increased federal work participation rate of 50% required under the Deficit Reduction Act (DRA) of 2005. North Dakota's work participation rate for December 2006 was almost 63%.

- Ranked sixth best in Food Stamp Program accuracy and received almost $461,000 in a high performance bonus from the United States Department of Agriculture (USDA).
    - North Dakota achieved a 96.4% accuracy rate.
    - Placed in the top 10 among states for the second year in a row.

Disabilities Services

- Reported that people with disabilities who became employed through vocational rehabilitation during FFY 2006 saw their average weekly wages rise from $88 to $347.

- Determined that for every $1 Vocational Rehabilitation spent in FFY 2006, clients will earn $11.49 and will pay back $2.30 in taxes.

- Assisted 1,045 visually impaired individuals age 55 and older to remain in their homes during FFY 2006 through Vocational Rehabilitation – Older Blind Services Program.

Mental Health and Substance Abuse

- Implemented evidence-based practices such as the Matrix Model, a national treatment model for methamphetamine (meth) addiction, at the Department's eight regional human service centers. All of the Department's addiction treatment professionals have been trained in the Matrix Model. Also some private treatment providers in North Dakota, including the Robinson Recovery Center, have adopted this model.

- Contracted with the Robinson Recovery Center for residential meth treatment services. This has been a successful partnership resulting in 44% of participants completing the program successfully, a 58% reduction in homelessness following treatment and a 55% increase in employment. The average length of treatment is 3.4 months.

- Contracted with a private provider to make community based treatment services available to sex offenders already living in communities under the supervision of the Department of Corrections and Rehabilitation. This new service is provided to offenders with high risk levels involving children and any risk level involving adults.

- Collaborated with NDSU in training natural (informal) caregivers in aging/mental health needs.

Medical Services

- Received approval from the Centers for Medicare & Medicaid Services (CMS) to implement an Independence Plus Self-Directed Supports Waiver for children and adults with developmental disabilities (effective April 1, 2006). This gives individuals and their families more choice and control in making decisions and obtaining support, and allows them to direct a fixed amount of public dollars through an individual budget.

- Received a $372,315 grant from the U.S. Department of Justice to help implement a prescription drug-monitoring program in compliance

with the 2005-2007 legislation (HB 1459). The Board of Pharmacy will implement the program.

- As directed by Governor Hoeven, the Department stepped in to assure that Medicaid clients impacted by the transition of their prescription drug coverage to Medicare Part D received their needed medications. (This assistance continued through February 15, 2006.)

- Signed a contract with Affiliated Computer Systems (ACS) for the design, development and implementation of a new Medicaid Management Information System (MMIS) and a Pharmacy Point of Sale System. Last week, Governor Hoeven signed 2007 Senate Bill Number 2024, after both chambers of this Legislative Assembly showed overwhelming support for the continuation of the work needed to complete the Medicaid Systems Project.

Regional Human Service Centers

- Partnered with community providers to expand placement options for individuals needing residential care for addiction and/or mental health treatment (to help ease the capacity issues at the ND State Hospital and at local hospitals).

- Initiated a pilot program using the Integrated Dual Disorder Treatment Model at Southeast Human Service Center. This is an evidence-based model for those with chronic substance abuse <u>and</u> serious and persistent mental illness. It is designed to decrease hospitalizations and crisis response, and to increase employment and client satisfaction

with services. We are collecting outcome information and could expand to other sites.

- Continued piloting different uses of telemedicine to increase access to mental health and substance abuse assessment and treatment in rural areas. An example is the Northwood Clinic – Northeast Human Service Center Pilot that provides mental health counseling services from a therapist in Grand Forks to individuals at the rural clinic.

North Dakota State Hospital

- Continued to strengthen security at the sex offender unit at the ND State Hospital and added additional beds to meet increased demand.

- Continued to collaborate with the Department of Corrections and Rehabilitation (DOCR) on service planning for alternatives to incarceration and/or post-incarceration treatment.

North Dakota Developmental Center

- Worked with providers and advocates on long-range planning to transition individuals from the Developmental Center to community placements.

Thank you for your time. I would like to introduce Brenda Weisz, CFO, for the Department, who will be presenting the overview of the Department's 2007-2009 Budget.

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 8, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Brenda M. Weisz, Chief Financial Officer for the Department of Human Services. I will be providing an overview of the Department's 2007 – 2009 budget request included in SB 2012 along with the fiscal impact of SB 2024. This is the appropriation bill for the Medicaid Systems Project more commonly know as the MMIS (Medicaid Management Information System) Project.

Current Budget / Budget Request

The 2007 – 2009 Executive Budget request compared to the current 2005 – 2007 biennial budget is as follows:

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salary and Wages	33,043,914	37,317,448	4,273,534
Operating	120,738,767	129,007,769	8,269,002
Capital Assets	6,620	684	(5,936)
Grants	329,884,503	339,435,262	9,550,759
Capital Construction Carryover	350,000	-	(350,000)
HSCs / Institutions	205,417,955	241,334,386	35,916,431
Grants - Medical Assistance	988,884,468	1,101,375,452	112,490,984
Total	1,678,326,227	1,848,471,001	170,144,774
General Funds	483,805,731	582,160,899	98,355,168
Federal Funds	1,097,951,106	1,168,110,505	70,159,399
Other Funds	96,569,390	98,199,597	1,630,207
Total	1,678,326,227	1,848,471,001	170,144,774

FTE	2,058.43	2,085.68	27.25

Policy Changes

The above 2007 – 2009 budget request includes three distinct policy changes as follows:

First, the budget reflects moving the Children's Special Health Services unit of the Medical Services Division to the Health Department. During the interim, the objectives of the program and the missions of both the Health Department and the Department of Human Services were considered. The Children's Special Health Services program serves to fill the gaps in financial coverage of specifically identified conditions, while the Medicaid program is insurance coverage for those who qualify based on a disability or income level. The current budget for the 2005 – 2007 biennium above reflects the elimination of the program so that a more representative comparison of the budget for each biennium can be made. The amount removed was $2,069,580.

Second, the Developmental Disability grant payments are now reflected under the Long Term Care reporting level based on feedback that we received during the close of the last legislative session. This truly is one population that does receive long term care which spans the lifetime of the individuals.

Finally, the eligibility requirements for SPED funding under the Home and Community Based Services Program area were changed. Beginning July 1, 2007, new applicants will be screened for requiring assistance with one activity of daily living (ADL). Current recipients will be "grandfathered" and remain eligible. In conjunction with this change the Department will

submit four changes to their Aged and Disabled Waiver under the Home and Community Based Services Program. This will allow for:

- Home delivered meals - 3 meals per week for those with physical disabilities under age 60
- Family Home care for spouses – pay formal caregivers for spouses when extraordinary in-home care is required.
- Nurse delegated care – medication administration.
- Respite care change for those providing adult family foster care - this allows for payment of $145 for additional clients after the first client. Currently the system allows for $545 per month for 1-4 clients.

Major Budget Changes

As noted above, the general fund increase is **$98.4** million and can be explained as follows:

$38.7 million – Net cost changes in the grant progams of the department including traditional Medicaid grants, nursing facilities, Developmental Disability grants, Home and Community Based Services, and child welfare grants. Changes are the result of several factors such as rate setting rules, federal mandates, and costs which cannot be controlled by the Department (drugs, premiums- Medicare, Healthy Steps.)

($14.3) million – net decrease in caseload / utilization. The largest impact of change in this area is the decrease in the number of prescriptions due to implementation of Medicare Part D. This decrease is offset by increases in other areas such as the Healthy Steps program and grants for the Developmentally Disabled.

$14.1 million – 3% inflationary increase to providers in each year of the biennium.

$9.9 million – the Governor's salary and benefit package.

$9.1 million – increase in the Federal Medical Assistance Percentage (FMAP). This percentage is based on per capita income of ND in relation to other states. The increase in ND per capita income was not as drastic in relation to other states this biennium so the decrease in FMAP is not as drastic as last biennium. The FMAP rates for the upcoming biennium are as follows:

- FFY 2007 – 64.72% Final – in effect now
- FFY 2008 – 63.75% Final
- FFY 2009 - 64.08% Estimated (preliminary number usually issued in April)

$6.6 million – increase needed to maintain the third unit for civilly committed sex offenders ($2.2 million), to add a fourth unit ($1.3 million) and to provide an addition to the current building for better security based on a more dangerous population ($3.1 million). 82 beds are included in the budget.

$6.1 million – to fund capital projects, extraordinary repairs and major equipment needs at the Institutions for repair and maintenance of infrastructure and operations. ($1.6 million - Developmental Center and $4.5 million – State Hospital)

$4.6 million – increase as a result of the decreased use of Intergovernmental Transfer funds, and decreased Social Services Block Grant funds.

$3.9 million - $.60 per hour increase to employees of the DD providers in addition to the 3% inflationary increase.

$3.6 million – the amount included in appropriation bill SB 2024 for the completion of the design, development and implementation of the Medicaid system project (MMIS.)

$3.3 million – increase in the Medicare Part D "clawback" payment based on 24 months of payment vs. 18 months in the current biennium along with increases in the cost estimates utilized by the federal government. The federal government refers to this payment as the "phased down monthly contribution" based on the state Medicaid savings as a result of Medicare covering the drug costs for those eligible for both Medicaid and Medicare (dual eligibles). The "contribution" is 90% beginning in 2006, with the savings phased down by 1.67% each year until reaching 75% in 2015. The savings are based on per capita Medicaid expenditures for covered drugs increased by the growth in per capita prescription drug spending nationally.

$2.9 million – increase to provide 24 months of funding needed for year two of the state employee salary increase rather than for the 12 months reflected in the current biennium.

$2.9 million – to address capacity issues being experienced at the Human Service Centers by

- Providing funding for the continuation of the drug courts that have been so effective in North Dakota. Increases provided for Bismarck, Fargo, Grand Forks and Minot ($.3 million)
- Increasing funding for additional crisis beds for those with both serious mental illness and substance abuse issues in the Fargo region, residential beds for seriously mentally ill in Grand Forks region and enhanced adolescent substance abuse treatment in Bismarck region. ($1.0 million)
- Providing for community placement in the Jamestown region for those in the State Hospital with a serious mental illness by continuing with a six bed expansion and a new facility for up to 15 beds which will be operational by May 2007. ($1.6 million)

$2.8 million – increase to provide for the community treatment of sex offenders who have not been civilly committed.

$0.7 million –funding for a second meth treatment center similar to the Robinson Recovery Center.

$0.5 million – increase in daily rate for to the corporate guardianship services to those with a developmental disability. This also provides for petitioning costs, the elimination of the waiting list and anticipated growth.

$0.3 million – increase in the program State Funds to Providers, which is passed through to those providing services under the Older American Act in order to keep seniors in their homes. The providers offer congregate meal sites and home delivered meals among other services.

$0.2 - rebasing of Nursing Facility building limits.

$0.1 million – increase for the recruitment and retention of foster care homes for those children in our system.

$0.1 million – increase related to a proposed federal regulation requiring criminal background checks on Certified Nursing Assistants (CNAs.)

The remaining 2.4% of the general fund increase - $2.4 million – is tied to miscellaneous net increases throughout the Department, which will be addressed by each division in the upcoming days.

Key Points in Developing the Budget

Traditional Medicaid grants – The overall decrease in the drug budget is $27.8 million in total funds. A breakdown of this change is as follows:

- Cost changes in drug prices and 6.5% inflation each year of the biennium - $72.3 million;
- Utilization changes for dual eligibles being paid by Medicare – ($73.4 million)
- Excess federal authority – ($26.7 million)

The traditional Medicaid budget is based on estimated eligibles of 52,308, which is down from the estimate used for the current budget of 52,909.

Healthy Steps Program – The budget is based on an average caseload of 3,958 children along with a premium increase of 13.99%. Although this is the lowest premium increase since the inception of the program, it has always been a double digit increase. (Last biennium – 17.85% increase; 2003 – 2005 biennium - 21.12% increase.) 2007 - 2009 will be

the first biennium the Department will operate the program without federal grant dollars being carried forward from previous federal funding years and we anticipate fully expending each grant year's allotment in the upcoming biennium.

Home and Community Based Services – After the 3% provider increase each year of the biennium, the funding request for 2007 – 2009 as compared to the budget for 2005 – 2007 has decreased by $922,382 in total funding. Part of this decrease is due to the SPED eligibility change previously mentioned and the remainder is a result of a current budget that had anticipated a higher level of need than currently being utilized. However, we feel that other funding efforts need to be noted along with this reduction. The providers in the regions that are responsible for the congregate meal sites, home delivered meals, outreach, etc., which is funded with federal Older American Act funds will see an increase as noted above by adding $280,000 to the State Funds for Providers program. Additionally, although the Mill Levy match program was moved to the State Treasurer's Office during the last legislative session, this has been another area of increase for these same entities. During the 2003 – 2005 biennium $1,662,945 of mill levy funds were distributed by the Department of Human Services. In the current biennium, the projected distribution by the State Treasurer's Office is $2,057,109. The projected distribution for the 2007 – 2009 biennium is $2,297,942, an estimated increase of $240,833. These funds in addition to the funding provided for congregate and home delivered meals do contribute to the ability for individuals to remain in their homes longer as they age. The discussion and funding of Home and Community Based services are that of a philosophical nature. However, when preparing the

budget request, we did so by using caseload information that could be defended. See **Attachments A and B.**

Institutions – The budget request for the State Hospital is based on 222 beds for the traditional population which includes 90 beds for the Tompkins program. Additionally, the budget includes 82 beds for the civilly committed sex offender program. The budget request for the Developmental Center is based on a population of 127.

FTE – Prior to addressing the ability to effectively serve clients at the Human Service Centers (11 FTE) and the addition of the fourth unit for the civilly committed sex offender program at the State Hospital (17 FTE), the Department's FTE request had decreased by .75 FTE. This reduction included the continuation of the 19 FTE added during the interim for the opening of the third unit to the civilly committed sex offender program requested of the Emergency Commission.

Optional Adjustment Requests (OARs) – When preparing the 2007 – 2009 budget, the Department approached the prioritization of the OARs differently. We developed overall categories of request and prioritized those categories. Some categories have many parts others have only one part. We did not prioritize within a category as one population is just as important as the other. **Attachment C** includes a listing of the OARs that were submitted with shading to indicate which were included in the Governor's budget funding fully or partially. During the detailed review of the Department's budget we would be willing to cover the requests in more detail.

At this time I would like to direct your attention to **Attachment D**, which indicates "Where the Money Goes" in the Department. 81% of the budget goes directly "out the door" to providers or grant recipients. This compares to 80% of the budget request for the 2005 -2007 biennium. Another 11% is expended on direct client services at the Human Services Centers and the Institutions, which remains the same as the 2005 – 2007 budget request.

We in the Department feel this budget has something for everyone. Many of the needs have been addressed in this budget recommendation, while other needs have been left for possible future funding. In the upcoming days and weeks, I encourage you to ask questions as you hear the testimony of the division directors. We truly do like to share our story and how our budget affects those we serve.

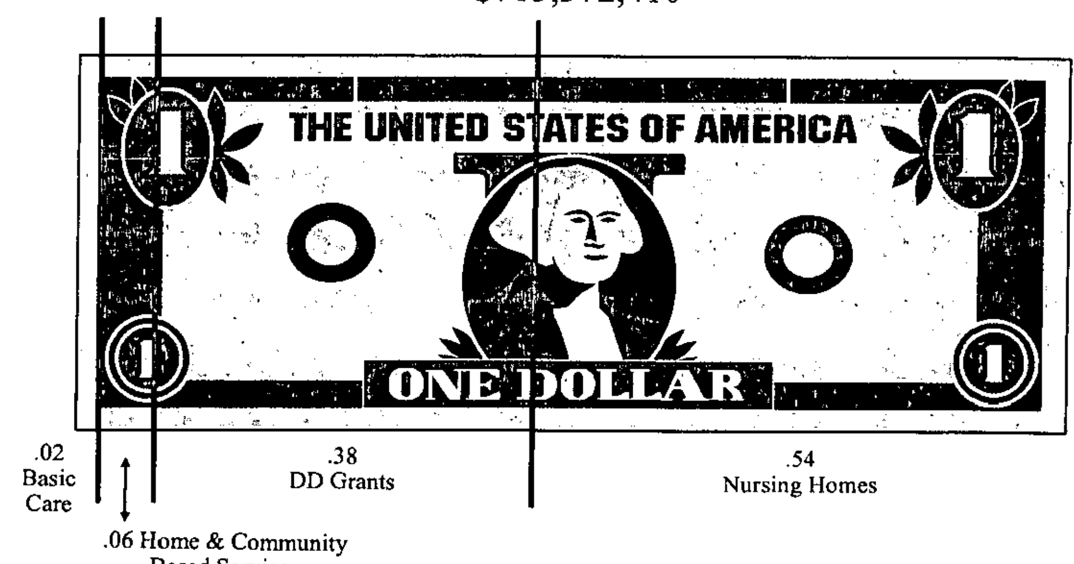
This concludes my testimony. I realize that I have taken a $1.8 billion budget and attempted to provide an explanation of the general fund increase in less than ten pages. In the upcoming days, testimony will be provided that will further breakdown these changes. At this time I would be willing to address your remaining questions and will also be available for any budget questions that may come to mind in the upcoming months.

Thank you.

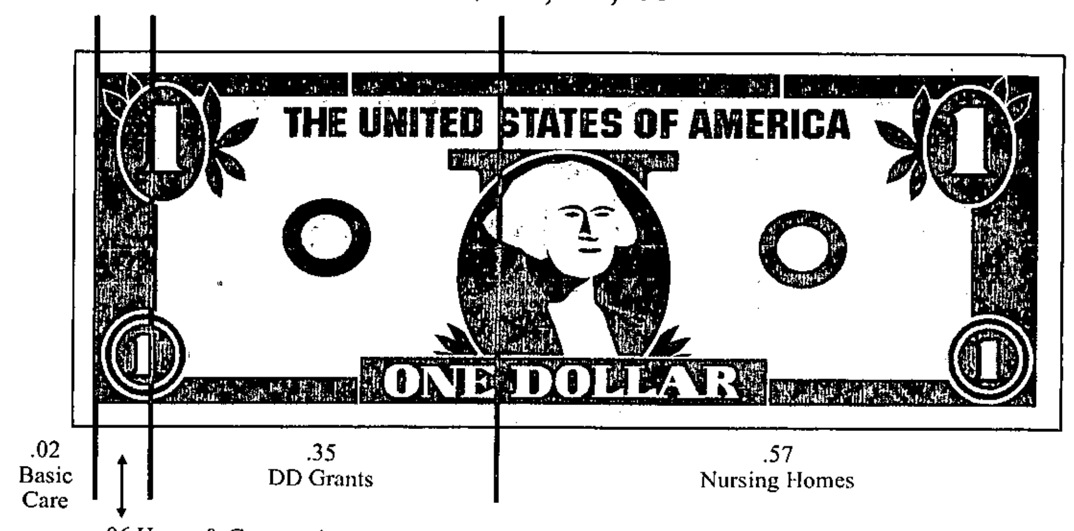
Attachment A

Department of Human Services
2007 - 2009 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Including DD Grants)
Comparison of 2007-2009 to 2005-2007 Biennium

2007-2009 Biennium to House
$713,372,410



2005-2007 Biennium Appropriation
$605,392,253



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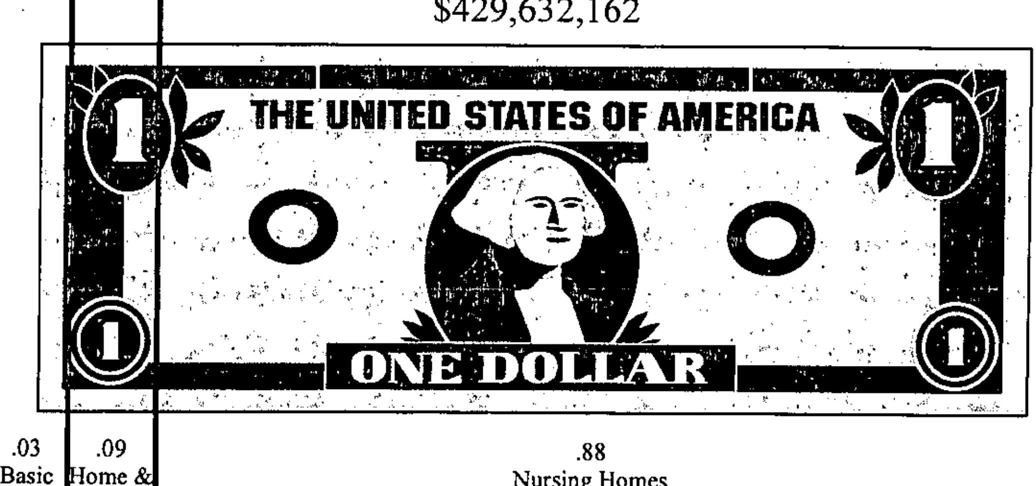
Attachment B

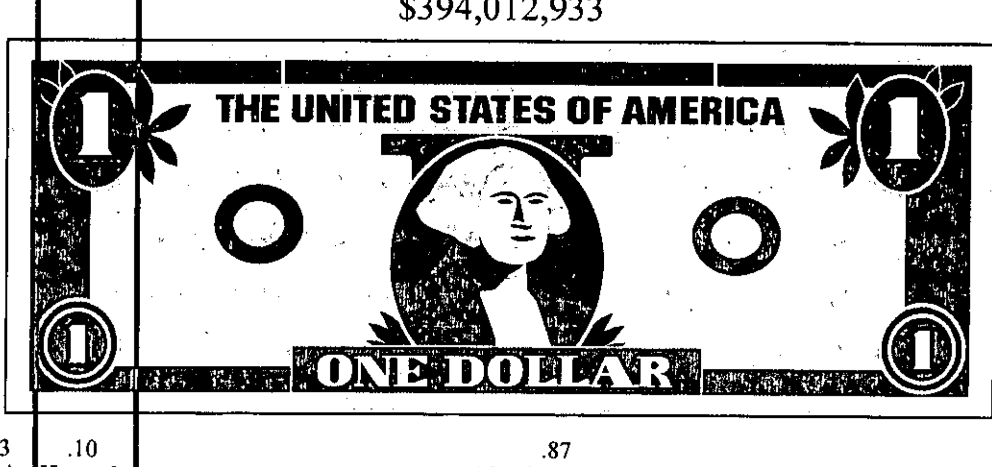
Department of Human Services
2007 - 2009 Budget to Senate
Where Does the Money Go?
Long Term Care Continuum (Excluding DD Grants)
Comparison of 2007-2009 to 2005-2007 Biennium

2007-2009 Biennium to Senate
$429,632,162



.03 Basic Care | .09 Home & Community Based Services | .88 Nursing Homes

2005-2007 Biennium Appropriation
$394,012,933



.03 Basic Care | .10 Home & Community Based Services | .87 Nursing Homes

FA-1/3/07-cj\0709legis\LTC comparison

Department of Human Services
2007-2009 Budget
Optional Adjustment Requests

Cabinet Category / Priority	Description	FTE	Total	General	Federal	Other
MMIS						
01	Completion of the Medicaid Systems Replacement		31,072,641	3,643,133	27,429,508	
CAPACITY						
02	Increased efforts to recruit and retain Foster Homes		150,000	112,500		37,500
02	Meth Residential Treatment Program		700,000	700,000		
02	Add FTE to convert temporary staff person - LR	1.00	20,782	20,782		
02	SMI Residential Beds - NE	1.00	730,028	540,002	190,026	
02	Addiction Counselor for Off Main Program -SE	1.00	95,631	86,067		9,564
02	Convert Temp. MI Case Manager to permanent - SE	3.00	247,632	74,292	173,340	
02	CD Short Term Residential Services - WC		95,800	95,800		
02	2 Pilot Special Care Units for SMI Population	2.00	2,477,436	2,377,518	99,918	
		8.00	4,517,309	4,006,961	463,284	47,064
INFLATION						
03	Inflationary Increases for 07-09 - Medicaid		15,354,364	4,994,990	10,346,808	12,566
03	2007 - 2009 Inflation - DD		14,175,781	5,142,367	9,033,414	
03	Inflationary Increase for LTC		14,011,614	5,427,465	8,559,478	24,671
03	Inflationary Increase for Family Preservation Services - CFS		823,050	594,482	156,098	72,470
03	To add provider inflation of 3.8% to each year - CFS		2,693,070	551,589	1,773,281	368,200
03	Inflation for Contracted Providers - MH/SA		38,722	38,722		
03	Inflation for Contracted Providers - DSD		85,727	70,950	14,777	
03	Provider Inflation - NW		77,424	77,424		
03	Provider Inflation - NC		173,169	173,169		
03	Provider Inflation - LR		117,067	113,067		
03	Provider Inflation - NE		143,870	128,173	15,636	61
03	Provider Inflation - SE		233,018	233,018		
03	Provider Inflation - SC		150,204	111,265	38,939	
03	Provider Inflation - WC		173,920	111,398	60,634	1,888
03	Provider Inflation - BL		53,406	53,042	364	
		0.00	48,300,406	17,821,121	29,999,429	479,856
TRANSITION						
04	Developmental Center Resident Transition	14.50	8,146,353	3,698,744	4,447,609	
EXPANSION / ENHANCEMENT						
05	Buy-In for Child with Disabilities & Special Health Care Needs	1.00	3,883,443	1,474,046	2,409,397	
05	Disease Management Expansion		3,700,000	1,332,740	2,367,260	
05	Healthy Steps Enhancements	1.00	1,633,973	1,633,973		
05	CNA Registry		300,257	75,081	225,176	
05	Non-Medical Transportation		348,648	335,922		12,726
05	Respite Care Vacation - HCBS		229,390	132,262	92,885	4,243
05	Add $10,000 to the QSP training budget		10,000	10,000		
05	Add $100,000 to the Guardianship service		100,000	100,000		
05	Add'l Family Preservation services, including Family Counseling		1,009,668	1,009,668		
05	Adoption Pay Points for outcome based contract		499,951	319,469	180,482	
05	Increasing the Safety Permanency funds to Counties		50,000	50,000		
05	To contract with the Attorney General Office		138,400	138,400		
05	To increase budget to cover foster care court costs		70,000	53,242	16,758	
05	To increase the Resource and Referral Network		166,221	166,221		
05	Medical Services HS Aide II - NE	1.00	64,804	64,804		
05	Psychology Internship APEC Site - NE		62,576	31,746	30,830	
05	Medication Monitoring Aide - WC	1.00	69,644	69,644		
05	Inc. Treatment Capacity for Addiction Treatment Needs (DOCR)	30.00	4,986,280	4,485,580	500,700	
05	SEHSC Inpatient Contract with MeritCare		200,000	200,000		
		34.00	17,523,255	11,682,798	5,823,488	16,969

Attachment C

Cabinet Category / Priority	Description	FTE	Total	General	Federal	Other
STAFF EQUITY						
06	Staff Equity Issues - HSC		253,635	135,010	94,859	23,766
06	Staff Equity Issues - SH		139,660	139,660		
06	Staff Equity Issues - DC		1,030,286	375,539	654,747	
		0.00	1,423,581	650,209	749,606	23,766
CAPITAL IMPROVEMENT / REPAIRS / EQUIPMENT						
07	Extraordinary Repairs - SH		1,153,500	1,153,500		
07	Major Capital Improvements - SH		3,362,757	3,362,757		
07	Renovations - SH		3,100,000	3,100,000		
07	Capital Improvements - DC		998,200	947,092	51,108	
07	Equipment - DC		92,640	80,782	11,858	
		0.00	8,707,097	8,644,131	62,966	0
PROVIDER REQUESTED ENHANCEMENT						
08	Medically Needy Income Level Increases		7,023,015	2,529,690	4,493,325	
08	Inc. Ambulance Service to Medicare Rates		664,665	239,412	425,253	
08	QSP Rate Increases		5,646,191	4,011,990	1,485,291	148,910
08	Nursing Facility Building Limit		543,998	195,948	348,050	
08	Staff Enhancement; ISLA and IHS Undermet		5,030,688	1,814,868	3,215,820	
08	$1.50 Hourly Wage Increase - DD		26,723,483	9,711,305	17,012,178	
08	Increase Fringe Benefit multiplier - DD		5,003,955	1,817,678	3,186,277	
08	Severely Medically Fragile Children		986,794	355,443	631,351	
08	Behaviorally Challenging Children		2,321,037	836,037	1,485,000	
08	Increased Child Abuse and Neglect Reimbursement		3,530,726	3,530,726		
08	Case Management for children in the custody of the state		396,000	301,198	94,802	
08	Increase reimbursement to Counties for Child Care Licensing		195,480	195,480		
08	Independent Living Centers		2,128,328	2,128,328		
08	Additional funding for IPAT		500,000	500,000		
		0.00	60,694,360	28,168,103	32,377,347	148,910
DRUG COURT EFFORTS						
09	Drug Court - NC	1.00	86,660	62,361	24,299	
09	Matrix Treatment & Drug Court Impleme - NE	1.00	94,448	56,670	37,778	
09	Addiction Counselor for Drug Court - SE	1.00	95,630	91,574	4,056	
09	Drug Court Addiction Counselor - WC	1.00	100,769	82,268	18,501	
		4.00	377,507	292,873	84,634	0
SEX OFFENDER GROWTH						
10	Sex Offender Community Treatment		2,774,562	2,774,562		
10	Sexual Abuse Therapist - SE	1.00	97,282	87,552		9,730
10	4th Unit Sex Offender Unit	17.00	1,266,189	1,266,189		
10	Geropsych Sex Offender Nursing Home Unit	30.50	2,655,494	2,655,494		
		48.50	6,793,527	6,783,797	0	9,730
	Total Department Optional Adjustment Requests	109.00	187,556,036	85,391,870	101,437,871	726,295

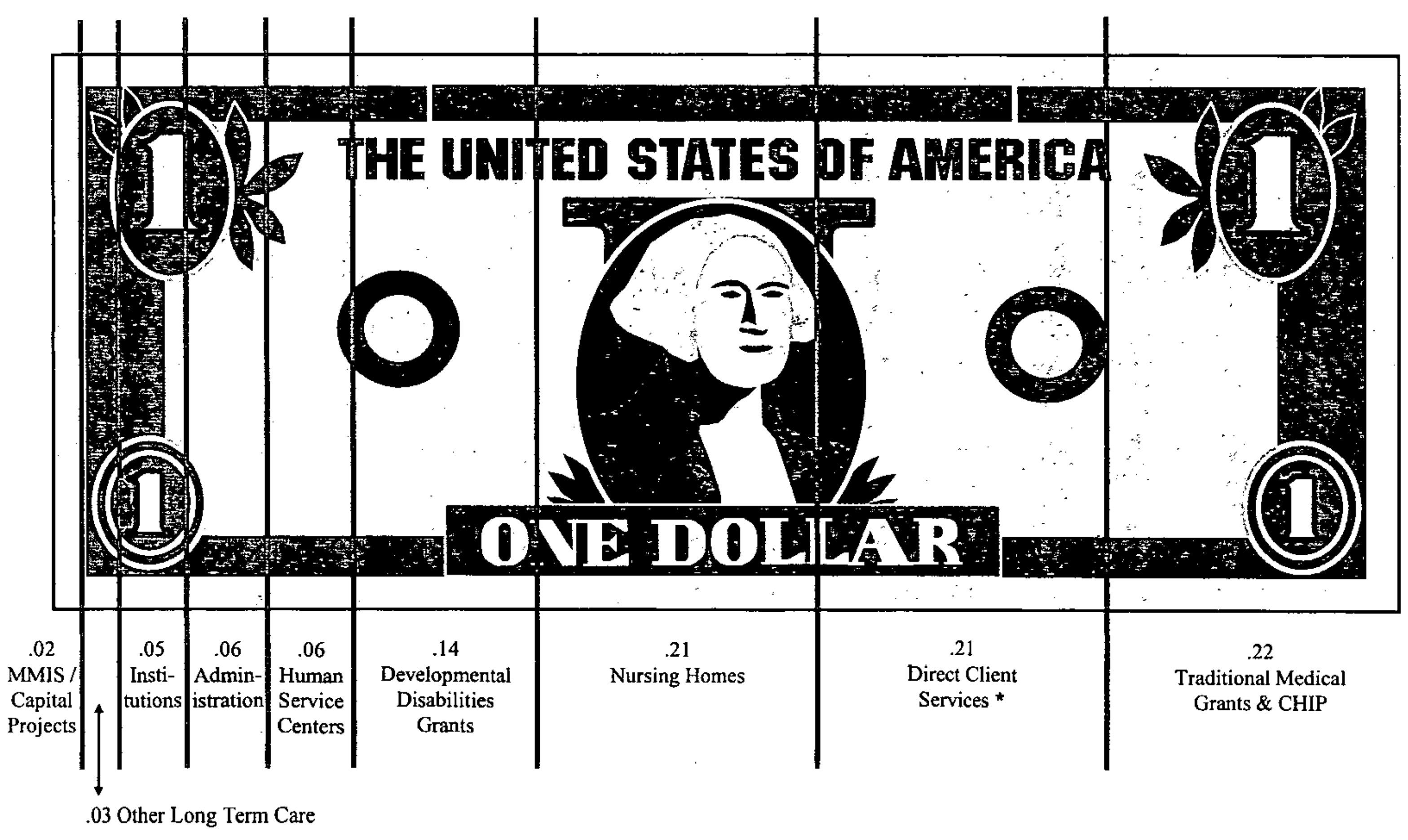
Fully funded in Governor's budget.

Partially funded in Governor's budget.

The Governor's budget provided for 3% inflation for each year of the biennium instead of the 3.8% per year included in the OAR.

The Governor's budget provided for a $0.60 per hour increase for DD Providers instead of the $1.50 per hour included in the OAR.

Department of Human Services
2007 - 2009 Budget to Senate
Where Does the Money Go?
Department-Wide
Total Funds $1,848,471,001



Attachment D

* Includes TANF, JOBS, Child Care, Food Stamps, Heating Assistance, IV-D Tribal, IV-D Judicial, Child Welfare, Aging, Mental Health, Substance Abuse, Vocational Rehabilitation, and Non-Medicaid Developmental Disability grants and services.

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Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations Human Resources Committee
Representative Pollert, Chairman
February 21, 2007

Chairman Pollert, members of the House Appropriations Human Resources Committee, I am Brenda M. Weisz, Chief Financial Officer for the Department of Human Services. I will be providing an overview of the Department's 2007 – 2009 budget request included in SB 2012 along with the fiscal impact of SB 2024. This is the appropriation bill for the Medicaid Systems Project more commonly know as the MMIS (Medicaid Management Information System) Project.

Policy Changes

Before I get into the fiscal changes reflected in the 2007 – 2009 budget request, I would like to discuss the three distinct policy changes which are reflected in those numbers.

First, the budget reflects moving the Children's Special Health Services unit of the Medical Services Division to the Health Department. During the interim, the objectives of the program and the missions of both the Health Department and the Department of Human Services were considered. The Children's Special Health Services program serves to fill the gaps in financial coverage of specifically identified conditions, while the Medicaid program is insurance coverage for those who qualify based on a disability or income level. The current budget for the 2005 – 2007 biennium above reflects the elimination of the program so that a more representative comparison of the budget for each biennium can be made. The amount removed was $2,069,580.

Second, the Developmental Disability grant payments are now reflected under the Long Term Care reporting level based on feedback that we received during the close of the last legislative session. This truly is one population that does receive long term care which spans the lifetime of the individuals.

Finally, the eligibility requirements for SPED funding under the Home and Community Based Services Program area were changed. Beginning July 1, 2007, new applicants will be screened for requiring assistance with one activity of daily living (ADL). Current recipients will be "grandfathered" and remain eligible. In conjunction with this change the Department will submit four changes to their Aged and Disabled Waiver under the Home and Community Based Services Program. This will allow for:

- Home delivered meals - 3 meals per week for those with physical disabilities under age 60.
- Family Home care for spouses – pay formal caregivers for spouses when extraordinary in-home care is required.
- Nurse delegated care – medication administration.
- Respite care change for those providing adult family foster care - this allows for payment of $145 for additional clients after the first client. Currently the system allows for $545 per month for 1-4 clients.

Current Budget / Executive Budget / Senate Changes / To House:

Description	2005 - 2007 Current Budget	Changes	Executive Budget 2007 - 2009	Senate Changes	Request to House
Salary and Wages	33,043,914	4,273,534	37,317,448	75,046	37,392,494
Operating	120,738,767	8,269,002	129,007,769	640,438	129,648,207
Capital Assets	6,620	(5,936)	684	0	684
Grants	329,884,503	9,550,759	339,435,262	2,496,854	341,932,116
Construction Carryover	350,000	(350,000)	-	0	0
HSCs / Institutions	205,417,955	35,916,431	241,334,386	461,714	241,796,100
Grants - Medical Assistance	988,884,468	112,490,984	1,101,375,452	37,433,908	1,138,809,360
Total	1,678,326,227	170,144,774	1,848,471,001	41,107,960	1,889,578,961
General Funds	483,805,731	98,355,168	582,160,899	16,824,453	598,985,352
Federal Funds	1,097,951,106	70,159,399	1,168,110,505	24,061,214	1,192,171,719
Other Funds	96,569,390	1,630,207	98,199,597	222,293	98,421,890
Total	1,678,326,227	170,144,774	1,848,471,001	41,107,960	1,889,578,961

FTE	2,058.43	27.25	2,085.68	2.50	2,088.18

Major Budget Changes from Current Budget to the Executive Budget:

As noted above, the general fund increase is **$98.4** million and can be explained as follows:

$38.7 million – Net cost changes in the grant programs of the department including traditional Medicaid grants, nursing facilities, Developmental

Disability grants, Home and Community Based Services, and child welfare grants. Changes are the result of several factors such as rate setting rules, federal mandates, and costs which cannot be controlled by the Department (drugs, premiums- Medicare, Healthy Steps).

($14.3) million – net decrease in caseload / utilization. The largest impact of change in this area is the decrease in the number of prescriptions due to implementation of Medicare Part D. This decrease is offset by increases in other areas such as the Healthy Steps program and grants for the Developmentally Disabled.

$14.1 million – 3% inflationary increase to providers in each year of the biennium.

$9.9 million – the Governor's salary and benefit package.

$9.1 million – increase in the Federal Medical Assistance Percentage (FMAP). This percentage is based on per capita income of ND in relation to other states. The increase in ND per capita income was not as drastic in relation to other states this biennium so the decrease in FMAP is not as drastic as last biennium. The FMAP rates for the upcoming biennium are as follows:

- FFY 2007 – 64.72% Final – in effect now
- FFY 2008 – 63.75% Final
- FFY 2009 - 64.08% Estimated (preliminary number usually issued in April)

$6.6 million – increase needed to maintain the third unit for civilly committed sex offenders ($2.2 million), to add a fourth unit ($1.3 million)

and to provide an addition to the current building for better security based on a more dangerous population ($3.1 million). 82 beds are included in the budget.

$6.1 million – to fund capital projects, extraordinary repairs and major equipment needs at the Institutions for repair and maintenance of infrastructure and operations. ($1.6 million - Developmental Center and $4.5 million – State Hospital)

$4.6 million – increase as a result of the decreased use of Intergovernmental Transfer funds, and decreased Social Services Block Grant funds.

$3.9 million - $.60 per hour increase to employees of the DD providers in addition to the 3% inflationary increase.

$3.6 million – the amount included in appropriation bill SB 2024 for the completion of the design, development and implementation of the Medicaid system project (MMIS).

$3.3 million – increase in the Medicare Part D "clawback" payment based on 24 months of payment vs. 18 months in the current biennium along with increases in the cost estimates utilized by the federal government. The federal government refers to this payment as the "phased down monthly contribution" based on the state Medicaid savings as a result of Medicare covering the drug costs for those eligible for both Medicaid and Medicare (dual eligibles). The "contribution" is 90% beginning in 2006, with the savings phased down by 1.67% each year until reaching 75% in 2015. The savings are based on per capita Medicaid expenditures for

covered drugs increased by the growth in per capita prescription drug spending nationally.

$2.9 million – increase to provide 24 months of funding needed for year two of the state employee salary increase rather than for the 12 months reflected in the current biennium.

$2.9 million – to address capacity issues being experienced at the Human Service Centers by

- Providing funding for the continuation of the drug courts that have been so effective in North Dakota. Increases provided for Bismarck, Fargo, Grand Forks and Minot. ($.3 million)
- Increasing funding for additional crisis beds for those with both serious mental illness and substance abuse issues in the Fargo region, residential beds for seriously mentally ill in Grand Forks region and enhanced adolescent substance abuse treatment in Bismarck region. ($1.0 million)
- Providing for community placement in the Jamestown region for those in the State Hospital with a serious mental illness by continuing with a six bed expansion and a new facility for up to 15 beds which will be operational by May 2007. ($1.6 million)

$2.8 million – increase to provide for the community treatment of sex offenders who have not been civilly committed.

$0.7 million – funding for a second meth treatment center similar to the Robinson Recovery Center.

$0.4 million – increase in daily rate for to the corporate guardianship services to those with a developmental disability. This also provides for

petitioning costs, the elimination of the waiting list and anticipated growth.

$0.3 million – increase in the program State Funds to Providers, which is passed through to those providing services under the Older American Act in order to keep seniors in their homes. The providers offer congregate meal sites and home delivered meals among other services.

$0.2 - rebasing of Nursing Facility building limits.

$0.1 million – increase for the recruitment and retention of foster care homes for those children in our system.

$0.1 million – increase related to a proposed federal regulation requiring criminal background checks on Certified Nursing Assistants (CNAs).

The remaining 2.3% of the general fund increase - $2.8 million – is tied to miscellaneous net increases throughout the Department, which will be addressed by each division in the upcoming days.

Key Points in Developing the Budget

Traditional Medicaid grants –

The traditional Medicaid budget is based on estimated eligibles of 52,308, which is down from the estimate used for the current budget of 52,909. Maggie Anderson, Director of Medical Services, will provide additional information in relation to the significant changes in this area later this afternoon.

Home and Community Based Services – When considering the Governor's Budget Recommendation along with the amendments made by the Senate, the funding request before the House as compared to the budget for 2005 – 2007 has increased by $4.2 million in total funding. Prior to the changes made by the Senate, this area of the budget showed a decrease when comparing the current budget to the requested budget. Part of this decrease was due to the SPED eligibility change previously mentioned and the remainder is a result of a current budget that had anticipated a higher level of need than currently being utilized.

However, we would like to bring to your attention other funding efforts that allow this population group to remain in their homes. The providers in the regions that are responsible for the congregate meal sites, home delivered meals, outreach, etc., which are funded with federal Older American Act funds will see an increase as noted above by adding $280,000 to the State Funds for Providers program. Additionally, although the Mill Levy match program was moved to the State Treasurer's Office during the last legislative session, this has been another area of increase for these same entities. During the 2003 – 2005 biennium $1,662,945 of mill levy funds were distributed by the Department of Human Services. In the current biennium, the projected distribution by the State Treasurer's Office is $2,057,109. The projected distribution for the 2007 – 2009 biennium is $2,297,942, an estimated increase of $240,833. These funds in addition to the funding provided for congregate and home delivered meals do contribute to the ability for individuals to remain in their homes longer as they age. The discussion and funding of Home and Community Based services are that of a philosophical nature. See **Attachments A and B.**

Institutions – The budget request for the State Hospital is based on 222 beds for the traditional population which includes 90 beds for the Tompkins program. Additionally, the budget includes 82 beds for the civilly committed sex offender program. The budget request for the Developmental Center is based on a population of 127.

FTE – Prior to addressing the ability to effectively serve clients at the Human Service Centers (11 FTE) and the addition of the fourth unit for the civilly committed sex offender program at the State Hospital (17 FTE), the Department's FTE request had decreased by .75 FTE. This reduction included the continuation of the 19 FTE added during the interim for the opening of the third unit to the civilly committed sex offender program requested of the Emergency Commission. The Senate amendments then added an additional 2.5 FTE.

Senate Changes – See Attachment C

Optional Adjustment Requests (OARs) – When preparing the 2007 – 2009 budget, the Department approached the prioritization of the OARs differently. We developed overall categories of request and prioritized those categories. Some categories have many parts others have only one part. We did not prioritize within a category as one population is just as important as the other. **Attachment D** includes a listing of the OARs that were submitted with shading to indicate which were included in the Governor's budget funding fully or partially along with those that were funded by the Senate. During the detailed review of the Department's budget we would be willing to cover the requests in more detail.

At this time I would like to direct your attention to **Attachment E**, which indicates "Where the Money Goes" in the Department. 82% of the budget goes directly "out the door" to providers or grant recipients. This compares to 80% of the budget request for the 2005 -2007 biennium. Another 11% is expended on direct client services at the Human Services Centers and the Institutions, which remains the same as the 2005 – 2007 budget request.

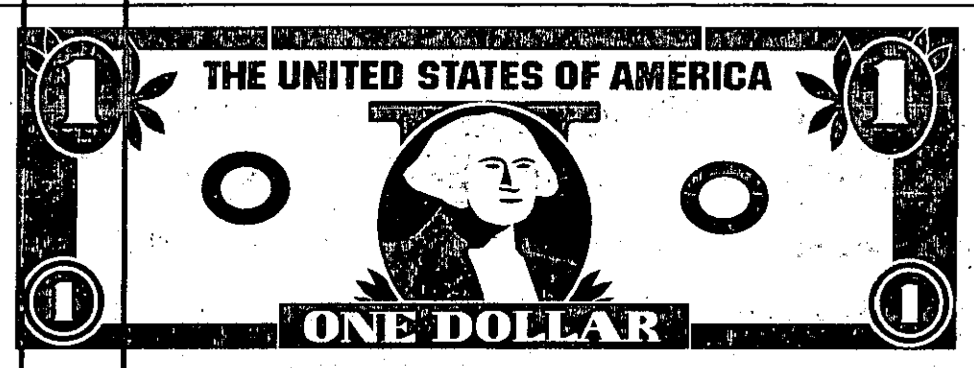
This concludes my testimony. In the upcoming days, testimony will be provided that will further breakdown these changes. At this time I would be willing to address your remaining questions and will also be available for any budget questions that may come to mind in the upcoming months.

Attachment B

Department of Human Services
2007 - 2009 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Excluding DD Grants)
Comparison of 2007-2009 to 2005-2007 Biennium

attachment A same as given to Senate

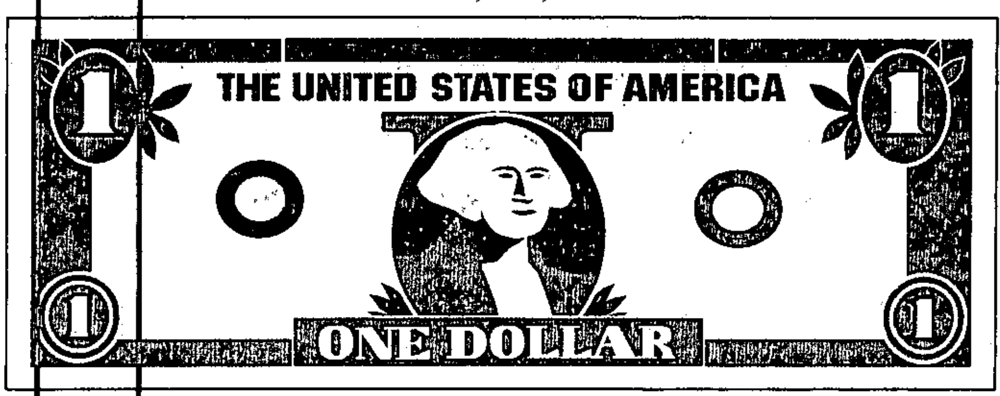
2007-2009 Biennium to House
$438,626,171



.03 Basic Care	.10 Home & Community Based Services	.87 Nursing Homes

attachment D was same as attachment C given to The House

2005-2007 Biennium Appropriation
$394,012,933



.03 Basic Care	.10 Home & Community Based Services	.87 Nursing Homes

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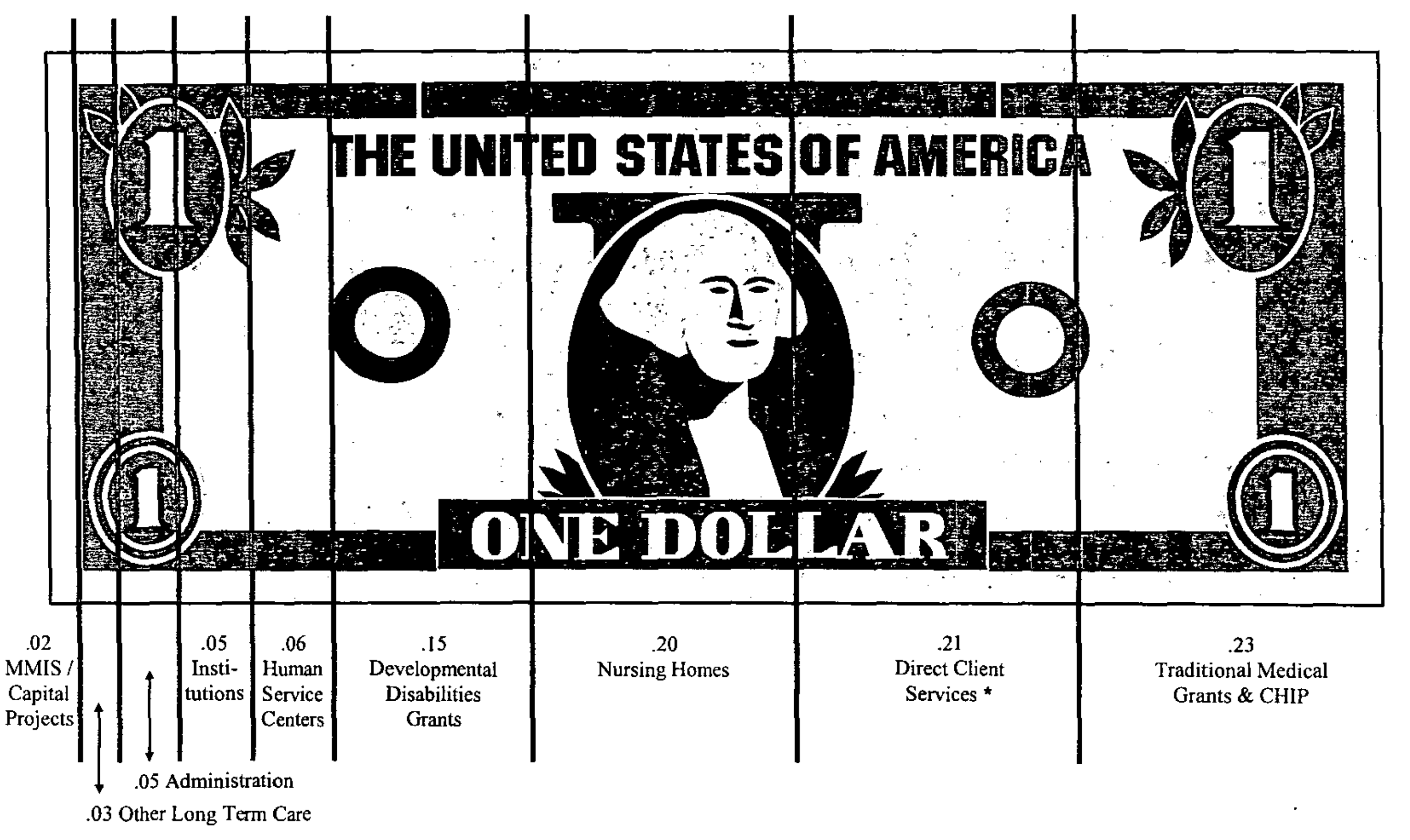
Attachment C

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
SUMMARY OF SENATE ACTION
2007-2009 Biennium
SB 2012

Description	Total	General Funds	Other Funds
Program and Policy			
Medical Services			
4% / 4% Inflationary Increase	4,672,639	1,545,512	3,127,127
Medically Needy Income Levels from 61 to 83% of poverty	7,023,015	2,529,690	4,493,325
Continuous Eligibility (Beginning January 2008)	6,332,899	2,281,110	4,051,789
Children < 19 yrs to 133% & S-CHIP to 150% (HB1463)	1,534,814	833,039	701,775
Funding to make S-CHIP disregards similar to Medicaid	1,558,927	393,005	1,165,922
Provides for additional S-CHIP outreach	453,000	114,201	338,799
Salary funding for administration of S-CHIP - 1 FTE	75,046	18,919	56,127
Removes funding for conducting background checks	(300,257)	(75,081)	(225,176)
Long Term Care			
4% / 4% Inflationary Increase	8,086,562	3,075,412	5,011,150
QSP Rate Increase (agency @$4.50 & Individual @ $3.16)	4,138,729	2,154,808	1,983,921
Personal Care Allow. $50 to $55 (170,500 Health Care Trust Fund)	499,850		499,850
Transition of Developmental Center residents	2,498,612	900,000	1,598,612
Severely Medically Fragile Children at Anne Carlson	832,871	300,000	532,871
Children with Behavioral Challenges	555,247	200,000	355,247
Children & Family Services			
4% / 4% Inflationary Increase	845,386	284,277	561,109
Increase funding for Children Advocacy Centers	400,000	400,000	
Add funding for Healthy Families Program	300,000	300,000	
Mental Health & Substance Abuse			
4% /4% Inflationary Increase	(9,600)	(9,600)	
Increase in Robinson Recovery Contract	134,000	134,000	
Disabilities Services Division			
4% / 4% Inflationary Increase	14,506	14,506	
Increase funding for IPAT	500,000	500,000	
Increase funding for Centers for Independent Living	500,000	500,000	
Human Service Centers and Institutions			
Human Service Centers			
4% / 4% Inflationary Increase	294,232	263,173	31,059
State Hospital - Secure Services			
Increase security staff - 1.5 FTE	167,482	167,482	
Overall Senate Changes	**41,107,960**	**16,824,453**	**24,283,507**

Department of Human Services
2007 - 2009 Budget to House
Where Does the Money Go?
Department-Wide
Total Funds $1,889,578,961



Attachment E

* Includes TANF, JOBS, Child Care, Food Stamps, Heating Assistance, IV-D Tribal, IV-D Judicial, Child Welfare, Aging, Mental Health, Substance Abuse, Vocational Rehabilitation, and Non-Medicaid Developmental Disability grants and services.

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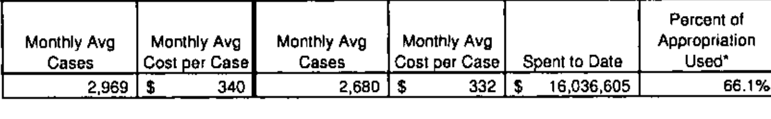
Department of Human Services
Senate Bill Nos. 2012 and 2024

Prepared by DHS staff
for Senate Appropriations
January 9, 2007

	FTE Positions	General Fund	Other Funds	Total
Green Sheet				
2005 - 2007 Legislative Appropriation	2,047.43	484,421,474	1,195,640,833	1,680,062,307
Capital Construction Carryover		350,000		350,000
Expenditure in the 2003 - 2005 biennium				-
of appropriation with emergency clause		(16,500)		(16,500)
FTE approved by Emergency Commission				
for 3rd unit of civilly committed sex offenders	19.00			
Remove Children Special Health Services	(8.00)	(949,243)	(1,120,337)	(2,069,580)
DHS Current Budget - Overview	**2,058.43**	**$ 483,805,731**	**$ 1,194,520,496**	**$ 1,678,326,227**
Green Sheet				
2007 - 2009 Executive Budget	2,085.68	582,160,899	1,266,310,102	1,848,471,001
Increase / Decrease	27.25	$ 98,355,168	$ 71,789,606	$ 170,144,774
Percentage Change	1.32%	20.33%	6.01%	10.14%

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2005 - DECEMBER 2006

Section 1: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)
APPROPRIATION 2005-2007 BIENNIUM $24,260,000



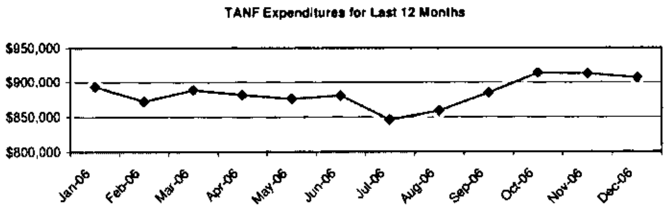
BUDGET (7/05-12/06)		ACTUAL (7/05-12/06)			
Monthly Avg Cases	Monthly Avg Cost per Case	Monthly Avg Cases	Monthly Avg Cost per Case	Spent to Date	Percent of Appropriation Used*
2,969	$ 340	2,680	$ 332	$ 16,036,605	66.1%

TANF Caseload for Last 12 Months

2,800
2,700
2,600
2,500
Jan-06 Feb-06 Mar-06 Apr-06 May-06 Jun-06 Jul-06 Aug-06 Sep-06 Oct-06 Nov-06 Dec-06

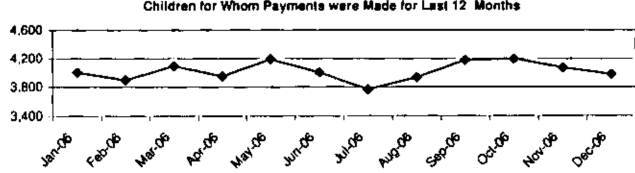
PROGRAM NOTES:

Average monthly TANF recipients:	6,921
Average number of children receiving TANF benefits:	4,904
Average number of child only cases:	690
Average number of individuals participating in work activities:	1,757
Amount of Child Support Collections used to pay TANF grants (see section 6):	$2,609,512



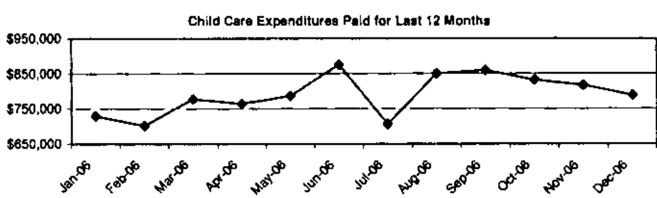
Section 2: CHILD CARE ASSISTANCE (CCA)
APPROPRIATION 2005-2007 BIENNIUM $21,963,124

BUDGET (8/05-12/06)		ACTUAL (8/05-12/06)			
Monthly Avg Children for whom CCA paid	Monthly Avg Cost per Child	Monthly Avg Children for whom CCA paid	Monthly Avg Cost per Child	Spent to Date	Percent of Appropriation Used**
4,869	$ 188	4,046	$ 196	$ 13,470,196	61.3%



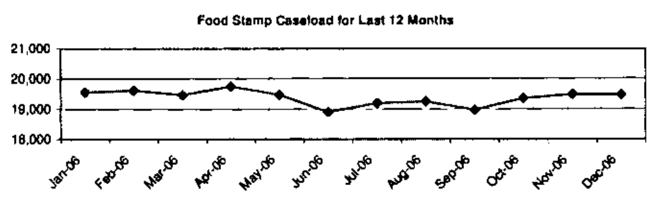
PROGRAM NOTES:

Average number of Non-TANF children:	2,942
Average number of TANF children:	913
Average number of families receiving payments:	2,509
Average payment per family:	$316



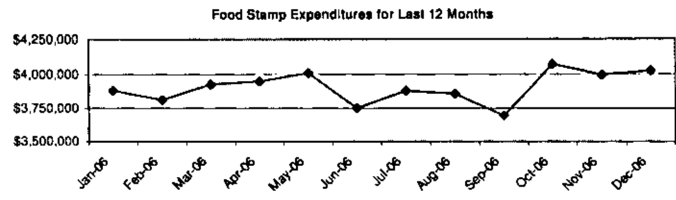
Section 3: FOOD STAMPS
APPROPRIATION 2005-2007 BIENNIUM $105,840,659

BUDGET (7/05-12/06)		ACTUAL (7/05-12/06)			
Monthly Avg Cases	Monthly Avg Cost per Case	Monthly Avg Cases	Monthly Avg Cost per Case	Spent to Date	Percent of Appropriation Used*
21,098	$ 200	19,235	$ 200	$ 69,217,548	65.4%



PROGRAM NOTES:

Average number of individuals receiving food stamps:	42,480
Average number of children under 18 receiving food stamps:	19,604
Average number of cases with an elderly person (60 or older) :	3,505
Average number of cases with earned income:	8,415



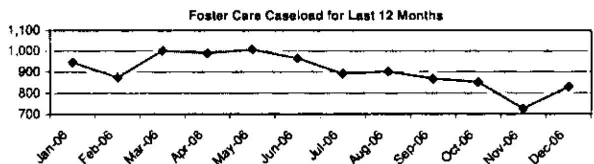
***Percent of Biennium Expired 75.0%** - Payments for TANF, Food Stamps, and Adoption are made at the beginning of the month for the current month. Payments for Foster Care are made the last day of the month for the current month. Therefore 18 months of payments have been made or 75.0% (18/24) of the biennium has expired.

****Percent of Biennium Expired 70.8%** - Payments for Child Care, Medical Assistance, and Long Term Care are made when a billing for the previous month's services have been received. Therefore approximately 17 months of payments have been made or 70.8% (17/24) of the biennium has expired.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2005 - DECEMBER 2006 (continued)

Section 4: FOSTER CARE (MAINTENANCE AND REHAB)
APPROPRIATION 2005-2007 BIENNIUM $58,311,009

BUDGET (7/05-12/06)		ACTUAL (7/05-12/06)			
Monthly Avg Cases	Monthly Avg Cost	Monthly Avg Cases	Monthly Avg Cost	Spent to Date	Percent of Appropriation Used *
1,103	*Varied by placement*	$ 927	*See program notes*	$ 38,278,905	65.6%



PROGRAM NOTES:

Average monthly cost foster care family homes (45% of caseload):	$661
Average monthly cost therapeutic family foster care (19% of caseload):	$3,853
Average monthly cost Residential Child Care Facilities/Group Homes (26% of caseload):	$3,952
Average monthly cost Residential Treatment Centers: (10% of caseload):	**See Below** [1]
Amount of Child Support Collections used to pay Foster Care grants (see section 6):	$2,663,651

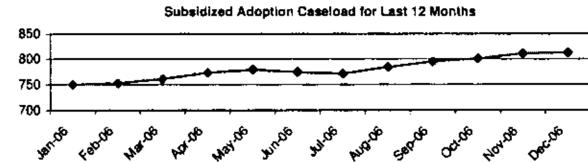
Foster Care Expenditures for Last 12 Months

$2,500,000 / $2,000,000 / $1,500,000 / $1,000,000 — Jan-06 through Dec-06

[1] **Due to changes in payment procedures information is currently not available due to system problems.**

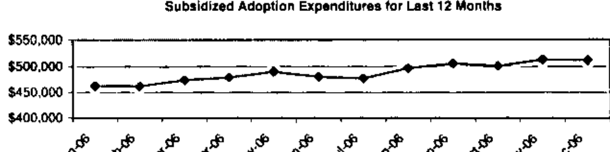
Section 5: SUBSIDIZED ADOPTION FOR SPECIAL NEEDS CHILDREN
APPROPRIATION 2005-2007 BIENNIUM $10,970,862

BUDGET (7/05-12/06)		ACTUAL (7/05-12/06)			
Monthly Avg Cases	Monthly Avg Cost	Monthly Avg Cases	Monthly Avg Cost	Spent to Date	Percent of Appropriation Used*
765	$ 584	761	$ 619	$ 8,483,215	77.3%

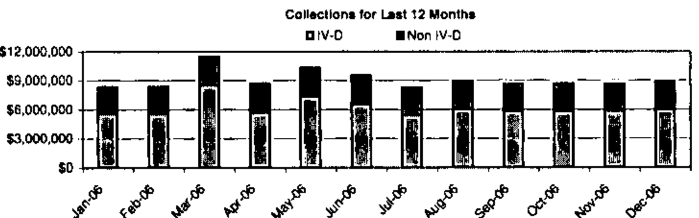


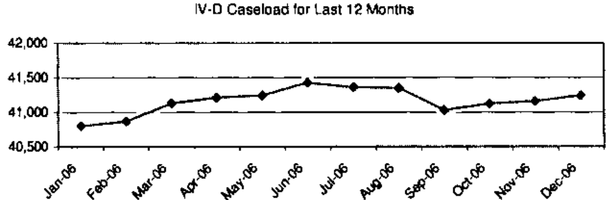
PROGRAM NOTES:

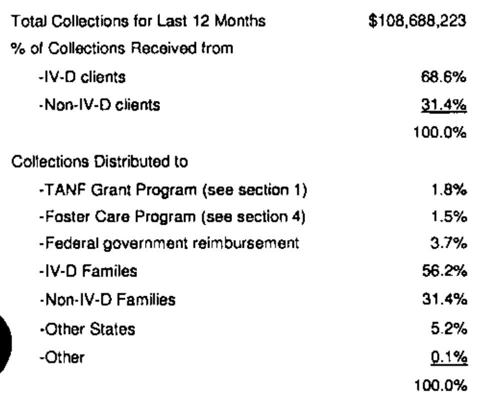
A special needs child is a child legally available for adoptive placement and who is seven years of age or older; under eighteen years of age with a physical, emotional, or mental disability or has been diagnosed to be a high risk for such a disability; a member of a minority; or a member of a sibling group.



Section 6 - CHILD SUPPORT ENFORCEMENT







Total Collections for Last 12 Months	$108,688,223
% of Collections Received from	
-IV-D clients	68.6%
-Non-IV-D clients	31.4%
	100.0%
Collections Distributed to	
-TANF Grant Program (see section 1)	1.8%
-Foster Care Program (see section 4)	1.5%
-Federal government reimbursement	3.7%
-IV-D Familes	56.2%
-Non-IV-D Families	31.4%
-Other States	5.2%
-Other	0.1%
	100.0%

PROGRAM NOTES:

A IV-D case is any case in which the custodial parent has assigned their rights to receive support payments to the State as a condition of receiving public assistance or has filed as application for services provided by the Child Support Enforcement Agency

A Non-IV-D case is any case in which the custodial parent has neither assigned their right to receive support over to the State nor has filed an application for services provided by the Child Support Enforcement Agency or once had a IV-D case which was subsequently closed.

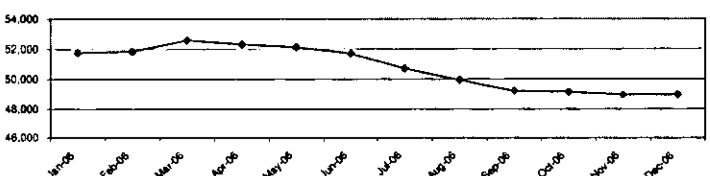
***Percent of Biennium Expired 75.0%** - Payments for TANF, Food Stamps, and Adoption are made at the beginning of the month for the current month. Payments for Foster Care are made the last day of the month for the current month. Therefore 18 months of payments have been made or 75.0% (18/24) of the biennium has expired.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT

BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2005 - DECEMBER 2006 (continued)

Section 7 - MEDICAID ELIGIBLES
2005 - 2007 BIENNIUM

Medicaid Eligibles for the Last 12 Months



Note: Eligibles include all Medical Assistance and Long Term Care Continuum Medicaid eligibles with the exception of SPED, Expanded SPED and Basic Care.

Approximately 51% of the above eligibles are under the age of 21, 16% are disabled and 12% are classified as Aged.

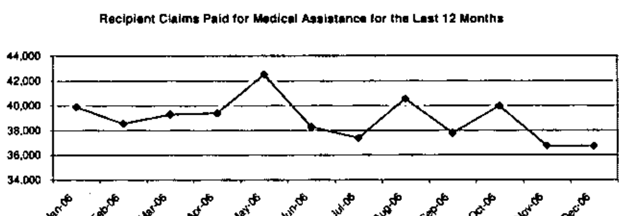
Section 8 - MEDICAL ASSISTANCE
APPROPRIATION 2005 - 2007 BIENNIUM $381,782,375

Service	Actual Paid (8/05-12/06)			
	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used to Date**
Inpatient Hospital	901	4,216	64,540,256	79.8%
Outpatient Hospital	5,983	312	31,699,764	78.5%
Physician	16,657	134	37,901,172	67.8%
Net Drugs (Includes Rebates)	18,632	116	36,884,214	59.6%
Dental	2,833	178	8,573,451	64.6%
Healthy Steps	3,465	179	10,584,460	87.5%
Other	- -	- -	65,257,729	51.5%
Total Medical Assistance Expenditures to Date [1]			255,421,046	66.9%

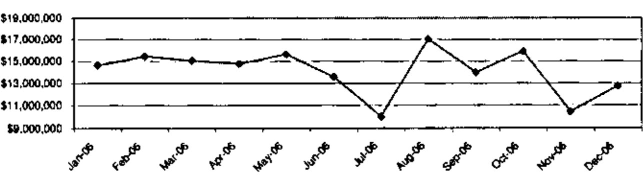
[1] Due to system problems the Total Medical Assistance Expenditures to Date are understated.

PROGRAM NOTES:

Recipient Claims Paid for Medical Assistance for the Last 12 Months



Medical Assistance Expenditures for the Last 12 Months



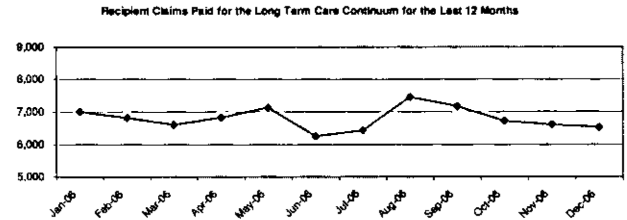
Section 9 - LONG TERM CARE CONTINUUM
APPROPRIATION 2005 - 2007 BIENNIUM $394,012,933

Service	Budget (8/05-12/06)		Actual Paid (8/05-12/06)			
	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used to Date**
Nursing Homes	3,600	3,859	See Below [1]	3,620	233,213,251	68.0%
Basic Care	457	1,157	460	1,077	8,430,734	63.4%
SPED	1,398	361	1,253	350	7,457,030	57.3%
Expanded SPED	186	169	125	175	370,904	44.3%
TBI - Waiver	46	2,370	25	2,636	1,141,349	39.8%
Aged & Disabled Waiver	405	319	242	425	1,743,325	51.3%
Targeted Case Management	487	167	343	107	620,308	30.0%
Personal Care Option	692	888	530	1,077	9,705,875	62.6%
Total Long-Term Care Continuum Expenditures to Date [2]					262,882,576	66.7%

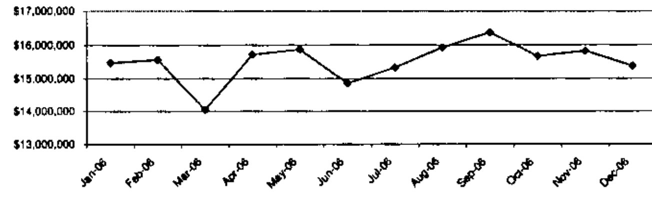
[1] Due to system problems the Monthly Average Number of People in Nursing Homes is currently not available.
[2] Due to system problems the Total Long-Term Care Continium Expenditures to Date are understated.

PROGRAM NOTES:
The Nursing Home rates are adjusted on January 1st of each year.

Recipient Claims Paid for the Long Term Care Continuum for the Last 12 Months



Long Term Care Continuum Expenditures for the Last 12 Months

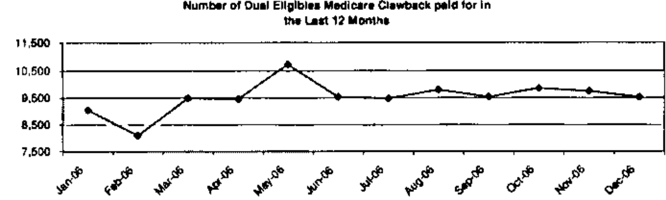


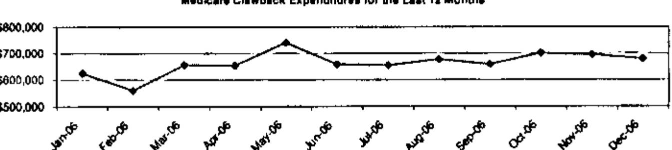
**Percent of Biennium Expired 70.8% - Payments for Child Care, Medical Assistance, and Long Term Care are made when a billing for the previous month's services have been received. Therefore approximately 17 months of payments have been made or 70.8% (17/24) of the biennium has expired.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2005 - DECEMBER 2006 (continued)

Section 10 - MEDICARE CLAWBACK
APPROPRIATION 2005 - 2007 BIENNIUM $15,851,709

Budget (8/05-12/06)		Actual Paid (8/05-12/06)			
Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used to Date**
10,962	77	9,525	70	7,955,318	50.2%



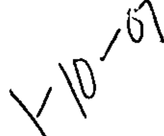


PROGRAM NOTES:
The first Medicare Clawback payment was due in January 2006, therefore the biennium appropriation is for only 18 months and 12 payments have been made or 66.7% (12/18) of the biennium has expired.

Percent of Biennium Expired 50.0% - Payments for the Medicare Clawback are made when a billing for the previous month's services have been received. Therefore approximately 9 months of payments have been made or 50.0% (9/18) of the biennium has expired.

Department of Human Services
Comparison of Current 2005-2007 Budget to the 2007-2009 Budget to the Senate

Subdivision	Funding	Current Budget	To Senate	$ Change	Pct Change
00-15 ADMINISTRATION - SUPPORT	1 General	$5,570,708	$5,978,575	$407,867	7.32 %
100-15 ADMINISTRATION - SUPPORT	2 Federal	$5,334,884	$5,215,981	($118,903)	(2.23 %)
100-15 ADMINISTRATION - SUPPORT	3 Other	$211,187	$784,931	$573,744	271.68 %
100-15 ADMINISTRATION - SUPPORT Total		**$11,116,779**	**$11,979,487**	**$862,708**	**7.76 %**
100-20 INFORMATION TECHNOLOGY SRVCS	1 General	$14,173,042	$18,677,583	$4,504,541	31.78 %
100-20 INFORMATION TECHNOLOGY SRVCS	2 Federal	$41,127,277	$42,879,987	$1,752,710	4.26 %
100-20 INFORMATION TECHNOLOGY SRVCS	3 Other	$5,201,309	$1,633,774	($3,567,535)	(68.59 %)
100-20 INFORMATION TECHNOLOGY SRVCS Total		**$60,501,628**	**$63,191,344**	**$2,689,716**	**4.45 %**
100 MANAGEMENT	1 General	$19,743,750	$24,656,158	$4,912,408	24.88 %
100 MANAGEMENT	2 Federal	$46,462,161	$48,095,968	$1,633,807	3.52 %
100 MANAGEMENT	3 Other	$5,412,496	$2,418,705	($2,993,791)	(55.31 %)
100 MANAGEMENT		**$71,618,407**	**$75,170,831**	**$3,552,424**	**4.96 %**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	1 General	$7,432,148	$8,462,990	$1,030,842	13.87 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	2 Federal	$187,335,325	$189,515,189	$2,179,864	1.16 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	3 Other	$19,003,750	$19,258,224	$254,474	1.34 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS Total		**$213,771,223**	**$217,236,403**	**$3,465,180**	**1.62 %**
300-02 CHILD SUPPORT ENFORCEMENT	1 General	$1,074,570	$1,513,572	$439,002	40.85 %
300-02 CHILD SUPPORT ENFORCEMENT	2 Federal	$4,349,953	$4,674,579	$324,626	7.46 %
300-02 CHILD SUPPORT ENFORCEMENT	3 Other	$2,131,248	$2,272,436	$141,188	6.62 %
300-02 CHILD SUPPORT ENFORCEMENT Total		**$7,555,771**	**$8,460,587**	**$904,816**	**11.98 %**
300-03 MEDICAL SERVICES	1 General	$110,092,728	$128,147,839	$18,055,111	16.40 %
300-03 MEDICAL SERVICES	2 Federal	$273,154,025	$274,819,703	$1,665,678	0.61 %
300-03 MEDICAL SERVICES	3 Other	$26,769,715	$31,548,242	$4,778,527	17.85 %
300-03 MEDICAL SERVICES Total		**$410,016,468**	**$434,515,784**	**$24,499,316**	**5.98 %**
300-10 LONG TERM CARE	1 General	$221,915,185	$258,494,777	$36,579,592	16.48 %
00-10 LONG TERM CARE	2 Federal	$378,413,045	$435,545,744	$57,132,699	15.10 %
00-10 LONG TERM CARE	3 Other	$5,064,023	$2,720,018	($2,344,005)	(46.29 %)
300-10 LONG TERM CARE Total		**$605,392,253**	**$696,760,539**	**$91,368,286**	**15.09 %**
300-42 DD COUNCIL	2 Federal	$1,013,822	$989,208	($24,614)	(2.43 %)
300-42 DD COUNCIL Total		**$1,013,822**	**$989,208**	**($24,614)**	**(2.43 %)**
300-43 AGING SERVICES	1 General	$1,114,861	$1,448,511	$333,650	29.93 %
300-43 AGING SERVICES	2 Federal	$10,854,778	$11,575,432	$720,654	6.64 %
300-43 AGING SERVICES	3 Other	$148,400	$410,000	$261,600	176.28 %
300-43 AGING SERVICES Total		**$12,118,039**	**$13,433,943**	**$1,315,904**	**10.86 %**
300-46 CHILDREN AND FAMILY SERVICES	1 General	$17,211,750	$19,322,274	$2,110,524	12.26 %
300-46 CHILDREN AND FAMILY SERVICES	2 Federal	$79,663,548	$82,645,630	$2,982,082	3.74 %
300-46 CHILDREN AND FAMILY SERVICES	3 Other	$16,171,724	$17,172,507	$1,000,783	6.19 %
300-46 CHILDREN AND FAMILY SERVICES Total		**$113,047,022**	**$119,140,411**	**$6,093,389**	**5.39 %**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	1 General	$1,907,379	$5,553,876	$3,646,497	191.18 %
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	2 Federal	$6,826,761	$6,204,521	($622,240)	(9.11 %)
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	3 Other	$1,336,896	$553,963	($782,933)	(58.56 %)
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE Total		**$10,071,036**	**$12,312,360**	**$2,241,324**	**22.26 %**
300-51 DISABILITY SERVICES	1 General	$5,283,577	$6,006,390	$722,813	13.68 %
300-51 DISABILITY SERVICES	2 Federal	$22,551,554	$23,003,159	$451,605	2.00 %
300-51 DISABILITY SERVICES	3 Other	$119,100	$107,000	($12,100)	(10.16 %)
300-51 DISABILITY SERVICES Total		**$27,954,231**	**$29,116,549**	**$1,162,318**	**4.16 %**
300 PROGRAM AND POLICY	1 General	$366,032,198	$428,950,229	$62,918,031	17.19 %
300 PROGRAM AND POLICY	2 Federal	$964,162,811	$1,028,973,165	$64,810,354	6.72 %
300 PROGRAM AND POLICY	3 Other	$70,744,856	$74,042,390	$3,297,534	4.66 %
00 PROGRAM AND POLICY		**$1,400,939,865**	**$1,531,965,784**	**$131,025,919**	**9.35 %**



Department of Human Services
Comparison of Current 2005-2007 Budget to the 2007-2009 Budget to the Senate

Subdivision	Funding	Current Budget	To Senate	$ Change	Pct Change
410-71 NORTHWEST HSC	1 General	$3,617,868	$4,389,323	$771,455	21.32 %
410-71 NORTHWEST HSC	2 Federal	$3,300,855	$2,791,138	($509,717)	(15.44 %)
410-71 NORTHWEST HSC	3 Other	$346,837	$345,120	($1,717)	(0.50 %)
410-71 NORTHWEST HSC Total		**$7,265,560**	**$7,525,581**	**$260,021**	**3.58 %**
410-72 NORTH CENTRAL HSC	1 General	$8,042,290	$8,924,775	$882,485	10.97 %
410-72 NORTH CENTRAL HSC	2 Federal	$6,371,278	$7,064,973	$693,695	10.89 %
410-72 NORTH CENTRAL HSC	3 Other	$854,505	$852,994	($1,511)	(0.18 %)
410-72 NORTH CENTRAL HSC Total		**$15,268,073**	**$16,842,742**	**$1,574,669**	**10.31 %**
410-73 LAKE REGION HSC	1 General	$4,780,621	$5,436,010	$655,389	13.71 %
410-73 LAKE REGION HSC	2 Federal	$3,652,704	$3,965,903	$313,199	8.57 %
410-73 LAKE REGION HSC	3 Other	$485,982	$451,431	($34,551)	(7.11 %)
410-73 LAKE REGION HSC Total		**$8,919,307**	**$9,853,344**	**$934,037**	**10.47 %**
410-74 NORTHEAST HSC	1 General	$8,332,165	$9,936,283	$1,604,118	19.25 %
410-74 NORTHEAST HSC	2 Federal	$11,251,266	$11,475,195	$223,929	1.99 %
410-74 NORTHEAST HSC	3 Other	$884,629	$781,127	($103,502)	(11.70 %)
410-74 NORTHEAST HSC Total		**$20,468,060**	**$22,192,605**	**$1,724,545**	**8.43 %**
410-75 SOUTHEAST HSC	1 General	$9,955,620	$11,848,875	$1,893,255	19.02 %
410-75 SOUTHEAST HSC	2 Federal	$12,441,908	$13,077,938	$636,030	5.11 %
410-75 SOUTHEAST HSC	3 Other	$1,128,994	$1,218,661	$89,667	7.94 %
410-75 SOUTHEAST HSC Total		**$23,526,522**	**$26,145,474**	**$2,618,952**	**11.13 %**
410-76 SOUTH CENTRAL HSC	1 General	$5,855,329	$8,291,192	$2,435,863	41.60 %
410-76 SOUTH CENTRAL HSC	2 Federal	$5,401,154	$5,681,901	$280,747	5.20 %
410-76 SOUTH CENTRAL HSC	3 Other	$868,755	$768,645	($100,110)	(11.52 %)
410-76 SOUTH CENTRAL HSC Total		**$12,125,238**	**$14,741,738**	**$2,616,500**	**21.58 %**
410-77 WEST CENTRAL HSC	1 General	$8,898,665	$10,440,940	$1,542,275	17.33 %
410-77 WEST CENTRAL HSC	2 Federal	$8,769,852	$9,411,205	$641,353	7.31 %
410-77 WEST CENTRAL HSC	3 Other	$772,101	$916,027	$143,926	18.64 %
410-77 WEST CENTRAL HSC Total		**$18,440,618**	**$20,768,172**	**$2,327,554**	**12.62 %**
410-78 BADLANDS HSC	1 General	$4,334,674	$5,003,380	$668,706	15.43 %
410-78 BADLANDS HSC	2 Federal	$3,909,411	$3,948,747	$39,336	1.01 %
410-78 BADLANDS HSC	3 Other	$818,039	$896,869	$78,830	9.64 %
410-78 BADLANDS HSC Total		**$9,062,124**	**$9,848,996**	**$786,872**	**8.68 %**
420-00 STATE HOSPITAL	1 General	$27,127,625	$36,644,504	$9,516,879	35.08 %
420-00 STATE HOSPITAL	2 Federal	$4,377,653	$4,383,288	$5,635	0.13 %
420-00 STATE HOSPITAL	3 Other	$11,302,673	$11,343,946	$41,273	0.37 %
420-00 STATE HOSPITAL Total		**$42,807,951**	**$52,371,738**	**$9,563,787**	**22.34 %**
421-00 SH SECURED SERVICES	1 General	$5,459,220	$12,426,308	$6,967,088	127.62 %
421-00 SH SECURED SERVICES	3 Other		$161,076	$161,076	N/A
421-00 SH SECURED SERVICES Total		**$5,459,220**	**$12,587,384**	**$7,128,164**	**130.57 %**
430-00 DEVELOPMENTAL CENTER	1 General	$11,625,706	$15,212,922	$3,587,216	30.86 %
430-00 DEVELOPMENTAL CENTER	2 Federal	$27,850,053	$29,241,084	$1,391,031	4.99 %
430-00 DEVELOPMENTAL CENTER	3 Other	$2,949,523	$4,002,606	$1,053,083	35.70 %
430-00 DEVELOPMENTAL CENTER Total		**$42,425,282**	**$48,456,612**	**$6,031,330**	**14.22 %**
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	1 General	$98,029,783	$128,554,512	$30,524,729	31.14 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	2 Federal	$87,326,134	$91,041,372	$3,715,238	4.25 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	3 Other	$20,412,038	$21,738,502	$1,326,464	6.50 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS		**$205,767,955**	**$241,334,386**	**$35,566,431**	**17.28 %**
999-99 AGENCY TOTALS	1 General	$483,805,731	$582,160,899	$98,355,168	20.33 %
999-99 AGENCY TOTALS	2 Federal	$1,097,951,106	$1,168,110,505	$70,159,399	6.39 %
999-99 AGENCY TOTALS	3 Other	$96,569,390	$98,199,597	$1,630,207	1.69 %
999-99 AGENCY TOTALS Total		**$1,678,326,227**	**$1,848,471,001**	**$170,144,774**	**10.14 %**

(1)

SB 2012 and funding for HB 1463

Description	FTE	General	Estimated Income	Total
Program and Policy and Field Services				
Adds funding to provide an increase of 4 percent annual inflation to department service providers		5,173,280	8,730,445	13,903,725
Program and Policy				
Adds funding for HB 1463		833,039	701,775	1,534,814
Adds funding for SCHIP outreach with legislative intent that the funds be provided to an entity that focuses on statewide community healthcare initiatives and issues.		114,201	338,799	453,000
Adds funding for grants - medical assistance to enhance Healthy Steps program to align SCHIP policies with the disregards of the Medicaid program. Adds approx 313 children to the program.		393,005	1,165,922	1,558,927
Adds funding for salary and fringe benefits	1.00	18,919	56,127	75,046
		1,359,164	2,262,623	3,621,787
Eliminate funding for certified nursing registry background checks		(75,081)	(225,176)	(300,257)
Add funding for grants - medical assistance to increase medically needy income levels from 61 to 83 percent of poverty effective July 1, 2007.		2,529,690	4,493,325	7,023,015
Adds funding for grants - medical assistance to provide that QSPs be paid using a fee for service method based on 15 minute units of service and that rates, prior to any 2007 -09 biennium inflationary increases, for each 15-minute unit of service be as follows: Agency providers - $4.50 Individual provider - $3.16		2,154,808	1,983,921	4,138,729
Adds funding for grants - medical assistance to Anne Carlson Center for Children to provide for costs related to the severely medically fragile children.		300,000	532,871	832,871
Adds funding for grants - medical assistance to provide for costs related to the behaviorally challenging children.		200,000	355,247	555,247
Increase funding for grants to provide additional funding for the Centers for Independent Living.		500,000	-	500,000

SB 2012 and funding for HB 1463

Description	FTE	General	Estimated Income	Total
Adds funding for grants - medical assistance to increase the personal care allowances for residents of nursing facilities and intermediate care facilities for persons with mental retardation by $5 per month, from $50 to $55. Of the estimated amount, $170,500 is from the health care trust fund.		-	499,850	499,85
Adds funding to grants to provide for additional funds to the Children's Advocacy Centers in Fargo and Bismarck		400,000	-	400,00
Provides for continuous eligibility in the Medicaid program for Children under the age of 19 years of age in the following two categories 1) Categorically Needy and 2) Optional Categorically Needy. Provides for a contingency from the general fund, any unused funds not needed for implementation of continuous eligibility will be returned at June 30, 2009. Also provides for the Department to report the status of funding needs to the interim Budget Committee on Human Services. Provides for a implementation date of January 1, 2008.		2,281,110	4,051,789	6,332,89
Adds funding for the purpose of supporting and maintaining assistive technology services for the SB2211 elderly and people with disabilities provided through the interagency program for assistive technology.		500,000	-	500,00
State Hospital Provides funding for 1.5 FTE to increase security for the Civilly Committed Sex Offender program at the State Hospital		167,482	-	167,48
Legislative Intent - During the 2007 - 2009 interim the Department will prepare estimates of the funding needed to rebase inpatient hospital reimbursement rates for consideration of the 61st Legislative Assembly.				
OVERALL TOTAL		15,490,453	22,684,895	38,175,34

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 100-15 ADMINISTRATION - SUPPORT

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	70.100	0.000	70.100	0.000	70.100	0.000	70.100
32510	B	511000 Salaries - Permanent	5,196,808	194,838	5,391,646	0	5,391,646	0	5,391,646
32510	B	513000 Temporary Salaries	44,338	(39,337)	5,001	0	5,001	0	5,001
32510	B	514000 Overtime	3,349	(3,349)	0	0	0	0	0
32510	B	516000 Fringe Benefits	1,843,818	(30,962)	1,812,856	175,450	1,988,306	0	1,988,306
32510	B	599110 Salary Increase	0	0	0	327,657	327,657	0	327,657
32510	B	599160 Benefit Increase	0	0	0	53,719	53,719	0	53,719
		Subtotal:	7,088,313	121,190	7,209,503	556,826	7,766,329	0	7,766,329
32510	F	F_1991 Salary - General Fund	4,010,228	(172,633)	3,837,595	377,595	4,215,190	0	4,215,190
32510	F	F_1992 Salary - Federal Funds	2,877,476	(181,141)	2,696,335	162,786	2,859,121	0	2,859,121
32510	F	F_1993 Salary - Other Funds	200,609	474,964	675,573	16,445	692,018	0	692,018
		Subtotal:	7,088,313	121,190	7,209,503	556,826	7,766,329	0	7,766,329
32530	B	521000 Travel	374,226	34,553	408,779	0	408,779	0	408,779
32530	B	531000 Supplies - IT Software	10,772	301	11,073	0	11,073	0	11,073
32530	B	532000 Supply/Material-Professional	19,727	243	19,970	0	19,970	0	19,970
32530	B	535000 Miscellaneous Supplies	6,467	(560)	5,907	0	5,907	0	5,907
32530	B	536000 Office Supplies	25,389	4,106	29,495	0	29,495	0	29,495
32530	B	541000 Postage	1,246,829	217,378	1,464,207	0	1,464,207	0	1,464,207
32530	B	542000 Printing	127,825	5,902	133,727	0	133,727	0	133,727
32530	B	571000 Insurance	140,274	(9,795)	130,479	0	130,479	0	130,479
32530	B	581000 Rentals/Leases-Equip & Other	210,000	(41,893)	168,107	0	168,107	0	168,107
32530	B	582000 Rentals/Leases - Bldg/Land	219,615	9,194	228,809	0	228,809	0	228,809
32530	B	591000 Repairs	5,754	18,137	23,891	0	23,891	0	23,891
32530	B	601000 IT - Data Processing	8,935	(1,775)	7,160	0	7,160	0	7,160
32530	B	602000 IT-Communications	614,242	33,476	647,718	0	647,718	0	647,718
32530	B	603000 IT Contractual Services and Re	14	(14)	0	0	0	0	0
32530	B	611000 Professional Development	57,534	(3,574)	53,960	0	53,960	0	53,960
32530	B	621000 Operating Fees and Services	227,628	(44,221)	183,407	0	183,407	0	183,407
32530	B	623000 Fees - Professional Services	733,235	(36,766)	696,469	0	696,469	0	696,469

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 100-15 ADMINISTRATION - SUPPORT

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
		Subtotal:	4,028,466	184,692	4,213,158	0	4,213,158	0	4,213,158
32530	F	F_3991 Operating - General Fund	1,560,480	202,905	1,763,385	0	1,763,385	0	1,763,385
32530	F	F_3992 Operating - Federal Funds	2,457,408	(100,548)	2,356,860	0	2,356,860	0	2,356,860
32530	F	F_3993 Operating - Other Funds	10,578	82,335	92,913	0	92,913	0	92,913
		Subtotal:	4,028,466	184,692	4,213,158	0	4,213,158	0	4,213,158
		Subdivision (OMB Bdgt Lvl) Total:	11,116,779	305,882	11,422,661	556,826	11,979,487	0	11,979,487
		General Funds:	5,570,708	30,272	5,600,980	377,595	5,978,575	0	5,978,575
		Federal Funds:	5,334,884	(281,689)	5,053,195	162,786	5,215,981	0	5,215,981
		Other Funds:	211,187	557,299	768,486	16,445	784,931	0	784,931
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	11,116,779	305,882	11,422,661	556,826	11,979,487	0	11,979,487

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 100-20 INFORMATION TECHNOLOGY SRVCS

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	32.000	0.000	32.000	0.000	32.000	0.000	32.000
32510	B	511000 Salaries - Permanent	2,557,160	19,138	2,576,298	(5)	2,576,293	0	2,576,293
32510	B	513000 Temporary Salaries	137,793	83,679	221,472	1	221,473	0	221,473
32510	B	516000 Fringe Benefits	869,576	24,152	893,728	83,846	977,574	0	977,574
32510	B	599110 Salary Increase	0	0	0	155,848	155,848	0	155,848
32510	B	599160 Benefit Increase	0	0	0	26,366	26,366	0	26,366
		Subtotal:	3,564,529	126,969	3,691,498	266,056	3,957,554	0	3,957,554
32510	F	F_1991 Salary - General Fund	2,599,723	112,385	2,712,108	209,719	2,921,827	0	2,921,827
32510	F	F_1992 Salary - Federal Funds	961,292	14,378	975,670	56,258	1,031,928	0	1,031,928
32510	F	F_1993 Salary - Other Funds	3,514	206	3,720	79	3,799	0	3,799
		Subtotal:	3,564,529	126,969	3,691,498	266,056	3,957,554	0	3,957,554
32530	B	521000 Travel	90,004	(18,739)	71,265	0	71,265	0	71,265
32530	B	531000 Supplies - IT Software	60,177	(20,596)	39,581	0	39,581	0	39,581
32530	B	532000 Supply/Material-Professional	200	0	200	0	200	0	200
32530	B	534000 Bldg, Grounds, Vehicle Supply	500	120	620	0	620	0	620
32530	B	535000 Miscellaneous Supplies	16,200	(16,175)	25	0	25	0	25
32530	B	536000 Office Supplies	3,856	344	4,200	0	4,200	0	4,200
32530	B	541000 Postage	598	(396)	202	0	202	0	202
32530	B	542000 Printing	462,821	(54,821)	408,000	0	408,000	0	408,000
32530	B	551000 IT Equip under $5,000	683,230	514,687	1,197,917	0	1,197,917	0	1,197,917
32530	B	561000 Utilities	720	258	978	0	978	0	978
32530	B	581000 Rentals/Leases-Equip & Other	7,000	(7,000)	0	0	0	0	0
32530	B	582000 Rentals/Leases - Bldg/Land	156,800	(44,800)	112,000	0	112,000	0	112,000
32530	B	591000 Repairs	8,400	(5,640)	2,760	0	2,760	0	2,760
32530	B	601000 IT - Data Processing	31,422,633	(8,264,129)	23,158,504	1,025,048	24,183,552	0	24,183,552
32530	B	602000 IT-Communications	19,000	(9,380)	9,620	0	9,620	0	9,620
32530	B	603000 IT Contractual Services and Re	23,690,431	(20,733,118)	2,957,313	23,798,339	26,755,652	0	26,755,652
32530	B	611000 Professional Development	74,300	(5,900)	68,400	0	68,400	0	68,400
32530	B	621000 Operating Fees and Services	236,973	(108,044)	128,929	6,249,254	6,378,183	0	6,378,183

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 100-20 INFORMATION TECHNOLOGY SRVCS

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32530 B	623000	Fees - Professional Services	500	(150)	350	0	350	0	350
		Subtotal:	56,934,343	(28,773,479)	28,160,864	31,072,641	59,233,505	0	59,233,505
32530 F	F_3991	Operating - General Fund	11,571,144	541,269	12,112,413	3,643,133	15,755,546	0	15,755,546
32530 F	F_3992	Operating - Federal Funds	40,165,404	(25,746,928)	14,418,476	27,429,508	41,847,984	0	41,847,984
32530 F	F_3993	Operating - Other Funds	3,794,306	(3,535,152)	259,154	0	259,154	0	259,154
32530 F	F_3995	Operating - County Funds	1,403,489	(32,668)	1,370,821	0	1,370,821	0	1,370,821
		Subtotal:	56,934,343	(28,773,479)	28,160,864	31,072,641	59,233,505	0	59,233,505
32550 B	683000	Other Capital Payments	2,756	(2,471)	285	0	285	0	285
		Subtotal:	2,756	(2,471)	285	0	285	0	285
32550 F	F_5991	Land & Cptl Imprv - Gen Fund	2,175	(1,965)	210	0	210	0	210
32550 F	F_5992	Land & Cptl Imprv - Fed Funds	581	(506)	75	0	75	0	75
		Subtotal:	2,756	(2,471)	285	0	285	0	285
		Subdivision (OMB Bdgt Lvl) Total:	60,501,628	(28,648,981)	31,852,647	31,338,697	63,191,344	0	63,191,344
		General Funds:	14,173,042	651,689	14,824,731	3,852,852	18,677,583	0	18,677,583
		Federal Funds:	41,127,277	(25,733,056)	15,394,221	27,485,766	42,879,987	0	42,879,987
		Other Funds:	3,797,820	(3,534,946)	262,874	79	262,953	0	262,953
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	1,403,489	(32,668)	1,370,821	0	1,370,821	0	1,370,821
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	60,501,628	(28,648,981)	31,852,647	31,338,697	63,191,344	0	63,191,344

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-01 ECONOMIC ASSISTANCE POLICY - GRANTS

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	40.800	(1.000)	39.800	0.000	39.800	0.000	39.800
32510	B	511000 Salaries - Permanent	3,017,830	106,274	3,124,104	2	3,124,106	0	3,124,106
32510	B	513000 Temporary Salaries	0	118,151	118,151	0	118,151	0	118,151
32510	B	514000 Overtime	22,944	48	22,992	2	22,994	0	22,994
32510	B	516000 Fringe Benefits	1,058,253	17,489	1,075,742	104,544	1,180,286	0	1,180,286
32510	B	599110 Salary Increase	0	0	0	189,887	189,887	0	189,887
32510	B	599160 Benefit Increase	0	0	0	31,756	31,756	0	31,756
		Subtotal:	4,099,027	241,962	4,340,989	326,191	4,667,180	0	4,667,180
32510	F	F_1991 Salary - General Fund	1,423,405	158,061	1,581,466	150,132	1,731,598	0	1,731,598
32510	F	F_1992 Salary - Federal Funds	2,675,622	83,901	2,759,523	176,059	2,935,582	0	2,935,582
		Subtotal:	4,099,027	241,962	4,340,989	326,191	4,667,180	0	4,667,180
32530	B	521000 Travel	174,044	29,563	203,607	0	203,607	0	203,607
32530	B	531000 Supplies - IT Software	9,488	1,270	10,758	0	10,758	0	10,758
32530	B	532000 Supply/Material-Professional	1,690	905	2,595	0	2,595	0	2,595
32530	B	534000 Bldg, Grounds, Vehicle Supply	140	(40)	100	0	100	0	100
32530	B	535000 Miscellaneous Supplies	7,935	(825)	7,110	0	7,110	0	7,110
32530	B	536000 Office Supplies	11,464	758	12,222	0	12,222	0	12,222
32530	B	541000 Postage	13,004	(3,450)	9,554	0	9,554	0	9,554
32530	B	542000 Printing	195,946	(49,936)	146,010	0	146,010	0	146,010
32530	B	553000 Office Equip & Furniture-Under	2,500	300	2,800	0	2,800	0	2,800
32530	B	561000 Utilities	800	(98)	702	0	702	0	702
32530	B	582000 Rentals/Leases - Bldg/Land	93,296	11,682	104,978	0	104,978	0	104,978
32530	B	591000 Repairs	1,376	(2)	1,374	0	1,374	0	1,374
32530	B	601000 IT - Data Processing	11,070	(5,935)	5,135	0	5,135	0	5,135
32530	B	602000 IT-Communications	17,890	(1,992)	15,898	0	15,898	0	15,898
32530	B	603000 IT Contractual Services and Re	400	(200)	200	0	200	0	200
32530	B	611000 Professional Development	30,582	4,238	34,820	0	34,820	0	34,820
32530	B	621000 Operating Fees and Services	10,284,977	(835,057)	9,449,920	0	9,449,920	0	9,449,920
32530	B	623000 Fees - Professional Services	1,230,000	(201,500)	1,028,500	0	1,028,500	0	1,028,500

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-01 ECONOMIC ASSISTANCE POLICY - GRANTS

LINE FB		Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
		Subtotal:	12,086,602	(1,050,319)	11,036,283	0	11,036,283	0	11,036,283
32530 F	F_3991	Operating - General Fund	922,137	(77,988)	844,149	0	844,149	0	844,149
32530 F	F_3992	Operating - Federal Funds	10,533,423	(1,097,331)	9,436,092	0	9,436,092	0	9,436,092
32530 F	F_3993	Operating - Other Funds	0	125,000	125,000	0	125,000	0	125,000
32530 F	F_3995	Operating - County Funds	631,042	0	631,042	0	631,042	0	631,042
		Subtotal:	12,086,602	(1,050,319)	11,036,283	0	11,036,283	0	11,036,283
32550 B	683000	Other Capital Payments	1,981	(1,776)	205	0	205	0	205
		Subtotal:	1,981	(1,776)	205	0	205	0	205
32550 F	F_5991	Land & Cptl Imprv - Gen Fund	990	(889)	101	0	101	0	101
32550 F	F_5992	Land & Cptl Imprv - Fed Funds	991	(887)	104	0	104	0	104
		Subtotal:	1,981	(1,776)	205	0	205	0	205
32560 B	712000	Grants, Benefits & Claims	197,583,613	3,949,122	201,532,735	0	201,532,735	0	201,532,735
		Subtotal:	197,583,613	3,949,122	201,532,735	0	201,532,735	0	201,532,735
32560 F	F_6991	Grants - General Fund	5,085,616	801,526	5,887,142	0	5,887,142	0	5,887,142
32560 F	F_6992	Grants - Federal Funds	174,125,289	3,018,122	177,143,411	0	177,143,411	0	177,143,411
32560 F	F_6993	Grants - Other Funds	3,863,535	1,273,554	5,137,089	0	5,137,089	0	5,137,089
32560 F	F_6994	Grants - Swap Funds	14,509,173	(1,144,080)	13,365,093	0	13,365,093	0	13,365,093
		Subtotal:	197,583,613	3,949,122	201,532,735	0	201,532,735	0	201,532,735

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code

Subdivision (OMB Bdgt Lvl): 300-01 ECONOMIC ASSISTANCE POLICY - GRANTS

	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl) Total:	213,771,223	3,138,989	216,910,212	326,191	217,236,403	0	217,236,403
General Funds:	7,432,148	880,710	8,312,858	150,132	8,462,990	0	8,462,990
Federal Funds:	187,335,325	2,003,805	189,339,130	176,059	189,515,189	0	189,515,189
Other Funds:	3,863,535	1,398,554	5,262,089	0	5,262,089	0	5,262,089
SWAP Funds:	14,509,173	(1,144,080)	13,365,093	0	13,365,093	0	13,365,093
County Funds:	631,042	0	631,042	0	631,042	0	631,042
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	213,771,223	3,138,989	216,910,212	326,191	217,236,403	0	217,236,403

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-02 CHILD SUPPORT ENFORCEMENT

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	38.000	0.000	38.000	0.000	38.000	0.000	38.000
32510	B	511000 Salaries - Permanent	2,403,579	100,072	2,503,651	0	2,503,651	0	2,503,651
32510	B	513000 Temporary Salaries	97,384	(2)	97,382	(1)	97,381	0	97,381
32510	B	514000 Overtime	30,000	1	30,001	(1)	30,000	0	30,000
32510	B	516000 Fringe Benefits	934,559	9,553	944,112	98,680	1,042,792	0	1,042,792
32510	B	599110 Salary Increase	0	0	0	155,428	155,428	0	155,428
32510	B	599160 Benefit Increase	0	0	0	26,156	26,156	0	26,156
		Subtotal:	3,465,522	109,624	3,575,146	280,262	3,855,408	0	3,855,408
32510	F	F_1991 Salary - General Fund	767,171	196,353	963,524	92,925	1,056,449	0	1,056,449
32510	F	F_1992 Salary - Federal Funds	2,186,228	82,896	2,269,124	177,872	2,446,996	0	2,446,996
32510	F	F_1993 Salary - Other Funds	512,123	(169,625)	342,498	9,465	351,963	0	351,963
		Subtotal:	3,465,522	109,624	3,575,146	280,262	3,855,408	0	3,855,408
32530	B	521000 Travel	32,480	11,525	44,005	0	44,005	0	44,005
32530	B	531000 Supplies - IT Software	14,600	6,120	20,720	0	20,720	0	20,720
32530	B	532000 Supply/Material-Professional	5,884	(1,574)	4,310	0	4,310	0	4,310
32530	B	535000 Miscellaneous Supplies	1,750	(301)	1,449	0	1,449	0	1,449
32530	B	536000 Office Supplies	10,930	1,906	12,836	0	12,836	0	12,836
32530	B	541000 Postage	6,780	21,356	28,136	0	28,136	0	28,136
32530	B	542000 Printing	22,500	7,500	30,000	0	30,000	0	30,000
32530	B	553000 Office Equip & Furniture-Under	0	1,750	1,750	0	1,750	0	1,750
32530	B	581000 Rentals/Leases-Equip & Other	18,742	706	19,448	0	19,448	0	19,448
32530	B	582000 Rentals/Leases - Bldg/Land	194,160	10,988	205,148	0	205,148	0	205,148
32530	B	591000 Repairs	11,108	(2,214)	8,894	0	8,894	0	8,894
32530	B	601000 IT - Data Processing	5,120	(1,976)	3,144	0	3,144	0	3,144
32530	B	602000 IT-Communications	8,320	248	8,568	0	8,568	0	8,568
32530	B	611000 Professional Development	19,848	(5,466)	14,382	0	14,382	0	14,382
32530	B	621000 Operating Fees and Services	1,853,027	383,074	2,236,101	0	2,236,101	0	2,236,101
		Subtotal:	2,205,249	433,642	2,638,891	0	2,638,891	0	2,638,891

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-02 CHILD SUPPORT ENFORCEMENT

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32530 F	F_3991	Operating - General Fund	307,399	149,724	457,123	0	457,123	0	457,123
32530 F	F_3992	Operating - Federal Funds	1,763,725	263,858	2,027,583	0	2,027,583	0	2,027,583
32530 F	F_3993	Operating - Other Funds	134,125	20,060	154,185	0	154,185	0	154,185
		Subtotal:	2,205,249	433,642	2,638,891	0	2,638,891	0	2,638,891
32560 B	712000	Grants, Benefits & Claims	1,885,000	81,288	1,966,288	0	1,966,288	0	1,966,288
		Subtotal:	1,885,000	81,288	1,966,288	0	1,966,288	0	1,966,288
32560 F	F_6992	Grants - Federal Funds	400,000	(200,000)	200,000	0	200,000	0	200,000
32560 F	F_6993	Grants - Other Funds	1,485,000	281,288	1,766,288	0	1,766,288	0	1,766,288
		Subtotal:	1,885,000	81,288	1,966,288	0	1,966,288	0	1,966,288
		Subdivision (OMB Bdgt Lvl) Total:	7,555,771	624,554	8,180,325	280,262	8,460,587	0	8,460,587
		General Funds:	1,074,570	346,077	1,420,647	92,925	1,513,572	0	1,513,572
		Federal Funds:	4,349,953	146,754	4,496,707	177,872	4,674,579	0	4,674,579
		Other Funds:	2,131,248	131,723	2,262,971	9,465	2,272,436	0	2,272,436
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	7,555,771	624,554	8,180,325	280,262	8,460,587	0	8,460,587

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-03 MEDICAL SERVICES

LINE FB		Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	64.000	0.000	64.000	0.000	64.000	1.000	65.000
32510 B	511000	Salaries - Permanent	4,149,172	486,168	4,635,340	2	4,635,342	52,416	4,687,758
32510 B	513000	Temporary Salaries	48,592	59,141	107,733	1	107,734	0	107,734
32510 B	514000	Overtime	12,603	5,614	18,217	0	18,217	0	18,217
32510 B	516000	Fringe Benefits	1,476,343	187,179	1,663,522	166,878	1,830,400	22,630	1,853,030
32510 B	599110	Salary Increase	0	0	0	285,528	285,528	0	285,528
32510 B	599160	Benefit Increase	0	0	0	47,773	47,773	0	47,773
		Subtotal:	5,686,710	738,102	6,424,812	500,182	6,924,994	75,046	7,000,040
32510 F	F_1991	Salary - General Fund	2,270,900	943,561	3,214,461	260,127	3,474,588	18,919	3,493,507
32510 F	F_1992	Salary - Federal Funds	3,415,810	(205,459)	3,210,351	240,055	3,450,406	56,127	3,506,533
		Subtotal:	5,686,710	738,102	6,424,812	500,182	6,924,994	75,046	7,000,040
32530 B	521000	Travel	83,708	22,762	106,470	0	106,470	0	106,470
32530 B	531000	Supplies - IT Software	7,700	5,150	12,850	0	12,850	0	12,850
32530 B	532000	Supply/Material-Professional	5,305	13,980	19,285	0	19,285	0	19,285
32530 B	535000	Miscellaneous Supplies	1,000	1,635	2,635	0	2,635	0	2,635
32530 B	536000	Office Supplies	14,800	6,726	21,526	0	21,526	0	21,526
32530 B	541000	Postage	4,782	(1,215)	3,567	0	3,567	0	3,567
32530 B	542000	Printing	77,200	(10,988)	66,212	0	66,212	0	66,212
32530 B	582000	Rentals/Leases - Bldg/Land	42,757	2,228	44,985	0	44,985	0	44,985
32530 B	591000	Repairs	200	(94)	106	0	106	0	106
32530 B	601000	IT - Data Processing	41,668	(16,139)	25,529	0	25,529	0	25,529
32530 B	602000	IT-Communications	4,328	(1,004)	3,324	0	3,324	0	3,324
32530 B	603000	IT Contractual Services and Re	300	4	304	0	304	0	304
32530 B	611000	Professional Development	12,754	17,751	30,505	0	30,505	0	30,505
32530 B	621000	Operating Fees and Services	20,491,041	2,147,538	22,638,579	0	22,638,579	453,000	23,091,579
		Subtotal:	20,787,543	2,188,334	22,975,877	0	22,975,877	453,000	23,428,877
32530 F	F_3991	Operating - General Fund	17,750,459	2,578,555	20,329,014	0	20,329,014	114,201	20,443,215

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-03 MEDICAL SERVICES

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32530 F	F_3992	Operating - Federal Funds	3,037,084	(390,221)	2,646,863	0	2,646,863	338,799	2,985,662
		Subtotal:	20,787,543	2,188,334	22,975,877	0	22,975,877	453,000	23,428,877
32573 B	712000	Grants, Benefits & Claims	383,542,215	8,687,472	392,229,687	12,385,226	404,614,913	20,822,037	425,436,950
		Subtotal:	383,542,215	8,687,472	392,229,687	12,385,226	404,614,913	20,822,037	425,436,950
32573 F	F_7391	MA Grants - General Fund	90,071,369	10,266,686	100,338,055	4,006,182	104,344,237	7,507,275	111,851,512
32573 F	F_7392	MA Grants - Federal Funds	266,701,131	(6,357,741)	260,343,390	8,379,044	268,722,434	13,314,762	282,037,196
32573 F	F_7393	MA Grants - Other Funds	11,342,788	(34,428)	11,308,360	0	11,308,360	0	11,308,360
32573 F	F_7394	MA Grants - Swap Funds	14,580,215	5,659,667	20,239,882	0	20,239,882	0	20,239,882
32573 F	F_7396	MA Grants - IGT Funds	846,712	(846,712)	0	0	0	0	0
		Subtotal:	383,542,215	8,687,472	392,229,687	12,385,226	404,614,913	20,822,037	425,436,950
		Subdivision (OMB Bdgt Lvl) Total:	410,016,468	11,613,908	421,630,376	12,885,408	434,515,784	21,350,083	455,865,867
		General Funds:	110,092,728	13,788,802	123,881,530	4,266,309	128,147,839	7,640,395	135,788,234
		Federal Funds:	273,154,025	(6,953,421)	266,200,604	8,619,099	274,819,703	13,709,688	288,529,391
		Other Funds:	11,342,788	(34,428)	11,308,360	0	11,308,360	0	11,308,360
		SWAP Funds:	14,580,215	5,659,667	20,239,882	0	20,239,882	0	20,239,882
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	846,712	(846,712)	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	410,016,468	11,613,908	421,630,376	12,885,408	434,515,784	21,350,083	455,865,867

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code Subdivision (OMB Bdgt Lvl): 300-10 LONG TERM CARE		Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000 Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)								
32560 B 712000 Grants, Benefits & Claims		50,000	(50,000)	0	0	0	0	0
	Subtotal:	50,000	(50,000)	0	0	0	0	0
32560 F F_6991 Grants - General Fund		50,000	(50,000)	0	0	0	0	0
	Subtotal:	50,000	(50,000)	0	0	0	0	0
32573 B 712000 Grants, Benefits & Claims		605,342,253	57,821,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
	Subtotal:	605,342,253	57,821,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
32573 F F_7391 MA Grants - General Fund		221,865,185	24,150,670	246,015,855	12,478,922	258,494,777	6,630,220	265,124,997
32573 F F_7392 MA Grants - Federal Funds		378,413,045	36,014,888	414,427,933	21,117,811	435,545,744	9,759,358	445,305,102
32573 F F_7394 MA Grants - Swap Funds		2,284,362	0	2,284,362	0	2,284,362	0	2,284,362
32573 F F_7395 MA Grants - County Funds		639,780	(204,124)	435,656	0	435,656	51,793	487,449
32573 F F_7396 MA Grants - IGT Funds		2,139,881	(2,139,881)	0	0	0	170,500	170,500
	Subtotal:	605,342,253	57,821,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
	Subdivision (OMB Bdgt Lvl) Total:	605,392,253	57,771,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
	General Funds:	221,915,185	24,100,670	246,015,855	12,478,922	258,494,777	6,630,220	265,124,997
	Federal Funds:	378,413,045	36,014,888	414,427,933	21,117,811	435,545,744	9,759,358	445,305,102
	Other Funds:	0	0	0	0	0	0	0
	SWAP Funds:	2,284,362	0	2,284,362	0	2,284,362	0	2,284,362
	County Funds:	639,780	(204,124)	435,656	0	435,656	51,793	487,449
	IGT Funds:	2,139,881	(2,139,881)	0	0	0	170,500	170,500
	Subdivision (OMB Bdgt Lvl) Total:	605,392,253	57,771,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-42 DD COUNCIL

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	1.400	0.000	1.400	0.000	1.400	0.000	1.400
32510	B	511000 Salaries - Permanent	113,269	17,494	130,763	0	130,763	0	130,763
32510	B	516000 Fringe Benefits	32,860	590	33,450	2,672	36,122	0	36,122
32510	B	599110 Salary Increase	0	0	0	7,675	7,675	0	7,675
32510	B	599160 Benefit Increase	0	0	0	1,306	1,306	0	1,306
		Subtotal:	146,129	18,084	164,213	11,653	175,866	0	175,866
32510	F	F_1992 Salary - Federal Funds	146,129	18,084	164,213	11,653	175,866	0	175,866
		Subtotal:	146,129	18,084	164,213	11,653	175,866	0	175,866
32530	B	521000 Travel	28,265	(1,160)	27,105	0	27,105	0	27,105
32530	B	532000 Supply/Material-Professional	200	0	200	0	200	0	200
32530	B	536000 Office Supplies	100	0	100	0	100	0	100
32530	B	541000 Postage	50	50	100	0	100	0	100
32530	B	542000 Printing	700	0	700	0	700	0	700
32530	B	582000 Rentals/Leases - Bldg/Land	6,480	(35)	6,445	0	6,445	0	6,445
32530	B	602000 IT-Communications	50	0	50	0	50	0	50
32530	B	611000 Professional Development	9,300	3,000	12,300	0	12,300	0	12,300
32530	B	621000 Operating Fees and Services	4,360	(3,435)	925	0	925	0	925
32530	B	623000 Fees - Professional Services	1,900	0	1,900	0	1,900	0	1,900
		Subtotal:	51,405	(1,580)	49,825	0	49,825	0	49,825
32530	F	F_3992 Operating - Federal Funds	51,405	(1,580)	49,825	0	49,825	0	49,825
		Subtotal:	51,405	(1,580)	49,825	0	49,825	0	49,825
32560	B	712000 Grants, Benefits & Claims	816,288	(52,771)	763,517	0	763,517	0	763,517
		Subtotal:	816,288	(52,771)	763,517	0	763,517	0	763,517
32560	F	F_6992 Grants - Federal Funds	816,288	(52,771)	763,517	0	763,517	0	763,517

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code

Subdivision (OMB Bdgt Lvl): 300-42 DD COUNCIL

	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subtotal:	816,288	(52,771)	763,517	0	763,517	0	763,517
Subdivision (OMB Bdgt Lvl) Total:	1,013,822	(36,267)	977,555	11,653	989,208	0	989,208
General Funds:	0	0	0	0	0	0	0
Federal Funds:	1,013,822	(36,267)	977,555	11,653	989,208	0	989,208
Other Funds:	0	0	0	0	0	0	0
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	1,013,822	(36,267)	977,555	11,653	989,208	0	989,208

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 300-43 AGING SERVICES									
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	10.000	0.000	10.000	0.000	10.000	0.000	10.000
32510 B	511000	Salaries - Permanent	734,131	84,413	818,544	0	818,544	0	818,544
32510 B	516000	Fringe Benefits	277,452	(3,922)	273,530	26,208	299,738	0	299,738
32510 B	599110	Salary Increase	0	0	0	49,067	49,067	0	49,067
32510 B	599160	Benefit Increase	0	0	0	8,306	8,306	0	8,306
		Subtotal:	1,011,583	80,491	1,092,074	83,581	1,175,655	0	1,175,655
32510 F	F_1991	Salary - General Fund	308,240	(35,215)	273,025	63,919	336,944	0	336,944
32510 F	F_1992	Salary - Federal Funds	703,343	115,706	819,049	19,662	838,711	0	838,711
		Subtotal:	1,011,583	80,491	1,092,074	83,581	1,175,655	0	1,175,655
32530 B	521000	Travel	61,407	(4,431)	56,976	0	56,976	0	56,976
32530 B	531000	Supplies - IT Software	3,200	1,800	5,000	0	5,000	0	5,000
32530 B	532000	Supply/Material-Professional	4,000	0	4,000	0	4,000	0	4,000
32530 B	534000	Bldg, Grounds, Vehicle Supply	200	(200)	0	0	0	0	0
32530 B	535000	Miscellaneous Supplies	10,500	(5,126)	5,374	0	5,374	0	5,374
32530 B	536000	Office Supplies	5,000	300	5,300	0	5,300	0	5,300
32530 B	541000	Postage	800	550	1,350	0	1,350	0	1,350
32530 B	542000	Printing	13,400	(100)	13,300	0	13,300	0	13,300
32530 B	561000	Utilities	450	0	450	0	450	0	450
32530 B	582000	Rentals/Leases - Bldg/Land	700	150	850	0	850	0	850
32530 B	591000	Repairs	1,000	0	1,000	0	1,000	0	1,000
32530 B	601000	IT - Data Processing	300	200	500	0	500	0	500
32530 B	602000	IT-Communications	4,500	0	4,500	0	4,500	0	4,500
32530 B	611000	Professional Development	18,300	5,540	23,840	0	23,840	0	23,840
32530 B	621000	Operating Fees and Services	10,510,746	1,374,908	11,885,654	0	11,885,654	0	11,885,654
		Subtotal:	10,634,503	1,373,591	12,008,094	0	12,008,094	0	12,008,094
32530 F	F_3991	Operating - General Fund	805,848	305,671	1,111,519	0	1,111,519	0	1,111,519
32530 F	F_3992	Operating - Federal Funds	9,680,255	850,895	10,531,150	0	10,531,150	0	10,531,150

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 300-43 AGING SERVICES									
32530	F	F_3993 Operating - Other Funds	148,400	217,025	365,425	0	365,425	0	365,425
		Subtotal:	10,634,503	1,373,591	12,008,094	0	12,008,094	0	12,008,094
32550	B	683000 Other Capital Payments	1,883	(1,689)	194	0	194	0	194
		Subtotal:	1,883	(1,689)	194	0	194	0	194
32550	F	F_5991 Land & Cptl Imprv - Gen Fund	773	(725)	48	0	48	0	48
32550	F	F_5992 Land & Cptl Imprv - Fed Funds	1,110	(964)	146	0	146	0	146
		Subtotal:	1,883	(1,689)	194	0	194	0	194
32560	B	712000 Grants, Benefits & Claims	470,070	(220,070)	250,000	0	250,000	0	250,000
		Subtotal:	470,070	(220,070)	250,000	0	250,000	0	250,000
32560	F	F_6992 Grants - Federal Funds	470,070	(264,645)	205,425	0	205,425	0	205,425
32560	F	F_6993 Grants - Other Funds	0	44,575	44,575	0	44,575	0	44,575
		Subtotal:	470,070	(220,070)	250,000	0	250,000	0	250,000
		Subdivision (OMB Bdgt Lvl) Total:	12,118,039	1,232,323	13,350,362	83,581	13,433,943	0	13,433,943
		General Funds:	1,114,861	269,731	1,384,592	63,919	1,448,511	0	1,448,511
		Federal Funds:	10,854,778	700,992	11,555,770	19,662	11,575,432	0	11,575,432
		Other Funds:	148,400	261,600	410,000	0	410,000	0	410,000
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	12,118,039	1,232,323	13,350,362	83,581	13,433,943	0	13,433,943

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-46 CHILDREN AND FAMILY SERVICES

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	18.000	0.000	18.000	0.000	18.000	0.000	18.000
32510	B	511000 Salaries - Permanent	1,475,597	94,474	1,570,071	2	1,570,073	0	1,570,073
32510	B	513000 Temporary Salaries	11,378	1,056	12,434	(2)	12,432	0	12,432
32510	B	514000 Overtime	563	(563)	0	0	0	0	0
32510	B	516000 Fringe Benefits	513,433	9,799	523,232	49,820	573,052	0	573,052
32510	B	599110 Salary Increase	0	0	0	95,423	95,423	0	95,423
32510	B	599160 Benefit Increase	0	0	0	16,167	16,167	0	16,167
		Subtotal:	2,000,971	104,766	2,105,737	161,410	2,267,147	0	2,267,147
32510	F	F_1991 Salary - General Fund	573,879	(8,057)	565,822	90,245	656,067	0	656,067
32510	F	F_1992 Salary - Federal Funds	1,427,092	112,823	1,539,915	71,165	1,611,080	0	1,611,080
		Subtotal:	2,000,971	104,766	2,105,737	161,410	2,267,147	0	2,267,147
32530	B	521000 Travel	365,208	30,151	395,359	0	395,359	0	395,359
32530	B	531000 Supplies - IT Software	3,928	271	4,199	0	4,199	0	4,199
32530	B	532000 Supply/Material-Professional	28,768	(6,868)	21,900	0	21,900	0	21,900
32530	B	535000 Miscellaneous Supplies	5,024	476	5,500	0	5,500	0	5,500
32530	B	536000 Office Supplies	10,286	(2,036)	8,250	0	8,250	0	8,250
32530	B	541000 Postage	3,851	235	4,086	0	4,086	0	4,086
32530	B	542000 Printing	56,684	8,854	65,538	0	65,538	0	65,538
32530	B	553000 Office Equip & Furniture-Under	600	575	1,175	0	1,175	0	1,175
32530	B	581000 Rentals/Leases-Equip & Other	600	(100)	500	0	500	0	500
32530	B	582000 Rentals/Leases - Bldg/Land	6,192	292	6,484	0	6,484	0	6,484
32530	B	591000 Repairs	1,012	(16)	996	0	996	0	996
32530	B	601000 IT - Data Processing	4,000	164	4,164	0	4,164	0	4,164
32530	B	602000 IT-Communications	4,113	(519)	3,594	0	3,594	0	3,594
32530	B	603000 IT Contractual Services and Re	62	(62)	0	0	0	0	0
32530	B	611000 Professional Development	222,188	16,650	238,838	0	238,838	0	238,838
32530	B	621000 Operating Fees and Services	4,317,687	(86,718)	4,230,969	97,255	4,328,224	48,532	4,376,756
32530	B	623000 Fees - Professional Services	2,000	0	2,000	0	2,000	0	2,000

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-46 CHILDREN AND FAMILY SERVICES

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
		Subtotal:	5,032,203	(38,651)	4,993,552	97,255	5,090,807	48,532	5,139,339
32530	F	F_3991 Operating - General Fund	1,567,640	3,949	1,571,589	97,255	1,668,844	39,416	1,708,260
32530	F	F_3992 Operating - Federal Funds	3,234,188	(186,155)	3,048,033	0	3,048,033	9,116	3,057,149
32530	F	F_3993 Operating - Other Funds	5,000	111,464	116,464	0	116,464	0	116,464
32530	F	F_3995 Operating - County Funds	225,375	32,091	257,466	0	257,466	0	257,466
		Subtotal:	5,032,203	(38,651)	4,993,552	97,255	5,090,807	48,532	5,139,339
32560	B	712000 Grants, Benefits & Claims	106,013,848	2,874,746	108,888,594	2,893,863	111,782,457	1,496,854	113,279,311
		Subtotal:	106,013,848	2,874,746	108,888,594	2,893,863	111,782,457	1,496,854	113,279,311
32560	F	F_6991 Grants - General Fund	15,070,231	992,297	16,062,528	934,835	16,997,363	944,861	17,942,224
32560	F	F_6992 Grants - Federal Funds	75,002,268	1,062,721	76,064,989	1,921,528	77,986,517	551,993	78,538,510
32560	F	F_6993 Grants - Other Funds	6,310,682	(637,126)	5,673,556	0	5,673,556	0	5,673,556
32560	F	F_6994 Grants - Swap Funds	164,373	(45,190)	119,183	0	119,183	0	119,183
32560	F	F_6995 Grants - County Funds	9,252,887	1,715,451	10,968,338	37,500	11,005,838	0	11,005,838
32560	F	F_6996 Grants - IGT Funds	213,407	(213,407)	0	0	0	0	0
		Subtotal:	106,013,848	2,874,746	108,888,594	2,893,863	111,782,457	1,496,854	113,279,311
		Subdivision (OMB Bdgt Lvl) Total:	113,047,022	2,940,861	115,987,883	3,152,528	119,140,411	1,545,386	120,685,797
		General Funds:	17,211,750	988,189	18,199,939	1,122,335	19,322,274	984,277	20,306,551
		Federal Funds:	79,663,548	989,389	80,652,937	1,992,693	82,645,630	561,109	83,206,739
		Other Funds:	6,315,682	(525,662)	5,790,020	0	5,790,020	0	5,790,020
		SWAP Funds:	164,373	(45,190)	119,183	0	119,183	0	119,183
		County Funds:	9,478,262	1,747,542	11,225,804	37,500	11,263,304	0	11,263,304
		IGT Funds:	213,407	(213,407)	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	113,047,022	2,940,861	115,987,883	3,152,528	119,140,411	1,545,386	120,685,797

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-47 MENTAL HEALTH AND SUBSTANCE ABUSE

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	18.000	0.000	18.000	0.000	18.000	0.000	18.000
32510	B	511000 Salaries - Permanent	1,441,946	98,781	1,540,727	(2)	1,540,725	0	1,540,725
32510	B	513000 Temporary Salaries	26,723	(8,003)	18,720	0	18,720	0	18,720
32510	B	516000 Fringe Benefits	480,477	2,055	482,532	42,312	524,844	0	524,844
32510	B	599110 Salary Increase	0	0	0	93,674	93,674	0	93,674
32510	B	599160 Benefit Increase	0	0	0	15,850	15,850	0	15,850
		Subtotal:	1,949,146	92,833	2,041,979	151,834	2,193,813	0	2,193,813
32510	F	F_1991 Salary - General Fund	635,933	(112,787)	523,146	114,982	638,128	0	638,128
32510	F	F_1992 Salary - Federal Funds	1,205,117	179,361	1,384,478	34,065	1,418,543	0	1,418,543
32510	F	F_1993 Salary - Other Funds	108,096	26,259	134,355	2,787	137,142	0	137,142
		Subtotal:	1,949,146	92,833	2,041,979	151,834	2,193,813	0	2,193,813
32530	B	521000 Travel	111,516	(13,121)	98,395	0	98,395	0	98,395
32530	B	531000 Supplies - IT Software	4,400	(1,100)	3,300	0	3,300	0	3,300
32530	B	532000 Supply/Material-Professional	192,900	2,466	195,366	0	195,366	0	195,366
32530	B	535000 Miscellaneous Supplies	4,690	(390)	4,300	0	4,300	0	4,300
32530	B	536000 Office Supplies	7,520	(2,020)	5,500	0	5,500	0	5,500
32530	B	541000 Postage	29,800	(13,555)	16,245	0	16,245	0	16,245
32530	B	542000 Printing	10,700	(4,900)	5,800	0	5,800	0	5,800
32530	B	553000 Office Equip & Furniture-Under	500	500	1,000	0	1,000	0	1,000
32530	B	561000 Utilities	60	(60)	0	0	0	0	0
32530	B	582000 Rentals/Leases - Bldg/Land	117,584	32,152	149,736	0	149,736	0	149,736
32530	B	591000 Repairs	1,015	(65)	950	0	950	0	950
32530	B	601000 IT - Data Processing	900	(100)	800	0	800	0	800
32530	B	602000 IT-Communications	2,775	(325)	2,450	0	2,450	0	2,450
32530	B	603000 IT Contractual Services and Re	133	(133)	0	0	0	0	0
32530	B	611000 Professional Development	153,135	(13,120)	140,015	0	140,015	0	140,015
32530	B	621000 Operating Fees and Services	3,087,403	(1,353,919)	1,733,484	700,000	2,433,484	124,400	2,557,884
32530	B	699000 Operating Budget Adjustment	0	0	0	2,804,562	2,804,562	0	2,804,562

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-47 MENTAL HEALTH AND SUBSTANCE ABUSE

LINE FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
	Subtotal:	3,725,031	(1,367,690)	2,357,341	3,504,562	5,861,903	124,400	5,986,303
32530 F	F_3991 Operating - General Fund	621,740	71,092	692,832	3,504,562	4,197,394	124,400	4,321,794
32530 F	F_3992 Operating - Federal Funds	2,274,491	(692,803)	1,581,688	0	1,581,688	0	1,581,688
32530 F	F_3993 Operating - Other Funds	828,800	(745,979)	82,821	0	82,821	0	82,821
	Subtotal:	3,725,031	(1,367,690)	2,357,341	3,504,562	5,861,903	124,400	5,986,303
32560 B	712000 Grants, Benefits & Claims	4,396,859	(140,215)	4,256,644	0	4,256,644	0	4,256,644
	Subtotal:	4,396,859	(140,215)	4,256,644	0	4,256,644	0	4,256,644
32560 F	F_6991 Grants - General Fund	649,706	68,648	718,354	0	718,354	0	718,354
32560 F	F_6992 Grants - Federal Funds	3,347,153	(142,863)	3,204,290	0	3,204,290	0	3,204,290
32560 F	F_6993 Grants - Other Funds	400,000	(66,000)	334,000	0	334,000	0	334,000
	Subtotal:	4,396,859	(140,215)	4,256,644	0	4,256,644	0	4,256,644
	Subdivision (OMB Bdgt Lvl) Total:	10,071,036	(1,415,072)	8,655,964	3,656,396	12,312,360	124,400	12,436,760
	General Funds:	1,907,379	26,953	1,934,332	3,619,544	5,553,876	124,400	5,678,276
	Federal Funds:	6,826,761	(656,305)	6,170,456	34,065	6,204,521	0	6,204,521
	Other Funds:	1,336,896	(785,720)	551,176	2,787	553,963	0	553,963
	SWAP Funds:	0	0	0	0	0	0	0
	County Funds:	0	0	0	0	0	0	0
	IGT Funds:	0	0	0	0	0	0	0
	Subdivision (OMB Bdgt Lvl) Total:	10,071,036	(1,415,072)	8,655,964	3,656,396	12,312,360	124,400	12,436,760

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-51 DISABILITY SERVICES

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	41.100	0.000	41.100	0.000	41.100	0.000	41.100
32510	B	511000 Salaries - Permanent	2,895,845	24,417	2,920,262	(6)	2,920,256	0	2,920,256
32510	B	513000 Temporary Salaries	58,368	(34,369)	23,999	1	24,000	0	24,000
32510	B	514000 Overtime	8,000	(2,997)	5,003	1	5,004	0	5,004
32510	B	516000 Fringe Benefits	1,069,771	(5,502)	1,064,269	109,334	1,173,603	0	1,173,603
32510	B	599110 Salary Increase	0	0	0	180,294	180,294	0	180,294
32510	B	599160 Benefit Increase	0	0	0	30,345	30,345	0	30,345
		Subtotal:	4,031,984	(18,451)	4,013,533	319,969	4,333,502	0	4,333,502
32510	F	F_1991 Salary - General Fund	572,797	(3,281)	569,516	210,347	779,863	0	779,863
32510	F	F_1992 Salary - Federal Funds	3,459,187	(15,170)	3,444,017	109,622	3,553,639	0	3,553,639
		Subtotal:	4,031,984	(18,451)	4,013,533	319,969	4,333,502	0	4,333,502
32530	B	521000 Travel	288,953	25,817	314,770	0	314,770	0	314,770
32530	B	531000 Supplies - IT Software	38,246	(12,600)	25,646	0	25,646	0	25,646
32530	B	532000 Supply/Material-Professional	74,020	47,643	121,663	0	121,663	0	121,663
32530	B	535000 Miscellaneous Supplies	32,835	(7,535)	25,300	0	25,300	0	25,300
32530	B	536000 Office Supplies	47,288	(18,805)	28,483	0	28,483	0	28,483
32530	B	541000 Postage	62,754	(16,624)	46,130	0	46,130	0	46,130
32530	B	542000 Printing	130,785	(44,335)	86,450	0	86,450	0	86,450
32530	B	552000 Other Equip under $5,000	17,590	2,410	20,000	0	20,000	0	20,000
32530	B	553000 Office Equip & Furniture-Under	35,092	(13,565)	21,527	0	21,527	0	21,527
32530	B	581000 Rentals/Leases-Equip & Other	10,250	(290)	9,960	0	9,960	0	9,960
32530	B	582000 Rentals/Leases - Bldg/Land	331,805	72,374	404,179	0	404,179	0	404,179
32530	B	591000 Repairs	9,750	(2,750)	7,000	0	7,000	0	7,000
32530	B	601000 IT - Data Processing	1,044	416	1,460	0	1,460	0	1,460
32530	B	602000 IT-Communications	2,786	3,373	6,159	0	6,159	0	6,159
32530	B	603000 IT Contractual Services and Re	25	(25)	0	0	0	0	0
32530	B	611000 Professional Development	118,798	52,678	171,476	0	171,476	0	171,476
32530	B	621000 Operating Fees and Services	3,588,551	390,922	3,979,473	43,520	4,022,993	14,506	4,037,499
32530	B	623000 Fees - Professional Services	444,750	141,480	586,230	0	586,230	0	586,230

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DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 300-51 DISABILITY SERVICES

LINE	FB	Budget Object Code		Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32530	B	625000	Medical, Dental and Optical	18,100	(18,100)	0	0	0	0	0
			Subtotal:	5,253,422	602,484	5,855,906	43,520	5,899,426	14,506	5,913,932
32530	F	F_3991	Operating - General Fund	1,303,437	498,138	1,801,575	43,520	1,845,095	14,506	1,859,601
32530	F	F_3992	Operating - Federal Funds	3,929,985	114,346	4,044,331	0	4,044,331	0	4,044,331
32530	F	F_3993	Operating - Other Funds	20,000	(10,000)	10,000	0	10,000	0	10,000
			Subtotal:	5,253,422	602,484	5,855,906	43,520	5,899,426	14,506	5,913,932
32560	B	712000	Grants, Benefits & Claims	18,668,825	185,241	18,854,066	29,555	18,883,621	1,000,000	19,883,621
			Subtotal:	18,668,825	185,241	18,854,066	29,555	18,883,621	1,000,000	19,883,621
32560	F	F_6991	Grants - General Fund	3,407,343	(40,689)	3,366,654	14,778	3,381,432	1,000,000	4,381,432
32560	F	F_6992	Grants - Federal Funds	15,162,382	228,030	15,390,412	14,777	15,405,189	0	15,405,189
32560	F	F_6993	Grants - Other Funds	99,100	(2,100)	97,000	0	97,000	0	97,000
			Subtotal:	18,668,825	185,241	18,854,066	29,555	18,883,621	1,000,000	19,883,621
			Subdivision (OMB Bdgt Lvl) Total:	27,954,231	769,274	28,723,505	393,044	29,116,549	1,014,506	30,131,055
			General Funds:	5,283,577	454,168	5,737,745	268,645	6,006,390	1,014,506	7,020,896
			Federal Funds:	22,551,554	327,206	22,878,760	124,399	23,003,159	0	23,003,159
			Other Funds:	119,100	(12,100)	107,000	0	107,000	0	107,000
			SWAP Funds:	0	0	0	0	0	0	0
			County Funds:	0	0	0	0	0	0	0
			IGT Funds:	0	0	0	0	0	0	0
			Subdivision (OMB Bdgt Lvl) Total:	27,954,231	769,274	28,723,505	393,044	29,116,549	1,014,506	30,131,055

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-71 NORTHWEST HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	45.750	0.000	45.750	0.000	45.750	0.000	45.750
32570	B	511000 Salaries - Permanent	3,468,695	(13,244)	3,455,451	3	3,455,454	0	3,455,454
32570	B	513000 Temporary Salaries	200,523	21,576	222,099	(1)	222,098	0	222,098
32570	B	514000 Overtime	36,400	(36,400)	0	0	0	0	0
32570	B	516000 Fringe Benefits	1,298,921	(62,263)	1,236,658	120,176	1,356,834	0	1,356,834
32570	B	521000 Travel	150,059	6,131	156,190	0	156,190	0	156,190
32570	B	531000 Supplies - IT Software	6,000	(600)	5,400	0	5,400	0	5,400
32570	B	532000 Supply/Material-Professional	17,525	(2,239)	15,286	0	15,286	0	15,286
32570	B	533000 Food and Clothing	5,650	(1,150)	4,500	0	4,500	0	4,500
32570	B	534000 Bldg, Grounds, Vehicle Supply	0	500	500	0	500	0	500
32570	B	535000 Miscellaneous Supplies	15,650	8	15,658	0	15,658	0	15,658
32570	B	536000 Office Supplies	9,250	2,750	12,000	0	12,000	0	12,000
32570	B	541000 Postage	20,000	(4,150)	15,850	0	15,850	0	15,850
32570	B	542000 Printing	6,500	(3,500)	3,000	0	3,000	0	3,000
32570	B	581000 Rentals/Leases-Equip & Other	20,000	(17,000)	3,000	0	3,000	0	3,000
32570	B	582000 Rentals/Leases - Bldg/Land	407,105	(1,951)	405,154	0	405,154	0	405,154
32570	B	591000 Repairs	50,867	10,644	61,511	0	61,511	0	61,511
32570	B	599110 Salary Increase	0	0	0	213,425	213,425	0	213,425
32570	B	599160 Benefit Increase	0	0	0	36,173	36,173	0	36,173
32570	B	602000 IT-Communications	62,111	3,379	65,490	0	65,490	0	65,490
32570	B	611000 Professional Development	6,360	2,790	9,150	0	9,150	0	9,150
32570	B	621000 Operating Fees and Services	89,019	(21,753)	67,266	0	67,266	0	67,266
32570	B	625000 Medical, Dental and Optical	5,000	(4,000)	1,000	0	1,000	0	1,000
32570	B	712000 Grants, Benefits & Claims	1,389,925	(50,407)	1,339,518	61,124	1,400,642	20,375	1,421,017
		Subtotal:	7,265,560	(170,879)	7,094,681	430,900	7,525,581	20,375	7,545,956
32570	F	F_7091 HSCs & Institutions - Gen Fund	3,617,868	437,095	4,054,963	334,360	4,389,323	20,375	4,409,698
32570	F	F_7092 HSCs & Institutions - Fed Fnds	3,300,855	(600,532)	2,700,323	90,815	2,791,138	0	2,791,138
32570	F	F_7093 HSCs & Institutions - Oth Fnds	346,837	(7,442)	339,395	5,725	345,120	0	345,120
		Subtotal:	7,265,560	(170,879)	7,094,681	430,900	7,525,581	20,375	7,545,956

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code Subdivision (OMB Bdgt Lvl): 410-71 NORTHWEST HSC	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl) Total:	7,265,560	(170,879)	7,094,681	430,900	7,525,581	20,375	7,545,956
General Funds:	3,617,868	437,095	4,054,963	334,360	4,389,323	20,375	4,409,698
Federal Funds:	3,300,855	(600,532)	2,700,323	90,815	2,791,138	0	2,791,138
Other Funds:	346,837	(7,442)	339,395	5,725	345,120	0	345,120
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	7,265,560	(170,879)	7,094,681	430,900	7,525,581	20,375	7,545,956

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-72 NORTH CENTRAL HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	116.780	0.000	116.780	1.000	117.780	0.000	117.780
32570	B	511000 Salaries - Permanent	7,657,623	209,147	7,866,770	62,403	7,929,173	0	7,929,173
32570	B	512000 Salaries-Other	11,520	1	11,521	0	11,521	0	11,521
32570	B	513000 Temporary Salaries	86,526	(21,051)	65,475	(3)	65,472	0	65,472
32570	B	514000 Overtime	20,248	(6,089)	14,159	0	14,159	0	14,159
32570	B	516000 Fringe Benefits	2,946,141	66,029	3,012,170	343,620	3,355,790	0	3,355,790
32570	B	521000 Travel	231,432	39,380	270,812	0	270,812	0	270,812
32570	B	531000 Supplies - IT Software	10,000	5,000	15,000	0	15,000	0	15,000
32570	B	532000 Supply/Material-Professional	19,850	3,650	23,500	0	23,500	0	23,500
32570	B	533000 Food and Clothing	50,000	5,000	55,000	0	55,000	0	55,000
32570	B	534000 Bldg, Grounds, Vehicle Supply	1,000	0	1,000	0	1,000	0	1,000
32570	B	535000 Miscellaneous Supplies	33,500	1,499	34,999	0	34,999	0	34,999
32570	B	536000 Office Supplies	12,538	1,462	14,000	0	14,000	0	14,000
32570	B	541000 Postage	32,000	0	32,000	0	32,000	0	32,000
32570	B	542000 Printing	16,000	6,000	22,000	0	22,000	0	22,000
32570	B	581000 Rentals/Leases-Equip & Other	14,334	2,466	16,800	0	16,800	0	16,800
32570	B	582000 Rentals/Leases - Bldg/Land	919,204	19,619	938,823	0	938,823	0	938,823
32570	B	591000 Repairs	25,328	(728)	24,600	0	24,600	0	24,600
32570	B	599110 Salary Increase	0	0	0	502,928	502,928	0	502,928
32570	B	599160 Benefit Increase	0	0	0	83,795	83,795	0	83,795
32570	B	602000 IT-Communications	110,165	35,493	145,658	0	145,658	0	145,658
32570	B	611000 Professional Development	10,898	3,500	14,398	0	14,398	0	14,398
32570	B	621000 Operating Fees and Services	134,305	(60,705)	73,600	0	73,600	0	73,600
32570	B	625000 Medical, Dental and Optical	25,000	0	25,000	0	25,000	0	25,000
32570	B	712000 Grants, Benefits & Claims	2,900,461	135,541	3,036,002	136,712	3,172,714	45,571	3,218,285
		Subtotal:	15,268,073	445,214	15,713,287	1,129,455	16,842,742	45,571	16,888,313
32570	F	F_7091 HSCs & Institutions - Gen Fund	8,042,290	43,325	8,085,615	839,160	8,924,775	45,571	8,970,346
32570	F	F_7092 HSCs & Institutions - Fed Fnds	6,371,278	420,217	6,791,495	273,478	7,064,973	0	7,064,973
32570	F	F_7093 HSCs & Institutions - Oth Fnds	733,982	2,195	736,177	16,817	752,994	0	752,994
32570	F	F_7095 HSCs & Institutions - County	120,523	(20,523)	100,000	0	100,000	0	100,000

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 410-72 NORTH CENTRAL HSC							
Subtotal:	15,268,073	445,214	15,713,287	1,129,455	16,842,742	45,571	16,888,313
Subdivision (OMB Bdgt Lvl) Total:	15,268,073	445,214	15,713,287	1,129,455	16,842,742	45,571	16,888,313
General Funds:	8,042,290	43,325	8,085,615	839,160	8,924,775	45,571	8,970,346
Federal Funds:	6,371,278	420,217	6,791,495	273,478	7,064,973	0	7,064,973
Other Funds:	733,982	2,195	736,177	16,817	752,994	0	752,994
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	120,523	(20,523)	100,000	0	100,000	0	100,000
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	15,268,073	445,214	15,713,287	1,129,455	16,842,742	45,571	16,888,313

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-73 LAKE REGION HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	61.250	0.000	61.250	1.000	62.250	0.000	62.250
32570	B	511000 Salaries - Permanent	4,342,923	246,147	4,589,070	7,098	4,596,168	0	4,596,168
32570	B	512000 Salaries-Other	37,923	(2,715)	35,208	1	35,209	0	35,209
32570	B	513000 Temporary Salaries	74,880	1,252	76,132	(2)	76,130	0	76,130
32570	B	516000 Fringe Benefits	1,558,744	22,662	1,581,406	170,530	1,751,936	0	1,751,936
32570	B	521000 Travel	168,045	5,025	173,070	0	173,070	0	173,070
32570	B	531000 Supplies - IT Software	4,500	2,000	6,500	0	6,500	0	6,500
32570	B	532000 Supply/Material-Professional	37,650	6,450	44,100	0	44,100	0	44,100
32570	B	535000 Miscellaneous Supplies	10,057	(845)	9,212	0	9,212	0	9,212
32570	B	536000 Office Supplies	32,550	0	32,550	0	32,550	0	32,550
32570	B	541000 Postage	25,952	200	26,152	0	26,152	0	26,152
32570	B	542000 Printing	10,000	(6,000)	4,000	0	4,000	0	4,000
32570	B	571000 Insurance	4,500	0	4,500	0	4,500	0	4,500
32570	B	582000 Rentals/Leases - Bldg/Land	366,519	59,321	425,840	0	425,840	0	425,840
32570	B	591000 Repairs	17,600	0	17,600	0	17,600	0	17,600
32570	B	599110 Salary Increase	0	0	0	285,839	285,839	0	285,839
32570	B	599160 Benefit Increase	0	0	0	46,685	46,685	0	46,685
32570	B	602000 IT-Communications	91,418	(4,690)	86,728	0	86,728	0	86,728
32570	B	611000 Professional Development	6,200	(75)	6,125	0	6,125	0	6,125
32570	B	621000 Operating Fees and Services	147,606	(17,996)	129,610	0	129,610	0	129,610
32570	B	623000 Fees - Professional Services	3,520	(445)	3,075	0	3,075	0	3,075
32570	B	625000 Medical, Dental and Optical	4,200	0	4,200	0	4,200	0	4,200
32570	B	691000 Equipment Over $5000	20,000	0	20,000	0	20,000	0	20,000
32570	B	712000 Grants, Benefits & Claims	1,954,520	24,332	1,978,852	89,263	2,068,115	29,754	2,097,869
		Subtotal:	8,919,307	334,623	9,253,930	599,414	9,853,344	29,754	9,883,098
32570	F	F_7091 HSCs & Institutions - Gen Fund	4,780,621	187,449	4,968,070	467,940	5,436,010	29,754	5,465,764
32570	F	F_7092 HSCs & Institutions - Fed Fnds	3,652,704	189,122	3,841,826	124,077	3,965,903	0	3,965,903
32570	F	F_7093 HSCs & Institutions - Oth Fnds	485,982	(41,948)	444,034	7,397	451,431	0	451,431
		Subtotal:	8,919,307	334,623	9,253,930	599,414	9,853,344	29,754	9,883,098

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code Subdivision (OMB Bdgt Lvl): 410-73 LAKE REGION HSC	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl) Total:	8,919,307	334,623	9,253,930	599,414	9,853,344	29,754	9,883,098
General Funds:	4,780,621	187,449	4,968,070	467,940	5,436,010	29,754	5,465,764
Federal Funds:	3,652,704	189,122	3,841,826	124,077	3,965,903	0	3,965,903
Other Funds:	485,982	(41,948)	444,034	7,397	451,431	0	451,431
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	8,919,307	334,623	9,253,930	599,414	9,853,344	29,754	9,883,098

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-74 NORTHEAST HSC

LINE FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000	Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	136.250	(1.150)	135.100	2.000	137.100	0.000	137.100
32570 B 511000	Salaries - Permanent	9,340,593	(63,082)	9,277,511	123,965	9,401,476	0	9,401,476
32570 B 513000	Temporary Salaries	284,337	58,745	343,082	(3)	343,079	0	343,079
32570 B 514000	Overtime	33,467	17,435	50,902	0	50,902	0	50,902
32570 B 516000	Fringe Benefits	3,665,026	(239,387)	3,425,639	399,907	3,825,546	0	3,825,546
32570 B 521000	Travel	390,801	5,199	396,000	0	396,000	0	396,000
32570 B 531000	Supplies - IT Software	22,200	0	22,200	0	22,200	0	22,200
32570 B 532000	Supply/Material-Professional	38,476	(128)	38,348	0	38,348	0	38,348
32570 B 533000	Food and Clothing	115,680	0	115,680	0	115,680	0	115,680
32570 B 534000	Bldg, Grounds, Vehicle Supply	10,142	0	10,142	0	10,142	0	10,142
32570 B 535000	Miscellaneous Supplies	55,847	(7,002)	48,845	0	48,845	0	48,845
32570 B 536000	Office Supplies	51,650	(40)	51,610	0	51,610	0	51,610
32570 B 541000	Postage	37,851	(336)	37,515	0	37,515	0	37,515
32570 B 542000	Printing	20,610	0	20,610	0	20,610	0	20,610
32570 B 553000	Office Equip & Furniture-Under	360	0	360	0	360	0	360
32570 B 561000	Utilities	29,950	10,000	39,950	0	39,950	0	39,950
32570 B 571000	Insurance	2,778	0	2,778	0	2,778	0	2,778
32570 B 581000	Rentals/Leases-Equip & Other	3,886	0	3,886	0	3,886	0	3,886
32570 B 582000	Rentals/Leases - Bldg/Land	1,210,283	8,893	1,219,176	0	1,219,176	0	1,219,176
32570 B 591000	Repairs	54,696	(718)	53,978	0	53,978	0	53,978
32570 B 599110	Salary Increase	0	0	0	580,606	580,606	0	580,606
32570 B 599160	Benefit Increase	0	0	0	96,743	96,743	0	96,743
32570 B 602000	IT-Communications	163,276	10,933	174,209	0	174,209	0	174,209
32570 B 611000	Professional Development	30,077	(5,000)	25,077	0	25,077	0	25,077
32570 B 621000	Operating Fees and Services	327,264	(32,048)	295,216	0	295,216	0	295,216
32570 B 623000	Fees - Professional Services	520,571	0	520,571	0	520,571	0	520,571
32570 B 625000	Medical, Dental and Optical	62,927	20,000	82,927	0	82,927	0	82,927
32570 B 699000	Operating Budget Adjustment	0	0	0	652,132	652,132	0	652,132
32570 B 712000	Grants, Benefits & Claims	3,995,312	(25,851)	3,969,461	113,582	4,083,043	37,861	4,120,904
	Subtotal:	20,468,060	(242,387)	20,225,673	1,966,932	22,192,605	37,861	22,230,466
32570 F F_7091	HSCs & Institutions - Gen Fund	8,332,165	274,857	8,607,022	1,329,261	9,936,283	33,696	9,969,979

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 410-74 NORTHEAST HSC									
32570	F	F_7092 HSCs & Institutions - Fed Fnds	11,251,266	(400,615)	10,850,651	624,544	11,475,195	4,165	11,479,360
32570	F	F_7093 HSCs & Institutions - Oth Fnds	884,629	(116,629)	768,000	13,127	781,127	0	781,127
		Subtotal:	20,468,060	(242,387)	20,225,673	1,966,932	22,192,605	37,861	22,230,466
		Subdivision (OMB Bdgt Lvl) Total:	20,468,060	(242,387)	20,225,673	1,966,932	22,192,605	37,861	22,230,466
		General Funds:	8,332,165	274,857	8,607,022	1,329,261	9,936,283	33,696	9,969,979
		Federal Funds:	11,251,266	(400,615)	10,850,651	624,544	11,475,195	4,165	11,479,360
		Other Funds:	884,629	(116,629)	768,000	13,127	781,127	0	781,127
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	20,468,060	(242,387)	20,225,673	1,966,932	22,192,605	37,861	22,230,466

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 410-75 SOUTHEAST HSC									
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	177.350	0.000	177.350	6.000	183.350	0.000	183.350
32570	B	511000 Salaries - Permanent	13,053,822	558,040	13,611,862	388,273	14,000,135	0	14,000,135
32570	B	513000 Temporary Salaries	455,803	(249,450)	206,353	(1)	206,352	0	206,352
32570	B	514000 Overtime	16,910	(16,910)	0	0	0	0	0
32570	B	516000 Fringe Benefits	4,654,223	22,102	4,676,325	621,347	5,297,672	0	5,297,672
32570	B	521000 Travel	327,098	37,235	364,333	0	364,333	0	364,333
32570	B	531000 Supplies - IT Software	17,281	12,864	30,145	0	30,145	0	30,145
32570	B	532000 Supply/Material-Professional	25,531	3,305	28,836	0	28,836	0	28,836
32570	B	533000 Food and Clothing	10,302	(1,598)	8,704	0	8,704	0	8,704
32570	B	534000 Bldg, Grounds, Vehicle Supply	28,132	(55)	28,077	0	28,077	0	28,077
32570	B	535000 Miscellaneous Supplies	53,585	(14,069)	39,516	0	39,516	0	39,516
32570	B	536000 Office Supplies	42,889	4,180	47,069	0	47,069	0	47,069
32570	B	541000 Postage	48,768	3,406	52,174	0	52,174	0	52,174
32570	B	542000 Printing	23,978	1,354	25,332	0	25,332	0	25,332
32570	B	552000 Other Equip under $5,000	5,423	0	5,423	0	5,423	0	5,423
32570	B	553000 Office Equip & Furniture-Under	9,564	0	9,564	0	9,564	0	9,564
32570	B	561000 Utilities	113,333	20,503	133,836	0	133,836	0	133,836
32570	B	571000 Insurance	600	0	600	0	600	0	600
32570	B	581000 Rentals/Leases-Equip & Other	19,402	0	19,402	0	19,402	0	19,402
32570	B	582000 Rentals/Leases - Bldg/Land	61,486	114,041	175,527	0	175,527	0	175,527
32570	B	591000 Repairs	178,598	17,445	196,043	0	196,043	0	196,043
32570	B	599110 Salary Increase	0	0	0	834,339	834,339	0	834,339
32570	B	599160 Benefit Increase	0	0	0	134,367	134,367	0	134,367
32570	B	602000 IT-Communications	186,907	37,869	224,776	0	224,776	0	224,776
32570	B	611000 Professional Development	57,850	(16)	57,834	0	57,834	0	57,834
32570	B	621000 Operating Fees and Services	116,847	5,829	122,676	0	122,676	0	122,676
32570	B	623000 Fees - Professional Services	23,821	3,241	27,062	0	27,062	0	27,062
32570	B	625000 Medical, Dental and Optical	82,517	(25,840)	56,677	0	56,677	0	56,677
32570	B	683000 Other Capital Payments	565,111	(509,362)	55,749	0	55,749	0	55,749
32570	B	691000 Equipment Over $5000	19,000	0	19,000	0	19,000	0	19,000
32570	B	712000 Grants, Benefits & Claims	3,327,741	432,551	3,760,292	183,962	3,944,254	61,321	4,005,575

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-75 SOUTHEAST HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
		Subtotal:	23,526,522	456,665	23,983,187	2,162,287	26,145,474	61,321	26,206,795
32570	F	F_7091 HSCs & Institutions - Gen Fund	9,955,620	473,847	10,429,467	1,419,408	11,848,875	61,321	11,910,196
32570	F	F_7092 HSCs & Institutions - Fed Fnds	12,441,908	(64,568)	12,377,340	700,598	13,077,938	0	13,077,938
32570	F	F_7093 HSCs & Institutions - Oth Fnds	1,128,994	47,386	1,176,380	42,281	1,218,661	0	1,218,661
		Subtotal:	23,526,522	456,665	23,983,187	2,162,287	26,145,474	61,321	26,206,795
		Subdivision (OMB Bdgt Lvl) Total:	23,526,522	456,665	23,983,187	2,162,287	26,145,474	61,321	26,206,795
		General Funds:	9,955,620	473,847	10,429,467	1,419,408	11,848,875	61,321	11,910,196
		Federal Funds:	12,441,908	(64,568)	12,377,340	700,598	13,077,938	0	13,077,938
		Other Funds:	1,128,994	47,386	1,176,380	42,281	1,218,661	0	1,218,661
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	23,526,522	456,665	23,983,187	2,162,287	26,145,474	61,321	26,206,795

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-76 SOUTH CENTRAL HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	87.600	(0.600)	87.000	0.000	87.000	0.000	87.000
32570	B	511000 Salaries - Permanent	6,185,854	117,378	6,303,232	(3)	6,303,229	0	6,303,229
32570	B	512000 Salaries-Other	7,800	(1)	7,799	0	7,799	0	7,799
32570	B	513000 Temporary Salaries	141,289	9,720	151,009	(1)	151,008	0	151,008
32570	B	516000 Fringe Benefits	2,226,029	44,655	2,270,684	229,366	2,500,050	0	2,500,050
32570	B	521000 Travel	244,355	(9,173)	235,182	0	235,182	0	235,182
32570	B	531000 Supplies - IT Software	7,864	(2,000)	5,864	0	5,864	0	5,864
32570	B	532000 Supply/Material-Professional	32,339	1,450	33,789	0	33,789	0	33,789
32570	B	533000 Food and Clothing	29,796	(5,600)	24,196	0	24,196	0	24,196
32570	B	534000 Bldg, Grounds, Vehicle Supply	13,735	1,400	15,135	0	15,135	0	15,135
32570	B	535000 Miscellaneous Supplies	14,150	(1,614)	12,536	0	12,536	0	12,536
32570	B	536000 Office Supplies	19,604	(1,000)	18,604	0	18,604	0	18,604
32570	B	541000 Postage	42,494	(5,000)	37,494	0	37,494	0	37,494
32570	B	542000 Printing	9,250	(300)	8,950	0	8,950	0	8,950
32570	B	581000 Rentals/Leases-Equip & Other	12,550	(12,550)	0	0	0	0	0
32570	B	582000 Rentals/Leases - Bldg/Land	634,903	0	634,903	0	634,903	0	634,903
32570	B	591000 Repairs	13,850	2,900	16,750	0	16,750	0	16,750
32570	B	599110 Salary Increase	0	0	0	389,567	389,567	0	389,567
32570	B	599160 Benefit Increase	0	0	0	64,068	64,068	0	64,068
32570	B	602000 IT-Communications	107,229	20,033	127,262	0	127,262	0	127,262
32570	B	611000 Professional Development	13,850	200	14,050	0	14,050	0	14,050
32570	B	621000 Operating Fees and Services	442,060	(27,605)	414,455	0	414,455	12,316	426,771
32570	B	625000 Medical, Dental and Optical	3,500	0	3,500	0	3,500	0	3,500
32570	B	712000 Grants, Benefits & Claims	1,922,737	1,682,028	3,604,765	118,582	3,723,347	27,211	3,750,558
		Subtotal:	12,125,238	1,814,921	13,940,159	801,579	14,741,738	39,527	14,781,265
32570	F	F_7091 HSCs & Institutions - Gen Fund	5,855,329	1,875,501	7,730,830	560,362	8,291,192	29,250	8,320,442
32570	F	F_7092 HSCs & Institutions - Fed Fnds	5,401,154	51,979	5,453,133	228,768	5,681,901	10,277	5,692,178
32570	F	F_7093 HSCs & Institutions - Oth Fnds	868,755	(112,559)	756,196	12,449	768,645	0	768,645
		Subtotal:	12,125,238	1,814,921	13,940,159	801,579	14,741,738	39,527	14,781,265

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code

Subdivision (OMB Bdgt Lvl): 410-76 SOUTH CENTRAL HSC

	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl) Total:	12,125,238	1,814,921	13,940,159	801,579	14,741,738	39,527	14,781,265
General Funds:	5,855,329	1,875,501	7,730,830	560,362	8,291,192	29,250	8,320,442
Federal Funds:	5,401,154	51,979	5,453,133	228,768	5,681,901	10,277	5,692,178
Other Funds:	868,755	(112,559)	756,196	12,449	768,645	0	768,645
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	12,125,238	1,814,921	13,940,159	801,579	14,741,738	39,527	14,781,265

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 410-77 WEST CENTRAL HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	130.550	0.000	130.550	1.000	131.550	0.000	131.550
32570	B	511000 Salaries - Permanent	8,764,307	719,047	9,483,354	71,593	9,554,947	0	9,554,947
32570	B	513000 Temporary Salaries	88,216	1,353	89,569	1	89,570	0	89,570
32570	B	514000 Overtime	4,800	(1)	4,799	0	4,799	0	4,799
32570	B	516000 Fringe Benefits	3,121,901	179,009	3,300,910	352,618	3,653,528	0	3,653,528
32570	B	521000 Travel	375,708	63,205	438,913	0	438,913	0	438,913
32570	B	531000 Supplies - IT Software	28,340	860	29,200	0	29,200	0	29,200
32570	B	532000 Supply/Material-Professional	36,970	2,590	39,560	0	39,560	0	39,560
32570	B	533000 Food and Clothing	6,300	500	6,800	0	6,800	0	6,800
32570	B	534000 Bldg, Grounds, Vehicle Supply	3,200	0	3,200	0	3,200	0	3,200
32570	B	535000 Miscellaneous Supplies	300	(296)	4	0	4	0	4
32570	B	536000 Office Supplies	38,000	0	38,000	0	38,000	0	38,000
32570	B	541000 Postage	40,000	0	40,000	0	40,000	0	40,000
32570	B	542000 Printing	29,625	0	29,625	0	29,625	0	29,625
32570	B	553000 Office Equip & Furniture-Under	5,380	13,370	18,750	0	18,750	0	18,750
32570	B	581000 Rentals/Leases-Equip & Other	2,976	(2,976)	0	0	0	0	0
32570	B	582000 Rentals/Leases - Bldg/Land	990,066	31,440	1,021,506	0	1,021,506	0	1,021,506
32570	B	591000 Repairs	25,000	(3,000)	22,000	0	22,000	0	22,000
32570	B	599110 Salary Increase	0	0	0	583,674	583,674	0	583,674
32570	B	599160 Benefit Increase	0	0	0	96,972	96,972	0	96,972
32570	B	602000 IT-Communications	127,769	26,591	154,360	0	154,360	0	154,360
32570	B	611000 Professional Development	19,374	15,156	34,530	0	34,530	0	34,530
32570	B	621000 Operating Fees and Services	112,217	(37,142)	75,075	3,373	78,448	0	78,448
32570	B	623000 Fees - Professional Services	5,752	0	5,752	0	5,752	0	5,752
32570	B	625000 Medical, Dental and Optical	30,000	(10,000)	20,000	0	20,000	0	20,000
32570	B	691000 Equipment Over $5000	11,000	(11,000)	0	0	0	0	0
32570	B	699000 Operating Budget Adjustment	0	0	0	95,800	95,800	0	95,800
32570	B	712000 Grants, Benefits & Claims	4,573,417	(2,488)	4,570,929	137,305	4,708,234	45,769	4,754,003
		Subtotal:	18,440,618	986,218	19,426,836	1,341,336	20,768,172	45,769	20,813,941
32570	F	F_7091 HSCs & Institutions - Gen Fund	8,898,665	602,876	9,501,541	939,399	10,440,940	29,292	10,470,232
32570	F	F_7092 HSCs & Institutions - Fed Fnds	8,769,852	254,444	9,024,296	386,909	9,411,205	16,477	9,427,682

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 410-77 WEST CENTRAL HSC							
32570 F F_7093 HSCs & Institutions - Oth Fnds	772,101	128,898	900,999	15,028	916,027	0	916,027
Subtotal:	18,440,618	986,218	19,426,836	1,341,336	20,768,172	45,769	20,813,941
Subdivision (OMB Bdgt Lvl) Total:	18,440,618	986,218	19,426,836	1,341,336	20,768,172	45,769	20,813,941
General Funds:	8,898,665	602,876	9,501,541	939,399	10,440,940	29,292	10,470,232
Federal Funds:	8,769,852	254,444	9,024,296	386,909	9,411,205	16,477	9,427,682
Other Funds:	772,101	128,898	900,999	15,028	916,027	0	916,027
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	18,440,618	986,218	19,426,836	1,341,336	20,768,172	45,769	20,813,941

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code
Subdivision (OMB Bdgt Lvl): 410-78 BADLANDS HSC

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	73.950	0.000	73.950	0.000	73.950	0.000	73.950
32570	B	511000 Salaries - Permanent	4,910,936	159,990	5,070,926	(1)	5,070,925	0	5,070,925
32570	B	513000 Temporary Salaries	157,384	(1,742)	155,642	(1)	155,641	0	155,641
32570	B	516000 Fringe Benefits	1,893,359	(36,699)	1,856,660	187,538	2,044,198	0	2,044,198
32570	B	521000 Travel	155,100	0	155,100	0	155,100	0	155,100
32570	B	531000 Supplies - IT Software	11,150	5,000	16,150	0	16,150	0	16,150
32570	B	532000 Supply/Material-Professional	25,055	0	25,055	0	25,055	0	25,055
32570	B	533000 Food and Clothing	34,875	0	34,875	0	34,875	0	34,875
32570	B	535000 Miscellaneous Supplies	38,363	(25,003)	13,360	0	13,360	0	13,360
32570	B	536000 Office Supplies	23,250	0	23,250	0	23,250	0	23,250
32570	B	541000 Postage	22,450	0	22,450	0	22,450	0	22,450
32570	B	542000 Printing	14,793	(10,000)	4,793	0	4,793	0	4,793
32570	B	553000 Office Equip & Furniture-Under	16,300	(8,300)	8,000	0	8,000	0	8,000
32570	B	561000 Utilities	20,000	0	20,000	0	20,000	0	20,000
32570	B	581000 Rentals/Leases-Equip & Other	500	0	500	0	500	0	500
32570	B	582000 Rentals/Leases - Bldg/Land	420,625	110,744	531,369	0	531,369	0	531,369
32570	B	591000 Repairs	13,082	0	13,082	0	13,082	0	13,082
32570	B	599110 Salary Increase	0	0	0	312,279	312,279	0	312,279
32570	B	599160 Benefit Increase	0	0	0	52,981	52,981	0	52,981
32570	B	602000 IT-Communications	84,024	4,506	88,530	0	88,530	0	88,530
32570	B	611000 Professional Development	9,000	0	9,000	0	9,000	0	9,000
32570	B	621000 Operating Fees and Services	119,365	(82,950)	36,415	0	36,415	0	36,415
32570	B	625000 Medical, Dental and Optical	15,000	0	15,000	0	15,000	0	15,000
32570	B	712000 Grants, Benefits & Claims	1,077,513	76,367	1,153,880	42,163	1,196,043	14,054	1,210,097
		Subtotal:	9,062,124	191,913	9,254,037	594,959	9,848,996	14,054	9,863,050
32570	F	F_7091 HSCs & Institutions - Gen Fund	4,334,674	251,674	4,586,348	417,032	5,003,380	13,914	5,017,294
32570	F	F_7092 HSCs & Institutions - Fed Fnds	3,909,411	(120,758)	3,788,653	160,094	3,948,747	140	3,948,887
32570	F	F_7093 HSCs & Institutions - Oth Fnds	818,039	60,997	879,036	17,833	896,869	0	896,869
		Subtotal:	9,062,124	191,913	9,254,037	594,959	9,848,996	14,054	9,863,050

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code
Subdivision (OMB Bdgt Lvl): 410-78 BADLANDS HSC

	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl) Total:	9,062,124	191,913	9,254,037	594,959	9,848,996	14,054	9,863,050
General Funds:	4,334,674	251,674	4,586,348	417,032	5,003,380	13,914	5,017,294
Federal Funds:	3,909,411	(120,758)	3,788,653	160,094	3,948,747	140	3,948,887
Other Funds:	818,039	60,997	879,036	17,833	896,869	0	896,869
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	9,062,124	191,913	9,254,037	594,959	9,848,996	14,054	9,863,050

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): **420-00 STATE HOSPITAL**

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	380.290	0.000	380.290	0.000	380.290	0.000	380.290
32551	B	684000 Extraordinary Repairs	350,000	(350,000)	0	0	0	0	0
		Subtotal:	350,000	(350,000)	0	0	0	0	0
32551	F	F_5991 Land & Cptl Imprv - Gen Fund	350,000	(350,000)	0	0	0	0	0
		Subtotal:	350,000	(350,000)	0	0	0	0	0
32570	B	511000 Salaries - Permanent	22,865,815	3,810,669	26,676,484	0	26,676,484	0	26,676,484
32570	B	512000 Salaries-Other	1,378,818	(776,445)	602,373	(1)	602,372	0	602,372
32570	B	513000 Temporary Salaries	497,150	(365,821)	131,329	(1)	131,328	0	131,328
32570	B	514000 Overtime	43,293	38,067	81,360	0	81,360	0	81,360
32570	B	516000 Fringe Benefits	9,540,561	307,623	9,848,184	988,101	10,836,285	0	10,836,285
32570	B	519100 Reduction in Salary - Budget	0	(1,059,046)	(1,059,046)	0	(1,059,046)	0	(1,059,046)
32570	B	521000 Travel	279,719	57,027	336,746	0	336,746	0	336,746
32570	B	531000 Supplies - IT Software	34,700	3,100	37,800	0	37,800	0	37,800
32570	B	532000 Supply/Material-Professional	124,700	1,700	126,400	0	126,400	0	126,400
32570	B	533000 Food and Clothing	729,585	241,976	971,561	0	971,561	0	971,561
32570	B	534000 Bldg, Grounds, Vehicle Supply	454,296	7,000	461,296	0	461,296	0	461,296
32570	B	535000 Miscellaneous Supplies	99,460	69,302	168,762	0	168,762	0	168,762
32570	B	536000 Office Supplies	190,350	34,850	225,200	0	225,200	0	225,200
32570	B	541000 Postage	17,055	(3,588)	13,467	0	13,467	0	13,467
32570	B	542000 Printing	17,600	8,400	26,000	0	26,000	0	26,000
32570	B	552000 Other Equip under $5,000	148,829	(136,617)	12,212	0	12,212	0	12,212
32570	B	553000 Office Equip & Furniture-Under	663	(663)	0	0	0	0	0
32570	B	561000 Utilities	1,109,913	(113,472)	996,441	0	996,441	0	996,441
32570	B	571000 Insurance	130,435	(25,980)	104,455	0	104,455	0	104,455
32570	B	581000 Rentals/Leases-Equip & Other	30,378	(11,301)	19,077	0	19,077	0	19,077
32570	B	582000 Rentals/Leases - Bldg/Land	2,500	(2,100)	400	0	400	0	400
32570	B	591000 Repairs	283,070	(124,724)	158,346	0	158,346	0	158,346
32570	B	599110 Salary Increase	0	0	0	1,685,665	1,685,665	0	1,685,665
32570	B	599160 Benefit Increase	0	0	0	272,147	272,147	0	272,147

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007--2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 420-00 STATE HOSPITAL

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32570	B	602000 IT-Communications	235,898	35,906	271,804	0	271,804	0	271,804
32570	B	603000 IT Contractual Services and Re	100	(100)	0	0	0	0	0
32570	B	611000 Professional Development	89,410	7,664	97,074	0	97,074	0	97,074
32570	B	621000 Operating Fees and Services	151,518	(47,067)	104,451	0	104,451	0	104,451
32570	B	623000 Fees - Professional Services	950,475	281,542	1,232,017	0	1,232,017	0	1,232,017
32570	B	625000 Medical, Dental and Optical	1,911,426	674,060	2,585,486	0	2,585,486	0	2,585,486
32570	B	682000 Land and Buildings	110,000	(110,000)	0	3,362,757	3,362,757	0	3,362,757
32570	B	683000 Other Capital Payments	517,634	(51,243)	466,391	0	466,391	0	466,391
32570	B	684000 Extraordinary Repairs	412,600	(232,600)	180,000	1,153,500	1,333,500	0	1,333,500
32570	B	691000 Equipment Over $5000	100,000	(66,500)	33,500	0	33,500	0	33,500
		Subtotal:	42,457,951	2,451,619	44,909,570	7,462,168	52,371,738	0	52,371,738
32570	F	F_7091 HSCs & Institutions - Gen Fund	26,777,625	2,918,888	29,696,513	6,947,991	36,644,504	0	36,644,504
32570	F	F_7092 HSCs & Institutions - Fed Fnds	4,377,653	(264,233)	4,113,420	269,868	4,383,288	0	4,383,288
32570	F	F_7093 HSCs & Institutions - Oth Fnds	11,302,673	(203,036)	11,099,637	244,309	11,343,946	0	11,343,946
		Subtotal:	42,457,951	2,451,619	44,909,570	7,462,168	52,371,738	0	52,371,738
		Subdivision (OMB Bdgt Lvl) Total:	42,807,951	2,101,619	44,909,570	7,462,168	52,371,738	0	52,371,738
		General Funds:	27,127,625	2,568,888	29,696,513	6,947,991	36,644,504	0	36,644,504
		Federal Funds:	4,377,653	(264,233)	4,113,420	269,868	4,383,288	0	4,383,288
		Other Funds:	11,302,673	(203,036)	11,099,637	244,309	11,343,946	0	11,343,946
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	42,807,951	2,101,619	44,909,570	7,462,168	52,371,738	0	52,371,738

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 421-00 SH SECURED SERVICES

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	65.720	2.000	67.720	17.000	84.720	1.500	86.220
32570 B	511000	Salaries - Permanent	3,179,007	860,038	4,039,045	699,300	4,738,345	105,024	4,843,369
32570 B	512000	Salaries-Other	90,451	87,125	177,576	0	177,576	0	177,576
32570 B	513000	Temporary Salaries	5,360	236,560	241,920	0	241,920	0	241,920
32570 B	514000	Overtime	5,309	5,323	10,632	0	10,632	0	10,632
32570 B	516000	Fringe Benefits	1,315,603	352,934	1,668,537	575,973	2,244,510	62,458	2,306,968
32570 B	521000	Travel	1,200	2,300	3,500	0	3,500	0	3,500
32570 B	531000	Supplies - IT Software	975	225	1,200	0	1,200	0	1,200
32570 B	532000	Supply/Material-Professional	20,195	4,005	24,200	0	24,200	0	24,200
32570 B	533000	Food and Clothing	238,711	232,330	471,041	0	471,041	0	471,041
32570 B	534000	Bldg, Grounds, Vehicle Supply	31,604	24,950	56,554	0	56,554	0	56,554
32570 B	535000	Miscellaneous Supplies	17,062	15,052	32,114	0	32,114	0	32,114
32570 B	536000	Office Supplies	1,047	(1,000)	47	0	47	0	47
32570 B	541000	Postage	3,045	3,588	6,633	0	6,633	0	6,633
32570 B	542000	Printing	4,925	9,875	14,800	0	14,800	0	14,800
32570 B	553000	Office Equip & Furniture-Under	253	3,559	3,812	0	3,812	0	3,812
32570 B	561000	Utilities	80,087	75,427	155,514	0	155,514	0	155,514
32570 B	571000	Insurance	9,412	16,037	25,449	0	25,449	0	25,449
32570 B	581000	Rentals/Leases-Equip & Other	755	(755)	0	0	0	0	0
32570 B	591000	Repairs	15,930	12,391	28,321	0	28,321	0	28,321
32570 B	599110	Salary Increase	0	0	0	263,231	263,231	0	263,231
32570 B	599160	Benefit Increase	0	0	0	42,548	42,548	0	42,548
32570 B	602000	IT-Communications	9,288	10,798	20,086	0	20,086	0	20,086
32570 B	611000	Professional Development	10,520	(10,520)	0	0	0	0	0
32570 B	621000	Operating Fees and Services	20,096	16,399	36,495	0	36,495	0	36,495
32570 B	623000	Fees - Professional Services	36,000	235,131	271,131	0	271,131	0	271,131
32570 B	625000	Medical, Dental and Optical	362,385	48,503	410,888	0	410,888	0	410,888
32570 B	682000	Land and Buildings	0	0	0	3,100,000	3,100,000	0	3,100,000
32570 B	699000	Operating Budget Adjustment	0	0	0	206,837	206,837	0	206,837
		Subtotal:	5,459,220	2,240,275	7,699,495	4,887,889	12,587,384	167,482	12,754,866
32570 F	F_7091	HSCs & Institutions - Gen Fund	5,459,220	2,082,740	7,541,960	4,884,348	12,426,308	167,482	12,593,790

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

LINE FB Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
Subdivision (OMB Bdgt Lvl): 421-00 SH SECURED SERVICES							
32570 F F_7093 HSCs & Institutions - Oth Fnds	0	157,535	157,535	3,541	161,076	0	161,076
Subtotal:	5,459,220	2,240,275	7,699,495	4,887,889	12,587,384	167,482	12,754,866
Subdivision (OMB Bdgt Lvl) Total:	5,459,220	2,240,275	7,699,495	4,887,889	12,587,384	167,482	12,754,866
General Funds:	5,459,220	2,082,740	7,541,960	4,884,348	12,426,308	167,482	12,593,790
Federal Funds:	0	0	0	0	0	0	0
Other Funds:	0	157,535	157,535	3,541	161,076	0	161,076
SWAP Funds:	0	0	0	0	0	0	0
County Funds:	0	0	0	0	0	0	0
IGT Funds:	0	0	0	0	0	0	0
Subdivision (OMB Bdgt Lvl) Total:	5,459,220	2,240,275	7,699,495	4,887,889	12,587,384	167,482	12,754,866

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 430-00 DEVELOPMENTAL CENTER

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		Subdivision (OMB Bgt Lvl) FULL-TIME EQUIVALENTS (FTEs)	449.540	0.000	449.540	0.000	449.540	0.000	449.540
32570	B	511000 Salaries - Permanent	22,874,312	1,180,236	24,054,548	(1)	24,054,547	0	24,054,547
32570	B	512000 Salaries-Other	269,000	8,200	277,200	0	277,200	0	277,200
32570	B	513000 Temporary Salaries	235,200	(199,488)	35,712	0	35,712	0	35,712
32570	B	514000 Overtime	40,000	5,144	45,144	0	45,144	0	45,144
32570	B	516000 Fringe Benefits	10,707,029	(96,125)	10,610,904	1,185,654	11,796,558	0	11,796,558
32570	B	519100 Reduction in Salary - Budget	0	(1,047,908)	(1,047,908)	0	(1,047,908)	0	(1,047,908)
32570	B	521000 Travel	270,034	73,742	343,776	0	343,776	0	343,776
32570	B	531000 Supplies - IT Software	21,215	0	21,215	0	21,215	0	21,215
32570	B	532000 Supply/Material-Professional	40,000	0	40,000	0	40,000	0	40,000
32570	B	533000 Food and Clothing	1,199,616	18,621	1,218,237	0	1,218,237	0	1,218,237
32570	B	534000 Bldg, Grounds, Vehicle Supply	323,571	0	323,571	0	323,571	0	323,571
32570	B	535000 Miscellaneous Supplies	179,484	0	179,484	0	179,484	0	179,484
32570	B	536000 Office Supplies	112,453	0	112,453	0	112,453	0	112,453
32570	B	541000 Postage	26,000	0	26,000	0	26,000	0	26,000
32570	B	542000 Printing	15,879	0	15,879	0	15,879	0	15,879
32570	B	552000 Other Equip under $5,000	8,000	(8,000)	0	0	0	0	0
32570	B	553000 Office Equip & Furniture-Under	2,121	(2,121)	0	0	0	0	0
32570	B	561000 Utilities	1,285,448	790,059	2,075,507	0	2,075,507	0	2,075,507
32570	B	571000 Insurance	109,900	0	109,900	0	109,900	0	109,900
32570	B	581000 Rentals/Leases-Equip & Other	43,216	0	43,216	0	43,216	0	43,216
32570	B	591000 Repairs	292,096	48,329	340,425	0	340,425	0	340,425
32570	B	599110 Salary Increase	0	0	0	1,596,117	1,596,117	0	1,596,117
32570	B	599160 Benefit Increase	0	0	0	273,231	273,231	0	273,231
32570	B	602000 IT-Communications	181,221	35,259	216,480	0	216,480	0	216,480
32570	B	611000 Professional Development	35,404	0	35,404	0	35,404	0	35,404
32570	B	621000 Operating Fees and Services	2,135,937	156,191	2,292,128	0	2,292,128	0	2,292,128
32570	B	623000 Fees - Professional Services	265,214	0	265,214	0	265,214	0	265,214
32570	B	625000 Medical, Dental and Optical	1,151,201	390,576	1,541,777	0	1,541,777	0	1,541,777
32570	B	682000 Land and Buildings	0	0	0	998,200	998,200	0	998,200
32570	B	683000 Other Capital Payments	593,231	(58,726)	534,505	0	534,505	0	534,505
32570	B	684000 Extraordinary Repairs	0	0	0	600,000	600,000	0	600,000

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 430-00 DEVELOPMENTAL CENTER

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
32570	B	691000 Equipment Over $5000	8,500	(8,500)	0	92,640	92,640	0	92,640
		Subtotal:	42,425,282	1,285,489	43,710,771	4,745,841	48,456,612	0	48,456,612
32570	F	F_7091 HSCs & Institutions - Gen Fund	11,625,706	916,146	12,541,852	2,671,070	15,212,922	0	15,212,922
32570	F	F_7092 HSCs & Institutions - Fed Fnds	27,850,053	(578,159)	27,271,894	1,969,190	29,241,084	0	29,241,084
32570	F	F_7093 HSCs & Institutions - Oth Fnds	2,949,523	947,502	3,897,025	105,581	4,002,606	0	4,002,606
		Subtotal:	42,425,282	1,285,489	43,710,771	4,745,841	48,456,612	0	48,456,612
		Subdivision (OMB Bdgt Lvl) Total:	42,425,282	1,285,489	43,710,771	4,745,841	48,456,612	0	48,456,612
		General Funds:	11,625,706	916,146	12,541,852	2,671,070	15,212,922	0	15,212,922
		Federal Funds:	27,850,053	(578,159)	27,271,894	1,969,190	29,241,084	0	29,241,084
		Other Funds:	2,949,523	947,502	3,897,025	105,581	4,002,606	0	4,002,606
		SWAP Funds:	0	0	0	0	0	0	0
		County Funds:	0	0	0	0	0	0	0
		IGT Funds:	0	0	0	0	0	0	0
		Subdivision (OMB Bdgt Lvl) Total:	42,425,282	1,285,489	43,710,771	4,745,841	48,456,612	0	48,456,612

DEPARTMENT OF HUMAN SERVICES

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision (OMB Bdgt Lvl): 430-00 DEVELOPMENTAL CENTER

LINE	FB	Budget Object Code	Current Biennium Budget	Total Budget Changes	Request to OMB	Changes	Request to Senate	Senate Changes	Request to House
1000		FULL-TIME EQUIVALENTS (FTEs)	2,058.430	(0.750)	2,057.680	28.000	2,085.680	2.500	2,088.180
		Report Budget Total:	1,678,326,227	57,740,695	1,736,066,922	112,404,079	1,848,471,001	41,107,960	1,889,578,961
		General Funds:	483,805,731	51,251,659	535,057,390	47,103,509	582,160,899	16,824,453	598,985,352
		Federal Funds:	1,097,951,106	5,409,193	1,103,360,299	64,750,206	1,168,110,505	24,061,214	1,192,171,719
		Other Funds:	49,558,171	(1,680,781)	47,877,390	512,864	48,390,254	0	48,390,254
		SWAP Funds:	31,538,123	4,470,397	36,008,520	0	36,008,520	0	36,008,520
		County Funds:	12,273,096	1,490,227	13,763,323	37,500	13,800,823	51,793	13,852,616
		IGT Funds:	3,200,000	(3,200,000)	0	0	0	170,500	170,500
		Report Funding Total:	1,678,326,227	57,740,695	1,736,066,922	112,404,079	1,848,471,001	41,107,960	1,889,578,961

Department of Human Services

Comparison of Current 2005-2007 Budget to the 2007-2009 Budget to the Senate and to Senate Amendments

Subdivision	Funding	Current Budget	To Senate	$ Change	Pct Change	Senate Amendments	Adjusted Total	Pct Change
100-15 ADMINISTRATION - SUPPORT	1 General	$5,570,708	$5,978,575	$407,867	7.32 %		$5,978,575	7.32 %
100-15 ADMINISTRATION - SUPPORT	2 Federal	$5,334,884	$5,215,981	($118,903)	(2.23 %)		$5,215,981	(2.23 %)
100-15 ADMINISTRATION - SUPPORT	3 Other	$211,187	$784,931	$573,744	271.68 %		$784,931	271.68 %
100-15 ADMINISTRATION - SUPPORT Total		**$11,116,779**	**$11,979,487**	**$862,708**	**7.76 %**		**$11,979,487**	**7.76 %**
100-20 INFORMATION TECHNOLOGY SRVCS	1 General	$14,173,042	$18,677,583	$4,504,541	31.78 %		$18,677,583	31.78 %
100-20 INFORMATION TECHNOLOGY SRVCS	2 Federal	$41,127,277	$42,879,987	$1,752,710	4.26 %		$42,879,987	4.26 %
100-20 INFORMATION TECHNOLOGY SRVCS	3 Other	$5,201,309	$1,633,774	($3,567,535)	(68.59 %)		$1,633,774	(68.59 %)
100-20 INFORMATION TECHNOLOGY SRVCS Total		**$60,501,628**	**$63,191,344**	**$2,689,716**	**4.45 %**		**$63,191,344**	**4.45 %**
100 MANAGEMENT	1 General	$19,743,750	$24,656,158	$4,912,408	24.88 %		$24,656,158	24.88 %
100 MANAGEMENT	2 Federal	$46,462,161	$48,095,968	$1,633,807	3.52 %		$48,095,968	3.52 %
100 MANAGEMENT	3 Other	$5,412,496	$2,418,705	($2,993,791)	(55.31 %)		$2,418,705	(55.31 %)
100 MANAGEMENT		**$71,618,407**	**$75,170,831**	**$3,552,424**	**4.96 %**		**$75,170,831**	**4.96 %**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	1 General	$7,432,148	$8,462,990	$1,030,842	13.87 %		$8,462,990	13.87 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	2 Federal	$187,335,325	$189,515,189	$2,179,864	1.16 %		$189,515,189	1.16 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	3 Other	$19,003,750	$19,258,224	$254,474	1.34 %		$19,258,224	1.34 %
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS Total		**$213,771,223**	**$217,236,403**	**$3,465,180**	**1.62 %**		**$217,236,403**	**1.62 %**
300-02 CHILD SUPPORT ENFORCEMENT	1 General	$1,074,570	$1,513,572	$439,002	40.85 %		$1,513,572	40.85 %
300-02 CHILD SUPPORT ENFORCEMENT	2 Federal	$4,349,953	$4,674,579	$324,626	7.46 %		$4,674,579	7.46 %
300-02 CHILD SUPPORT ENFORCEMENT	3 Other	$2,131,248	$2,272,436	$141,188	6.62 %		$2,272,436	6.62 %
300-02 CHILD SUPPORT ENFORCEMENT Total		**$7,555,771**	**$8,460,587**	**$904,816**	**11.98 %**		**$8,460,587**	**11.98 %**
300-03 MEDICAL SERVICES	1 General	$110,092,728	$128,147,839	$18,055,111	16.40 %	$7,640,395	$135,788,234	23.34 %
300-03 MEDICAL SERVICES	2 Federal	$273,154,025	$274,819,703	$1,665,678	0.61 %	$13,709,688	$288,529,391	5.63 %
300-03 MEDICAL SERVICES	3 Other	$26,769,715	$31,548,242	$4,778,527	17.85 %		$31,548,242	17.85 %
300-03 MEDICAL SERVICES Total		**$410,016,468**	**$434,515,784**	**$24,499,316**	**5.98 %**	**$21,350,083**	**$455,865,867**	**11.18 %**
300-10 LONG TERM CARE	1 General	$221,915,185	$258,494,777	$36,579,592	16.48 %	$6,630,220	$265,124,997	19.47 %
300-10 LONG TERM CARE	2 Federal	$378,413,045	$435,545,744	$57,132,699	15.10 %	$9,759,358	$445,305,102	17.68 %
300-10 LONG TERM CARE	3 Other	$5,064,023	$2,720,018	($2,344,005)	(46.29 %)	$222,293	$2,942,311	(41.90 %)
300-10 LONG TERM CARE Total		**$605,392,253**	**$696,760,539**	**$91,368,286**	**15.09 %**	**$16,611,871**	**$713,372,410**	**17.84 %**
300-42 DD COUNCIL	2 Federal	$1,013,822	$989,208	($24,614)	(2.43 %)		$989,208	(2.43 %)
300-42 DD COUNCIL Total		**$1,013,822**	**$989,208**	**($24,614)**	**(2.43 %)**		**$989,208**	**(2.43 %)**
300-43 AGING SERVICES	1 General	$1,114,861	$1,448,511	$333,650	29.93 %		$1,448,511	29.93 %
300-43 AGING SERVICES	2 Federal	$10,854,778	$11,575,432	$720,654	6.64 %		$11,575,432	6.64 %
300-43 AGING SERVICES	3 Other	$148,400	$410,000	$261,600	176.28 %		$410,000	176.28 %
300-43 AGING SERVICES Total		**$12,118,039**	**$13,433,943**	**$1,315,904**	**10.86 %**		**$13,433,943**	**10.86 %**
300-46 CHILDREN AND FAMILY SERVICES	1 General	$17,211,750	$19,322,274	$2,110,524	12.26 %	$984,277	$20,306,551	17.98 %
300-46 CHILDREN AND FAMILY SERVICES	2 Federal	$79,663,548	$82,645,630	$2,982,082	3.74 %	$561,109	$83,206,739	4.45 %
300-46 CHILDREN AND FAMILY SERVICES	3 Other	$16,171,724	$17,172,507	$1,000,783	6.19 %		$17,172,507	6.19 %
300-46 CHILDREN AND FAMILY SERVICES Total		**$113,047,022**	**$119,140,411**	**$6,093,389**	**5.39 %**	**$1,545,386**	**$120,685,797**	**6.76 %**

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Department of [illegible]an Services
Comparison of Current 2005-2007 Budget to the 2007-2009 Budget to the Senate and to Senate Amendments

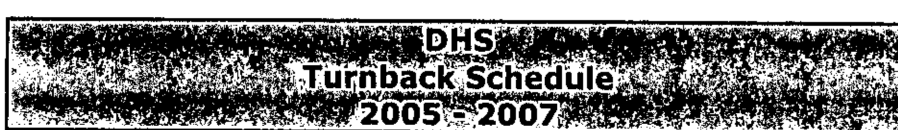
Subdivision	Funding	Current Budget	To Senate	$ Change	Pct Change	Senate Amendments	Adjusted Total	Pct Change
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	1 General	$1,907,379	$5,553,876	$3,646,497	191.18 %	$124,400	$5,678,276	197.70 %
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	2 Federal	$6,826,761	$6,204,521	($622,240)	(9.11 %)		$6,204,521	(9.11 %)
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	3 Other	$1,336,896	$553,963	($782,933)	(58.56 %)		$553,963	(58.56 %)
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE Total		**$10,071,036**	**$12,312,360**	**$2,241,324**	**22.26 %**	**$124,400**	**$12,436,760**	**23.49 %**
300-51 DISABILITY SERVICES	1 General	$5,283,577	$6,006,390	$722,813	13.68 %	$1,014,506	$7,020,896	32.88 %
300-51 DISABILITY SERVICES	2 Federal	$22,551,554	$23,003,159	$451,605	2.00 %		$23,003,159	2.00 %
300-51 DISABILITY SERVICES	3 Other	$119,100	$107,000	($12,100)	(10.16 %)		$107,000	(10.16 %)
300-51 DISABILITY SERVICES Total		**$27,954,231**	**$29,116,549**	**$1,162,318**	**4.16 %**	**$1,014,506**	**$30,131,055**	**7.79 %**
300 PROGRAM AND POLICY	1 General	$366,032,198	$428,950,229	$62,918,031	17.19 %	$16,393,798	$445,344,027	21.67 %
300 PROGRAM AND POLICY	2 Federal	$964,162,811	$1,028,973,165	$64,810,354	6.72 %	$24,030,155	$1,053,003,320	9.21 %
300 PROGRAM AND POLICY	3 Other	$70,744,856	$74,042,390	$3,297,534	4.66 %	$222,293	$74,264,683	4.98 %
300 PROGRAM AND POLICY		**$1,400,939,865**	**$1,531,965,784**	**$131,025,919**	**9.35 %**	**$40,646,246**	**$1,572,612,030**	**12.25 %**
410-71 NORTHWEST HSC	1 General	$3,617,868	$4,389,323	$771,455	21.32 %	$20,375	$4,409,698	21.89 %
410-71 NORTHWEST HSC	2 Federal	$3,300,855	$2,791,138	($509,717)	(15.44 %)		$2,791,138	(15.44 %)
410-71 NORTHWEST HSC	3 Other	$346,837	$345,120	($1,717)	(0.50 %)		$345,120	(0.50 %)
410-71 NORTHWEST HSC Total		**$7,265,560**	**$7,525,581**	**$260,021**	**3.58 %**	**$20,375**	**$7,545,956**	**3.86 %**
410-72 NORTH CENTRAL HSC	1 General	$8,042,290	$8,924,775	$882,485	10.97 %	$45,571	$8,970,346	11.54 %
410-72 NORTH CENTRAL HSC	2 Federal	$6,371,278	$7,064,973	$693,695	10.89 %		$7,064,973	10.89 %
410-72 NORTH CENTRAL HSC	3 Other	$854,505	$852,994	($1,511)	(0.18 %)		$852,994	(0.18 %)
410-72 NORTH CENTRAL HSC Total		**$15,268,073**	**$16,842,742**	**$1,574,669**	**10.31 %**	**$45,571**	**$16,888,313**	**10.61 %**
410-73 LAKE REGION HSC	1 General	$4,780,621	$5,436,010	$655,389	13.71 %	$29,754	$5,465,764	14.33 %
410-73 LAKE REGION HSC	2 Federal	$3,652,704	$3,965,903	$313,199	8.57 %		$3,965,903	8.57 %
410-73 LAKE REGION HSC	3 Other	$485,982	$451,431	($34,551)	(7.11 %)		$451,431	(7.11 %)
410-73 LAKE REGION HSC Total		**$8,919,307**	**$9,853,344**	**$934,037**	**10.47 %**	**$29,754**	**$9,883,098**	**10.81 %**
410-74 NORTHEAST HSC	1 General	$8,332,165	$9,936,283	$1,604,118	19.25 %	$33,696	$9,969,979	19.66 %
410-74 NORTHEAST HSC	2 Federal	$11,251,266	$11,475,195	$223,929	1.99 %	$4,165	$11,479,360	2.03 %
410-74 NORTHEAST HSC	3 Other	$884,629	$781,127	($103,502)	(11.70 %)		$781,127	(11.70 %)
410-74 NORTHEAST HSC Total		**$20,468,060**	**$22,192,605**	**$1,724,545**	**8.43 %**	**$37,861**	**$22,230,466**	**8.61 %**
410-75 SOUTHEAST HSC	1 General	$9,955,620	$11,848,875	$1,893,255	19.02 %	$61,321	$11,910,196	19.63 %
410-75 SOUTHEAST HSC	2 Federal	$12,441,908	$13,077,938	$636,030	5.11 %		$13,077,938	5.11 %
410-75 SOUTHEAST HSC	3 Other	$1,128,994	$1,218,661	$89,667	7.94 %		$1,218,661	7.94 %
410-75 SOUTHEAST HSC Total		**$23,526,522**	**$26,145,474**	**$2,618,952**	**11.13 %**	**$61,321**	**$26,206,795**	**11.39 %**

Department of Human Services
Comparison of Current 2005-2007 Budget to the 2007-2009 Budget to the Senate and to Senate Amendments

Subdivision	Funding	Current Budget	To Senate	$ Change	Pct Change	Senate Amendments	Adjusted Total	Pct Change
410-76 SOUTH CENTRAL HSC	1 General	$5,855,329	$8,291,192	$2,435,863	41.60 %	$29,250	$8,320,442	42.10 %
410-76 SOUTH CENTRAL HSC	2 Federal	$5,401,154	$5,681,901	$280,747	5.20 %	$10,277	$5,692,178	5.39 %
410-76 SOUTH CENTRAL HSC	3 Other	$868,755	$768,645	($100,110)	(11.52 %)		$768,645	(11.52 %)
410-76 SOUTH CENTRAL HSC Total		**$12,125,238**	**$14,741,738**	**$2,616,500**	**21.58 %**	**$39,527**	**$14,781,265**	**21.90 %**
410-77 WEST CENTRAL HSC	1 General	$8,898,665	$10,440,940	$1,542,275	17.33 %	$29,292	$10,470,232	17.66 %
410-77 WEST CENTRAL HSC	2 Federal	$8,769,852	$9,411,205	$641,353	7.31 %	$16,477	$9,427,682	7.50 %
410-77 WEST CENTRAL HSC	3 Other	$772,101	$916,027	$143,926	18.64 %		$916,027	18.64 %
410-77 WEST CENTRAL HSC Total		**$18,440,618**	**$20,768,172**	**$2,327,554**	**12.62 %**	**$45,769**	**$20,813,941**	**12.87 %**
410-78 BADLANDS HSC	1 General	$4,334,674	$5,003,380	$668,706	15.43 %	$13,914	$5,017,294	15.75 %
410-78 BADLANDS HSC	2 Federal	$3,909,411	$3,948,747	$39,336	1.01 %	$140	$3,948,887	1.01 %
410-78 BADLANDS HSC	3 Other	$818,039	$896,869	$78,830	9.64 %		$896,869	9.64 %
410-78 BADLANDS HSC Total		**$9,062,124**	**$9,848,996**	**$786,872**	**8.68 %**	**$14,054**	**$9,863,050**	**8.84 %**
420-00 STATE HOSPITAL	1 General	$27,127,625	$36,644,504	$9,516,879	35.08 %		$36,644,504	35.08 %
420-00 STATE HOSPITAL	2 Federal	$4,377,653	$4,383,288	$5,635	0.13 %		$4,383,288	0.13 %
420-00 STATE HOSPITAL	3 Other	$11,302,673	$11,343,946	$41,273	0.37 %		$11,343,946	0.37 %
420-00 STATE HOSPITAL Total		**$42,807,951**	**$52,371,738**	**$9,563,787**	**22.34 %**		**$52,371,738**	22.34 %
421-00 SH SECURED SERVICES	1 General	$5,459,220	$12,426,308	$6,967,088	127.62 %	$167,482	$12,593,790	130.69 %
421-00 SH SECURED SERVICES	3 Other		$161,076	$161,076	N/A		$161,076	N/A
421-00 SH SECURED SERVICES Total		**$5,459,220**	**$12,587,384**	**$7,128,164**	**130.57 %**	**$167,482**	**$12,754,866**	**133.64 %**
430-00 DEVELOPMENTAL CENTER	1 General	$11,625,706	$15,212,922	$3,587,216	30.86 %		$15,212,922	30.86 %
430-00 DEVELOPMENTAL CENTER	2 Federal	$27,850,053	$29,241,084	$1,391,031	4.99 %		$29,241,084	4.99 %
430-00 DEVELOPMENTAL CENTER	3 Other	$2,949,523	$4,002,606	$1,053,083	35.70 %		$4,002,606	35.70 %
430-00 DEVELOPMENTAL CENTER Total		**$42,425,282**	**$48,456,612**	**$6,031,330**	**14.22 %**		**$48,456,612**	**14.22 %**
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	1 General	$98,029,783	$128,554,512	$30,524,729	31.14 %	$430,655	$128,985,167	31.58 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	2 Federal	$87,326,134	$91,041,372	$3,715,238	4.25 %	$31,059	$91,072,431	4.29 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS	3 Other	$20,412,038	$21,738,502	$1,326,464	6.50 %		$21,738,502	6.50 %
4xx HUMAN SERVICE CENTERS & INSTITUTIONS		**$205,767,955**	**$241,334,386**	**$35,566,431**	**17.28 %**	**$461,714**	**$241,796,100**	**17.51 %**
999-99 AGENCY TOTALS	1 General	$483,805,731	$582,160,899	$98,355,168	20.33 %	$16,824,453	$598,985,352	23.81 %
999-99 AGENCY TOTALS	2 Federal	$1,097,951,106	$1,168,110,505	$70,159,399	6.39 %	$24,061,214	$1,192,171,719	8.58 %
999-99 AGENCY TOTALS	3 Other	$96,569,390	$98,199,597	$1,630,207	1.69 %	$222,293	$98,421,890	1.92 %
999-99 AGENCY TOTALS Total		**$1,678,326,227**	**$1,848,471,001**	**$170,144,774**	**10.14 %**	**$41,107,960**	**$1,889,578,961**	**12.59 %**

Department of Human Services
Breakdown of "Other" Funds
House Appropriations Human Resources Division
2007 - 2009

Description		*Amount* *expressed in millions*
Total Request Before the House	**$**	**98.4**
Retained Funds (SWAP)		36.0
Client / Insurance / Other Collections		22.6
County Funds		13.9
Child Support Collections		9.2
Remaining Other Funds	$	16.7
Provider Assessment		7.7
Estate Collections		3.4
Incentive dollars - Child Support		2.2
Bush Foundation Funds		1.2
Lottery Fund proceeds		0.4
Children's Trust Fund		0.4
Telecommunications assessment		0.3
Tobacco funds - Breast / Cervical		0.2
Food Stamp Bonus funds		0.2
Increase in personal allowance - IGT		0.2
Randolf Sheppard funds		0.1
Other collections / match funds		0.4



Management		
Admn. Support	329,710	
ITS	(1,273,643)	
		(943,933)
Program and Policy		
EAP	495,355	
Child Support	186,166	
Medical Services	1,237,692	
LTC	11,561,647	
Aging	(289,077)	
CFS	592,696	
MH/SA	(769,249)	
DSD	138,252	
		13,153,482
Field Services		
HSCs		
NW	-	
NC	680,904	
LR	250,457	
NE	41,865	
SE	-	
SC	331,761	
WC	486,178	
BL	258,702	
		2,049,867
Institutions		
SH Traditional	(3,818,042)	
SH Secure	(1,900,045)	
DC	(1,741,336)	
		(7,459,423)
Total turnback		$ 6,799,993

Department of Human Services

Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources

For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
100-15 ADMINISTRATION - SUPPORT	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	65.10	70.10		70.10		70.10		70.10		70.10
					65.10	**70.10**		**70.10**		**70.10**		**70.10**		**70.10**
100-15 ADMINISTRATION - SUPPORT	32510	B	511000	Salaries - Permanent	$4,500,933	$5,196,808	$2,400,228	$2,796,580	$194,838	$5,391,646		$5,391,646		$5,391,646
100-15 ADMINISTRATION - SUPPORT	32510	B	513000	Temporary Salaries	$73,840	$44,338	$33,457	$10,881	($39,337)	$5,001		$5,001		$5,001
100-15 ADMINISTRATION - SUPPORT	32510	B	514000	Overtime	$6,687	$3,349	$3,349		($3,349)					
100-15 ADMINISTRATION - SUPPORT	32510	B	516000	Fringe Benefits	$1,479,025	$1,843,818	$823,996	$1,019,822	($30,962)	$1,812,856	$175,450	$1,988,306		$1,988,306
100-15 ADMINISTRATION - SUPPORT	32510	B	599110	Salary Increase							$327,657	$327,657		$327,657
100-15 ADMINISTRATION - SUPPORT	32510	B	599160	Benefit Increase							$53,719	$53,719		$53,719
					$6,060,485	**$7,088,313**	**$3,261,030**	**$3,827,283**	**$121,190**	**$7,209,503**	**$556,826**	**$7,766,329**		**$7,766,329**
100-15 ADMINISTRATION - SUPPORT	32510	F	F_1991	Salary - General Fund	$3,403,695	$4,010,228	$1,844,935	$2,165,293	($172,633)	$3,837,595	$377,595	$4,215,190		$4,215,190
100-15 ADMINISTRATION - SUPPORT	32510	F	F_1992	Salary - Federal Funds	$2,491,892	$2,877,476	$1,323,803	$1,553,673	($181,141)	$2,696,335	$162,786	$2,859,121		$2,859,121
100-15 ADMINISTRATION - SUPPORT	32510	F	F_1993	Salary - Other Funds	$164,898	$200,609	$92,292	$108,317	$474,964	$675,573	$16,445	$692,018		$692,018
					$6,060,485	**$7,088,313**	**$3,261,030**	**$3,827,283**	**$121,190**	**$7,209,503**	**$556,826**	**$7,766,329**		**$7,766,329**
100-15 ADMINISTRATION - SUPPORT	32530	B	521000	Travel	$289,591	$374,226	$136,706	$237,520	$34,553	$408,779		$408,779		$408,779
100-15 ADMINISTRATION - SUPPORT	32530	B	531000	Supplies - IT Software	$13,114	$10,772	$6,322	$4,450	$301	$11,073		$11,073		$11,073
100-15 ADMINISTRATION - SUPPORT	32530	B	532000	Supply/Material-Professional	$16,800	$19,727	$9,484	$10,243	$243	$19,970		$19,970		$19,970
100-15 ADMINISTRATION - SUPPORT	32530	B	535000	Miscellaneous Supplies	$8,058	$6,467	$6,467		($560)	$5,907		$5,907		$5,907
100-15 ADMINISTRATION - SUPPORT	32530	B	536000	Office Supplies	$20,827	$25,389	$14,347	$11,042	$4,106	$29,495		$29,495		$29,495
100-15 ADMINISTRATION - SUPPORT	32530	B	541000	Postage	$1,336,490	$1,246,829	$625,798	$621,031	$217,378	$1,464,207		$1,464,207		$1,464,207
100-15 ADMINISTRATION - SUPPORT	32530	B	542000	Printing	$107,227	$127,825	$59,907	$67,918	$5,902	$133,727		$133,727		$133,727
100-15 ADMINISTRATION - SUPPORT	32530	B	553000	Office Equip & Furniture-Under	$708									
100-15 ADMINISTRATION - SUPPORT	32530	B	571000	Insurance	$68,284	$140,274	$78,993	$61,281	($9,795)	$130,479		$130,479		$130,479
100-15 ADMINISTRATION - SUPPORT	32530	B	581000	Rentals/Leases-Equip & Other	$155,613	$210,000	$84,543	$125,457	($41,893)	$168,107		$168,107		$168,107
100-15 ADMINISTRATION - SUPPORT	32530	B	582000	Rentals/Leases - Bldg/Land	$411,880	$219,615	$164,595	$55,020	$9,194	$228,809		$228,809		$228,809
100-15 ADMINISTRATION - SUPPORT	32530	B	591000	Repairs	$9,139	$5,754	$4,821	$933	$18,137	$23,891		$23,891		$23,891
100-15 ADMINISTRATION - SUPPORT	32530	B	601000	IT - Data Processing	$8,926	$8,935	$2,988	$5,947	($1,775)	$7,160		$7,160		$7,160
100-15 ADMINISTRATION - SUPPORT	32530	B	602000	IT-Communications	$541,964	$614,242	$267,984	$346,258	$33,476	$647,718		$647,718		$647,718
100-15 ADMINISTRATION - SUPPORT	32530	B	603000	IT Contractual Services and Re	$232	$14	$14		($14)					
100-15 ADMINISTRATION - SUPPORT	32530	B	611000	Professional Development	$48,845	$57,534	$29,485	$28,049	($3,574)	$53,960		$53,960		$53,960
100-15 ADMINISTRATION - SUPPORT	32530	B	621000	Operating Fees and Services	$154,119	$227,628	$65,869	$161,759	($44,221)	$183,407		$183,407		$183,407
100-15 ADMINISTRATION - SUPPORT	32530	B	623000	Fees - Professional Services	$678,004	$733,235	$260,504	$472,731	($36,766)	$696,469		$696,469		$696,469
					$3,867,621	**$4,028,466**	**$1,818,827**	**$2,209,639**	**$184,692**	**$4,213,158**		**$4,213,158**		**$4,213,158**
100-15 ADMINISTRATION - SUPPORT	32530	F	F_3991	Operating - General Fund	$1,228,776	$1,560,480	$704,547	$855,933	$202,905	$1,763,385		$1,763,385		$1,763,385
100-15 ADMINISTRATION - SUPPORT	32530	F	F_3992	Operating - Federal Funds	$2,268,884	$2,457,408	$1,109,504	$1,347,904	($100,548)	$2,356,860		$2,356,860		$2,356,860
100-15 ADMINISTRATION - SUPPORT	32530	F	F_3993	Operating - Other Funds	$369,961	$10,578	$4,776	$5,802	$82,335	$92,913		$92,913		$92,913
					$3,867,621	**$4,028,466**	**$1,818,827**	**$2,209,639**	**$184,692**	**$4,213,158**		**$4,213,158**		**$4,213,158**
100-15 ADMINISTRATION - SUPPORT	32571	B	621000	Operating Fees and Services	$764,846									
100-15 ADMINISTRATION - SUPPORT	32571	B	712000	Grants, Benefits & Claims	$2,026,654									
					$2,791,500									
100-15 ADMINISTRATION - SUPPORT	32571	F	F_7193	Loan Fund - Other Funds	$2,791,500									
					$2,791,500									

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Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
100-15 ADMINISTRATION - SUPPORT	32590	T	1	General Funds	$4,632,471	$5,570,708	$2,549,482	$3,021,226	$30,272	$5,600,980	$377,595	$5,978,575		$5,978,575
100-15 ADMINISTRATION - SUPPORT	32590	T	2	Federal Funds	$4,760,776	$5,334,884	$2,433,307	$2,901,577	($281,689)	$5,053,195	$162,786	$5,215,981		$5,215,981
100-15 ADMINISTRATION - SUPPORT	32590	T	3	Other Funds	$3,326,359	$211,187	$97,068	$114,119	$557,299	$768,486	$16,445	$784,931		$784,931
					$12,719,606	**$11,116,779**	**$5,079,857**	**$6,036,922**	**$305,882**	**$11,422,661**	**$556,826**	**$11,979,487**		**$11,979,487**

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Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
100-20 INFORMATION TECHNOLOGY SRVCS	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	33.00	32.00		32.00		32.00		32.00		32.00
					33.00	**32.00**		**32.00**		**32.00**		**32.00**		**32.00**
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	511000	Salaries - Permanent	$2,473,029	$2,557,160	$1,225,114	$1,332,046	$19,138	$2,576,298	($5)	$2,576,293		$2,576,293
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	513000	Temporary Salaries	$124,812	$137,793	$68,489	$69,304	$83,679	$221,472	$1	$221,473		$221,473
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	514000	Overtime	$22,381									
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	516000	Fringe Benefits	$775,587	$869,576	$400,357	$469,219	$24,152	$893,728	$83,846	$977,574		$977,574
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	599110	Salary Increase							$155,848	$155,848		$155,848
100-20 INFORMATION TECHNOLOGY SRVCS	32510	B	599160	Benefit Increase							$26,366	$26,366		$26,366
					$3,395,809	**$3,564,529**	**$1,693,960**	**$1,870,569**	**$126,969**	**$3,691,498**	**$266,056**	**$3,957,554**		**$3,957,554**
100-20 INFORMATION TECHNOLOGY SRVCS	32510	F	F_1991	Salary - General Fund	$2,315,368	$2,599,723	$1,235,458	$1,364,265	$112,385	$2,712,108	$209,719	$2,921,827		$2,921,827
100-20 INFORMATION TECHNOLOGY SRVCS	32510	F	F_1992	Salary - Federal Funds	$1,079,485	$961,292	$456,832	$504,460	$14,378	$975,670	$56,258	$1,031,928		$1,031,928
100-20 INFORMATION TECHNOLOGY SRVCS	32510	F	F_1993	Salary - Other Funds	$956	$3,514	$1,670	$1,844	$206	$3,720	$79	$3,799		$3,799
					$3,395,809	**$3,564,529**	**$1,693,960**	**$1,870,569**	**$126,969**	**$3,691,498**	**$266,056**	**$3,957,554**		**$3,957,554**
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	521000	Travel	$57,084	$90,004	$19,891	$70,113	($18,739)	$71,265		$71,265		$71,265
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	531000	Supplies - IT Software	$20,625	$60,177	$58,426	$1,751	($20,596)	$39,581		$39,581		$39,581
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	532000	Supply/Material-Professional	$5,165	$200	$44	$156		$200		$200		$200
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	534000	Bldg, Grounds, Vehicle Supply	$155	$500	$275	$225	$120	$620		$620		$620
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	535000	Miscellaneous Supplies	$110	$16,200	$1,447	$14,753	($16,175)	$25		$25		$25
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	536000	Office Supplies	$4,992	$3,856	$3,543	$313	$344	$4,200		$4,200		$4,200
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	541000	Postage	$890	$598	$161	$437	($396)	$202		$202		$202
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	542000	Printing	$299,217	$462,821	$175,021	$287,800	($54,821)	$408,000		$408,000		$408,000
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	551000	IT Equip under $5,000	$902,758	$683,230	$489,588	$193,642	$514,687	$1,197,917		$1,197,917		$1,197,917
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	552000	Other Equip under $5,000	$40									
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	553000	Office Equip & Furniture-Under	$298									
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	561000	Utilities	$603	$720	$381	$339	$258	$978		$978		$978
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	581000	Rentals/Leases-Equip & Other	$11,622	$7,000	$4,576	$2,424	($7,000)					
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	582000	Rentals/Leases - Bldg/Land	$129,327	$156,800	$123,813	$32,987	($44,800)	$112,000		$112,000		$112,000
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	591000	Repairs	$13,111	$8,400	$4,011	$4,389	($5,640)	$2,760		$2,760		$2,760
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	601000	IT - Data Processing	$19,918,270	$31,422,633	$11,121,383	$20,301,250	($8,264,129)	$23,158,504	$1,025,048	$24,183,552		$24,183,552
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	602000	IT-Communications	$114,297	$19,000	$9,603	$9,397	($9,380)	$9,620		$9,620		$9,620
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	603000	IT Contractual Services and Re	$1,021,089	$23,690,431	$1,166,443	$22,523,988	($20,733,118)	$2,957,313	$23,798,339	$26,755,652		$26,755,652
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	611000	Professional Development	$31,479	$74,300	$14,883	$59,417	($5,900)	$68,400		$68,400		$68,400
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	621000	Operating Fees and Services	$2,471,420	$236,973	$181,025	$55,948	($108,044)	$128,929	$6,249,254	$6,378,183		$6,378,183
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	623000	Fees - Professional Services	$512	$500	$60	$440	($150)	$350		$350		$350
100-20 INFORMATION TECHNOLOGY SRVCS	32530	B	671000	Non Operating Expenses	$201									
					$25,003,265	**$56,934,343**	**$13,374,574**	**$43,559,769**	**($28,773,479)**	**$28,160,864**	**$31,072,641**	**$59,233,505**		**$59,233,505**
100-20 INFORMATION TECHNOLOGY SRVCS	32530	F	F_3991	Operating - General Fund	$6,450,821	$11,571,144	$2,718,203	$8,852,941	$541,269	$12,112,413	$3,643,133	$15,755,546		$15,755,546
100-20 INFORMATION TECHNOLOGY SRVCS	32530	F	F_3992	Operating - Federal Funds	$13,534,827	$40,165,404	$9,435,345	$30,730,059	($25,746,928)	$14,418,476	$27,429,508	$41,847,984		$41,847,984
100-20 INFORMATION TECHNOLOGY SRVCS	32530	F	F_3993	Operating - Other Funds	$5,017,617	$3,794,306	$1,221,026	$2,573,280	($3,535,152)	$259,154		$259,154		$259,154
100-20 INFORMATION TECHNOLOGY SRVCS	32530	F	F_3995	Operating - County Funds		$1,403,489		$1,403,489	($32,668)	$1,370,821		$1,370,821		$1,370,821
					$25,003,265	**$56,934,343**	**$13,374,574**	**$43,559,769**	**($28,773,479)**	**$28,160,864**	**$31,072,641**	**$59,233,505**		**$59,233,505**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
100-20 INFORMATION TECHNOLOGY SRVCS	32550	B	683000	Other Capital Payments	$2,694	$2,756		$2,756	($2,471)	$285		$285		$285
					$2,694	**$2,756**		**$2,756**	**($2,471)**	**$285**		**$285**		**$285**
100-20 INFORMATION TECHNOLOGY SRVCS	32550	F	F_5991	Land & Cptl Imprv - Gen Fund	$1,902	$2,175		$2,175	($1,965)	$210		$210		$210
100-20 INFORMATION TECHNOLOGY SRVCS	32550	F	F_5992	Land & Cptl Imprv - Fed Funds	$791	$581		$581	($506)	$75		$75		$75
100-20 INFORMATION TECHNOLOGY SRVCS	32550	F	F_5993	Land & Cptl Imprv - Other Fnds	$1									
					$2,694	**$2,756**		**$2,756**	**($2,471)**	**$285**		**$285**		**$285**
100-20 INFORMATION TECHNOLOGY SRVCS	32590	T	1	General Funds	$8,768,091	$14,173,042	$3,953,661	$10,219,381	$651,689	$14,824,731	$3,852,852	$18,677,583		$18,677,583
100-20 INFORMATION TECHNOLOGY SRVCS	32590	T	2	Federal Funds	$14,615,103	$41,127,277	$9,892,177	$31,235,100	($25,733,056)	$15,394,221	$27,485,766	$42,879,987		$42,879,987
100-20 INFORMATION TECHNOLOGY SRVCS	32590	T	3	Other Funds	$5,018,574	$3,797,820	$1,222,696	$2,575,124	($3,534,946)	$262,874	$79	$262,953		$262,953
100-20 INFORMATION TECHNOLOGY SRVCS	32590	T	5	County Funds		$1,403,489		$1,403,489	($32,668)	$1,370,821		$1,370,821		$1,370,821
					$28,401,768	**$60,501,628**	**$15,068,534**	**$45,433,094**	**($28,648,981)**	**$31,852,647**	**$31,338,697**	**$63,191,344**		**$63,191,344**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt Acct	Bgt Acct Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	41.80	40.80		40.80	(1.00)	39.80		39.80		39.80
					41.80	**40.80**		**40.80**	**(1.00)**	**39.80**		**39.80**		**39.80**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	511000	Salaries - Permanent	$2,894,128	$3,017,830	$1,505,917	$1,511,913	$106,274	$3,124,104	$2	$3,124,106		$3,124,106
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	513000	Temporary Salaries					$118,151	$118,151		$118,151		$118,151
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	514000	Overtime	$14,195	$22,944	$6,232	$16,712	$48	$22,992	$2	$22,994		$22,994
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	516000	Fringe Benefits	$941,137	$1,058,253	$509,261	$548,992	$17,489	$1,075,742	$104,544	$1,180,286		$1,180,286
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	599110	Salary Increase							$189,887	$189,887		$189,887
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	B	599160	Benefit Increase							$31,756	$31,756		$31,756
					$3,849,460	**$4,099,027**	**$2,021,410**	**$2,077,617**	**$241,962**	**$4,340,989**	**$326,191**	**$4,667,180**		**$4,667,180**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	F	F_1991	Salary - General Fund	$23,583	$1,423,405	$701,943	$721,462	$158,061	$1,581,466	$150,132	$1,731,598		$1,731,598
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	F	F_1992	Salary - Federal Funds	$2,586,071	$2,675,622	$1,319,467	$1,356,155	$83,901	$2,759,523	$176,059	$2,935,582		$2,935,582
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32510	F	F_1994	Salary - Swap Funds	$1,239,806									
					$3,849,460	**$4,099,027**	**$2,021,410**	**$2,077,617**	**$241,962**	**$4,340,989**	**$326,191**	**$4,667,180**		**$4,667,180**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	521000	Travel	$94,742	$174,044	$68,989	$105,055	$29,563	$203,607		$203,607		$203,607
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	531000	Supplies - IT Software	$13,556	$9,488	$4,628	$4,860	$1,270	$10,758		$10,758		$10,758
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	532000	Supply/Material-Professional	$4,204	$1,690	$1,159	$531	$905	$2,595		$2,595		$2,595
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	534000	Bldg, Grounds, Vehicle Supply	$23	$140	$6	$134	($40)	$100		$100		$100
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	535000	Miscellaneous Supplies	$8,190	$7,935	$3,219	$4,716	($825)	$7,110		$7,110		$7,110
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	536000	Office Supplies	$9,909	$11,464	$5,282	$6,182	$758	$12,222		$12,222		$12,222
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	541000	Postage	$7,640	$13,004	$4,128	$8,876	($3,450)	$9,554		$9,554		$9,554
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	542000	Printing	$99,486	$195,946	$43,602	$152,344	($49,936)	$146,010		$146,010		$146,010
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	551000	IT Equip under $5,000	$1,334									
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	553000	Office Equip & Furniture-Under		$2,500		$2,500	$300	$2,800		$2,800		$2,800
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	561000	Utilities	$482	$800	$274	$526	($98)	$702		$702		$702
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	582000	Rentals/Leases - Bldg/Land	$77,125	$93,296	$61,358	$31,938	$11,682	$104,978		$104,978		$104,978
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	591000	Repairs	$1,253	$1,376	$447	$929	($2)	$1,374		$1,374		$1,374
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	601000	IT - Data Processing	$7,422	$11,070	$1,556	$9,514	($5,935)	$5,135		$5,135		$5,135
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	602000	IT-Communications	$13,006	$17,890	$7,044	$10,846	($1,992)	$15,898		$15,898		$15,898
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	603000	IT Contractual Services and Re	$150	$400	$70	$330	($200)	$200		$200		$200
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	611000	Professional Development	$23,451	$30,582	$16,664	$13,918	$4,238	$34,820		$34,820		$34,820
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	621000	Operating Fees and Services	$8,401,865	$10,284,977	$3,591,098	$6,693,879	($835,057)	$9,449,920		$9,449,920		$9,449,920
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	B	623000	Fees - Professional Services	$152	$1,230,000		$1,230,000	($201,500)	$1,028,500		$1,028,500		$1,028,500
					$8,763,990	**$12,086,602**	**$3,809,524**	**$8,277,078**	**($1,050,319)**	**$11,036,283**		**$11,036,283**		**$11,036,283**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	F	F_3991	Operating - General Fund	$1,846	$922,137	$290,644	$631,493	($77,988)	$844,149		$844,149		$844,149
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	F	F_3992	Operating - Federal Funds	$8,168,405	$10,533,423	$3,319,985	$7,213,438	($1,097,331)	$9,436,092		$9,436,092		$9,436,092
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	F	F_3993	Operating - Other Funds					$125,000	$125,000		$125,000		$125,000
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	F	F_3994	Operating - Swap Funds	$282,649									
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32530	F	F_3995	Operating - County Funds	$311,090	$631,042	$198,895	$432,147		$631,042		$631,042		$631,042
					$8,763,990	**$12,086,602**	**$3,809,524**	**$8,277,078**	**($1,050,319)**	**$11,036,283**		**$11,036,283**		**$11,036,283**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32550	B	683000	Other Capital Payments	$1,936	$1,981		$1,981	($1,776)	$205		$205		$205
					$1,936	**$1,981**		**$1,981**	**($1,776)**	**$205**		**$205**		**$205**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32550	F	F_5991	Land & Cptl Imprv - Gen Fund		$990		$990	($889)	$101		$101		$101
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32550	F	F_5992	Land & Cptl Imprv - Fed Funds	$997	$991		$991	($887)	$104		$104		$104
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32550	F	F_5994	Land & Cptl Imprv - Swap Funds	$939									
					$1,936	**$1,981**		**$1,981**	**($1,776)**	**$205**		**$205**		**$205**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32560	B	712000	Grants, Benefits & Claims	$161,402,095	$197,583,613	$82,521,374	$115,062,239	$3,949,122	$201,532,735		$201,532,735		$201,532,735
					$161,402,095	**$197,583,613**	**$82,521,374**	**$115,062,239**	**$3,949,122**	**$201,532,735**		**$201,532,735**		**$201,532,735**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32560	F	F_6991	Grants - General Fund	$4,594,871	$5,085,616	$2,124,022	$2,961,594	$801,526	$5,887,142		$5,887,142		$5,887,142
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32560	F	F_6992	Grants - Federal Funds	$138,132,745	$174,125,289	$72,723,937	$101,401,352	$3,018,122	$177,143,411		$177,143,411		$177,143,411
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32560	F	F_6993	Grants - Other Funds	$4,271,447	$3,863,535	$1,933,667	$1,929,868	$1,273,554	$5,137,089		$5,137,089		$5,137,089
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32560	F	F_6994	Grants - Swap Funds	$14,403,032	$14,509,173	$5,739,748	$8,769,425	($1,144,080)	$13,365,093		$13,365,093		$13,365,093
					$161,402,095	**$197,583,613**	**$82,521,374**	**$115,062,239**	**$3,949,122**	**$201,532,735**		**$201,532,735**		**$201,532,735**
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32590	T	1	General Funds	$4,620,300	$7,432,148	$3,116,609	$4,315,539	$880,710	$8,312,858	$150,132	$8,462,990		$8,462,990
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32590	T	2	Federal Funds	$148,888,218	$187,335,325	$77,363,389	$109,971,936	$2,003,805	$189,339,130	$176,059	$189,515,189		$189,515,189
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32590	T	3	Other Funds	$4,271,447	$3,863,535	$1,933,667	$1,929,868	$1,398,554	$5,262,089		$5,262,089		$5,262,089
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32590	T	4	SWAP Funds	$15,926,426	$14,509,173	$5,739,748	$8,769,425	($1,144,080)	$13,365,093		$13,365,093		$13,365,093
300-01 ECONOMIC ASSISTANCE POLICY - GRANTS	32590	T	5	County Funds	$311,090	$631,042	$198,895	$432,147		$631,042		$631,042		$631,042
					$174,017,481	**$213,771,223**	**$88,352,308**	**$125,418,915**	**$3,138,989**	**$216,910,212**	**$326,191**	**$217,236,403**		**$217,236,403**

Department of Human Services
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For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-02 CHILD SUPPORT ENFORCEMENT	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	38.00	38.00		38.00		38.00		38.00		38.00
					38.00	**38.00**		**38.00**		**38.00**		**38.00**		**38.00**
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	511000	Salaries - Permanent	$2,119,228	$2,403,579	$1,121,669	$1,281,910	$100,072	$2,503,651		$2,503,651		$2,503,651
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	513000	Temporary Salaries	$50,995	$97,384	$5,607	$91,777	($2)	$97,382	($1)	$97,381		$97,381
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	514000	Overtime	$23,994	$30,000	$15,232	$14,768	$1	$30,001	($1)	$30,000		$30,000
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	516000	Fringe Benefits	$785,073	$934,559	$433,484	$501,075	$9,553	$944,112	$98,680	$1,042,792		$1,042,792
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	599110	Salary Increase							$155,428	$155,428		$155,428
300-02 CHILD SUPPORT ENFORCEMENT	32510	B	599160	Benefit Increase							$26,156	$26,156		$26,156
					$2,979,290	**$3,465,522**	**$1,575,992**	**$1,889,530**	**$109,624**	**$3,575,146**	**$280,262**	**$3,855,408**		**$3,855,408**
300-02 CHILD SUPPORT ENFORCEMENT	32510	F	F_1991	Salary - General Fund	$181,052	$767,171	$348,881	$418,290	$196,353	$963,524	$92,925	$1,056,449		$1,056,449
300-02 CHILD SUPPORT ENFORCEMENT	32510	F	F_1992	Salary - Federal Funds	$1,813,745	$2,186,228	$994,216	$1,192,012	$82,896	$2,269,124	$177,872	$2,446,996		$2,446,996
300-02 CHILD SUPPORT ENFORCEMENT	32510	F	F_1993	Salary - Other Funds	$423,372	$512,123	$232,895	$279,228	($169,625)	$342,498	$9,465	$351,963		$351,963
300-02 CHILD SUPPORT ENFORCEMENT	32510	F	F_1994	Salary - Swap Funds	$561,121									
					$2,979,290	**$3,465,522**	**$1,575,992**	**$1,889,530**	**$109,624**	**$3,575,146**	**$280,262**	**$3,855,408**		**$3,855,408**
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	521000	Travel	$22,686	$32,480	$9,099	$23,381	$11,525	$44,005		$44,005		$44,005
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	531000	Supplies - IT Software	$18,353	$14,600	$6,269	$8,331	$6,120	$20,720		$20,720		$20,720
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	532000	Supply/Material-Professional	$5,795	$5,884	$3,635	$2,249	($1,574)	$4,310		$4,310		$4,310
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	535000	Miscellaneous Supplies	$11,569	$1,750		$1,750	($301)	$1,449		$1,449		$1,449
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	536000	Office Supplies	$9,088	$10,930	$3,557	$7,373	$1,906	$12,836		$12,836		$12,836
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	541000	Postage	$9,012	$6,780	$1,075	$5,705	$21,356	$28,136		$28,136		$28,136
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	542000	Printing	$20,230	$22,500	$8,973	$13,527	$7,500	$30,000		$30,000		$30,000
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	553000	Office Equip & Furniture-Under					$1,750	$1,750		$1,750		$1,750
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	581000	Rentals/Leases-Equip & Other	$10,786	$18,742	$9,121	$9,621	$706	$19,448		$19,448		$19,448
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	582000	Rentals/Leases - Bldg/Land	$194,160	$194,160	$96,931	$97,229	$10,988	$205,148		$205,148		$205,148
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	591000	Repairs	$26,145	$11,108	$3,136	$7,972	($2,214)	$8,894		$8,894		$8,894
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	601000	IT - Data Processing	$2,986	$5,120	$1,359	$3,761	($1,976)	$3,144		$3,144		$3,144
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	602000	IT-Communications	$7,314	$8,320	$3,017	$5,303	$248	$8,568		$8,568		$8,568
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	611000	Professional Development	$19,059	$19,848	$8,167	$11,681	($5,466)	$14,382		$14,382		$14,382
300-02 CHILD SUPPORT ENFORCEMENT	32530	B	621000	Operating Fees and Services	$1,880,273	$1,853,027	$658,751	$1,194,276	$383,074	$2,236,101		$2,236,101		$2,236,101
					$2,237,456	**$2,205,249**	**$813,090**	**$1,392,159**	**$433,642**	**$2,638,891**		**$2,638,891**		**$2,638,891**
300-02 CHILD SUPPORT ENFORCEMENT	32530	F	F_3991	Operating - General Fund	$220,122	$307,399	$113,340	$194,059	$149,724	$457,123		$457,123		$457,123
300-02 CHILD SUPPORT ENFORCEMENT	32530	F	F_3992	Operating - Federal Funds	$1,836,230	$1,763,725	$650,297	$1,113,428	$263,858	$2,027,583		$2,027,583		$2,027,583
300-02 CHILD SUPPORT ENFORCEMENT	32530	F	F_3993	Operating - Other Funds	$139,003	$134,125	$49,453	$84,672	$20,060	$154,185		$154,185		$154,185
300-02 CHILD SUPPORT ENFORCEMENT	32530	F	F_3994	Operating - Swap Funds	$42,101									
					$2,237,456	**$2,205,249**	**$813,090**	**$1,392,159**	**$433,642**	**$2,638,891**		**$2,638,891**		**$2,638,891**
300-02 CHILD SUPPORT ENFORCEMENT	32560	B	712000	Grants, Benefits & Claims	$1,669,694	$1,885,000	$81,589	$1,803,411	$81,288	$1,966,288		$1,966,288		$1,966,288
					$1,669,694	**$1,885,000**	**$81,589**	**$1,803,411**	**$81,288**	**$1,966,288**		**$1,966,288**		**$1,966,288**
300-02 CHILD SUPPORT ENFORCEMENT	32560	F	F_6992	Grants - Federal Funds		$400,000	$17,313	$382,687	($200,000)	$200,000		$200,000		$200,000
300-02 CHILD SUPPORT ENFORCEMENT	32560	F	F_6993	Grants - Other Funds	$1,669,694	$1,485,000	$64,276	$1,420,724	$281,288	$1,766,288		$1,766,288		$1,766,288
					$1,669,694	**$1,885,000**	**$81,589**	**$1,803,411**	**$81,288**	**$1,966,288**		**$1,966,288**		**$1,966,288**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
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Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-02 CHILD SUPPORT ENFORCEMENT	32590	T	1	General Funds	$401,174	$1,074,570	$462,221	$612,349	$346,077	$1,420,647	$92,925	$1,513,572		$1,513,572
300-02 CHILD SUPPORT ENFORCEMENT	32590	T	2	Federal Funds	$3,649,975	$4,349,953	$1,661,826	$2,688,127	$146,754	$4,496,707	$177,872	$4,674,579		$4,674,579
300-02 CHILD SUPPORT ENFORCEMENT	32590	T	3	Other Funds	$2,232,069	$2,131,248	$346,624	$1,784,624	$131,723	$2,262,971	$9,465	$2,272,436		$2,272,436
300-02 CHILD SUPPORT ENFORCEMENT	32590	T	4	SWAP Funds	$603,222									
					$6,886,440	**$7,555,771**	**$2,470,671**	**$5,085,100**	**$624,554**	**$8,180,325**	**$280,262**	**$8,460,587**		**$8,460,587**

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300-03 MEDICAL SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	60.00	64.00		64.00		64.00		64.00	1.00	65.00
					60.00	**64.00**		**64.00**		**64.00**		**64.00**	**1.00**	**65.00**
300-03 MEDICAL SERVICES	32510	B	511000	Salaries - Permanent	$3,692,358	$4,149,172	$1,794,943	$2,354,229	$486,168	$4,635,340	$2	$4,635,342	$52,416	$4,687,758
300-03 MEDICAL SERVICES	32510	B	513000	Temporary Salaries	$42,387	$48,592	$33,102	$15,490	$59,141	$107,733	$1	$107,734		$107,734
300-03 MEDICAL SERVICES	32510	B	514000	Overtime	$35,781	$12,603	$5,840	$6,763	$5,614	$18,217		$18,217		$18,217
300-03 MEDICAL SERVICES	32510	B	516000	Fringe Benefits	$1,257,689	$1,476,343	$643,359	$832,984	$187,179	$1,663,522	$166,878	$1,830,400	$22,630	$1,853,030
300-03 MEDICAL SERVICES	32510	B	599110	Salary Increase							$285,528	$285,528		$285,528
300-03 MEDICAL SERVICES	32510	B	599160	Benefit Increase							$47,773	$47,773		$47,773
					$5,028,215	**$5,686,710**	**$2,477,244**	**$3,209,466**	**$738,102**	**$6,424,812**	**$500,182**	**$6,924,994**	**$75,046**	**$7,000,040**
300-03 MEDICAL SERVICES	32510	F	F_1991	Salary - General Fund	$521,431	$2,270,900	$989,249	$1,281,651	$943,561	$3,214,461	$260,127	$3,474,588	$18,919	$3,493,507
300-03 MEDICAL SERVICES	32510	F	F_1992	Salary - Federal Funds	$3,085,968	$3,415,810	$1,487,995	$1,927,815	($205,459)	$3,210,351	$240,055	$3,450,406	$56,127	$3,506,533
300-03 MEDICAL SERVICES	32510	F	F_1994	Salary - Swap Funds	$1,420,816									
					$5,028,215	**$5,686,710**	**$2,477,244**	**$3,209,466**	**$738,102**	**$6,424,812**	**$500,182**	**$6,924,994**	**$75,046**	**$7,000,040**
300-03 MEDICAL SERVICES	32530	B	521000	Travel	$40,037	$83,708	$33,740	$49,968	$22,762	$106,470		$106,470		$106,470
300-03 MEDICAL SERVICES	32530	B	531000	Supplies - IT Software	$17,344	$7,700	$4,554	$3,146	$5,150	$12,850		$12,850		$12,850
300-03 MEDICAL SERVICES	32530	B	532000	Supply/Material-Professional	$15,661	$5,305	$5,263	$42	$13,980	$19,285		$19,285		$19,285
300-03 MEDICAL SERVICES	32530	B	535000	Miscellaneous Supplies	$4,298	$1,000	$719	$281	$1,635	$2,635		$2,635		$2,635
300-03 MEDICAL SERVICES	32530	B	536000	Office Supplies	$17,873	$14,800	$8,977	$5,823	$6,726	$21,526		$21,526		$21,526
300-03 MEDICAL SERVICES	32530	B	541000	Postage	$7,812	$4,782	$1,558	$3,224	($1,215)	$3,567		$3,567		$3,567
300-03 MEDICAL SERVICES	32530	B	542000	Printing	$84,301	$77,200	$40,686	$36,514	($10,988)	$66,212		$66,212		$66,212
300-03 MEDICAL SERVICES	32530	B	582000	Rentals/Leases - Bldg/Land	$21,761	$42,757	$17,831	$24,926	$2,228	$44,985		$44,985		$44,985
300-03 MEDICAL SERVICES	32530	B	591000	Repairs	$2,504	$200	$71	$129	($94)	$106		$106		$106
300-03 MEDICAL SERVICES	32530	B	601000	IT - Data Processing	$29,148	$41,668	$13,099	$28,569	($16,139)	$25,529		$25,529		$25,529
300-03 MEDICAL SERVICES	32530	B	602000	IT-Communications	$3,426	$4,328	$1,200	$3,128	($1,004)	$3,324		$3,324		$3,324
300-03 MEDICAL SERVICES	32530	B	603000	IT Contractual Services and Re		$300	$205	$95	$4	$304		$304		$304
300-03 MEDICAL SERVICES	32530	B	611000	Professional Development	$15,959	$12,754	$8,932	$3,822	$17,751	$30,505		$30,505		$30,505
300-03 MEDICAL SERVICES	32530	B	621000	Operating Fees and Services	$2,220,647	$20,491,041	$5,200,827	$15,290,214	$2,147,538	$22,638,579		$22,638,579	$453,000	$23,091,579
300-03 MEDICAL SERVICES	32530	B	623000	Fees - Professional Services	$10,000									
					$2,490,771	**$20,787,543**	**$5,337,662**	**$15,449,881**	**$2,188,334**	**$22,975,877**		**$22,975,877**	**$453,000**	**$23,428,877**
300-03 MEDICAL SERVICES	32530	F	F_3991	Operating - General Fund	$101,240	$17,750,459	$4,389,858	$13,360,601	$2,578,555	$20,329,014		$20,329,014	$114,201	$20,443,215
300-03 MEDICAL SERVICES	32530	F	F_3992	Operating - Federal Funds	$1,718,189	$3,037,084	$947,804	$2,089,280	($390,221)	$2,646,863		$2,646,863	$338,799	$2,985,662
300-03 MEDICAL SERVICES	32530	F	F_3994	Operating - Swap Funds	$671,342									
					$2,490,771	**$20,787,543**	**$5,337,662**	**$15,449,881**	**$2,188,334**	**$22,975,877**		**$22,975,877**	**$453,000**	**$23,428,877**
300-03 MEDICAL SERVICES	32573	B	712000	Grants, Benefits & Claims	$400,109,159	$383,542,215	$201,839,351	$181,702,864	$8,687,472	$392,229,687	$12,385,226	$404,614,913	$20,822,037	$425,436,950
					$400,109,159	**$383,542,215**	**$201,839,351**	**$181,702,864**	**$8,687,472**	**$392,229,687**	**$12,385,226**	**$404,614,913**	**$20,822,037**	**$425,436,950**
300-03 MEDICAL SERVICES	32573	F	F_7391	MA Grants - General Fund	$100,376,790	$90,071,369	$50,739,323	$39,332,046	$10,266,686	$100,338,055	$4,006,182	$104,344,237	$7,507,275	$111,851,512
300-03 MEDICAL SERVICES	32573	F	F_7392	MA Grants - Federal Funds	$284,533,956	$266,701,131	$137,317,041	$129,384,090	($6,357,741)	$260,343,390	$8,379,044	$268,722,434	$13,314,762	$282,037,196
300-03 MEDICAL SERVICES	32573	F	F_7393	MA Grants - Other Funds	$9,924,712	$11,342,788	$3,749,004	$7,593,784	($34,428)	$11,308,360		$11,308,360		$11,308,360
300-03 MEDICAL SERVICES	32573	F	F_7394	MA Grants - Swap Funds	$5,273,701	$14,580,215	$9,598,034	$4,982,181	$5,659,667	$20,239,882		$20,239,882		$20,239,882
300-03 MEDICAL SERVICES	32573	F	F_7396	MA Grants - IGT Funds		$846,712	$435,949	$410,763	($846,712)					
					$400,109,159	**$383,542,215**	**$201,839,351**	**$181,702,864**	**$8,687,472**	**$392,229,687**	**$12,385,226**	**$404,614,913**	**$20,822,037**	**$425,436,950**

Department of Human Services
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Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-03 MEDICAL SERVICES	32590	T	1	General Funds	$100,999,461	$110,092,728	$56,118,430	$53,974,298	$13,788,802	$123,881,530	$4,266,309	$128,147,839	$7,640,395	$135,788,234
300-03 MEDICAL SERVICES	32590	T	2	Federal Funds	$289,338,113	$273,154,025	$139,752,840	$133,401,185	($6,953,421)	$266,200,604	$8,619,099	$274,819,703	$13,709,688	$288,529,391
300-03 MEDICAL SERVICES	32590	T	3	Other Funds	$9,924,712	$11,342,788	$3,749,004	$7,593,784	($34,428)	$11,308,360		$11,308,360		$11,308,360
300-03 MEDICAL SERVICES	32590	T	4	SWAP Funds	$7,365,859	$14,580,215	$9,598,034	$4,982,181	$5,659,667	$20,239,882		$20,239,882	-	$20,239,882
300-03 MEDICAL SERVICES	32590	T	6	IGT Funds		$846,712	$435,949	$410,763	($846,712)					
					$407,628,145	**$410,016,468**	**$209,654,257**	**$200,362,211**	**$11,613,908**	**$421,630,376**	**$12,885,408**	**$434,515,784**	**$21,350,083**	**$455,865,867**

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300-10 LONG TERM CARE	32560	B	712000	Grants, Benefits & Claims		$50,000	$3,750	$46,250	($50,000)					
						$50,000	**$3,750**	**$46,250**	**($50,000)**					
300-10 LONG TERM CARE	32560	F	F_6991	Grants - General Fund		$50,000	$3,750	$46,250	($50,000)					
						$50,000	**$3,750**	**$46,250**	**($50,000)**					
300-10 LONG TERM CARE	32573	B	712000	Grants, Benefits & Claims	$533,967,806	$605,342,253	$259,143,776	$346,198,477	$57,821,553	$663,163,806	$33,596,733	$696,760,539	$16,611,871	$713,372,410
					$533,967,806	**$605,342,253**	**$259,143,776**	**$346,198,477**	**$57,821,553**	**$663,163,806**	**$33,596,733**	**$696,760,539**	**$16,611,871**	**$713,372,410**
300-10 LONG TERM CARE	32573	F	F_7391	MA Grants - General Fund	$171,170,485	$221,865,185	$94,979,297	$126,885,888	$24,150,670	$246,015,855	$12,478,922	$258,494,777	$6,630,220	$265,124,997
300-10 LONG TERM CARE	32573	F	F_7392	MA Grants - Federal Funds	$359,931,845	$378,413,045	$161,996,597	$216,416,448	$36,014,888	$414,427,933	$21,117,811	$435,545,744	$9,759,358	$445,305,102
300-10 LONG TERM CARE	32573	F	F_7393	MA Grants - Other Funds	$583,253									
300-10 LONG TERM CARE	32573	F	F_7394	MA Grants - Swap Funds	$2,282,223	$2,284,362	$990,437	$1,293,925		$2,284,362		$2,284,362		$2,284,362
300-10 LONG TERM CARE	32573	F	F_7395	MA Grants - County Funds		$639,780	$261,373	$378,407	($204,124)	$435,656		$435,656	$51,793	$487,449
300-10 LONG TERM CARE	32573	F	F_7396	MA Grants - IGT Funds		$2,139,881	$916,072	$1,223,809	($2,139,881)				$170,500	$170,500
					$533,967,806	**$605,342,253**	**$259,143,776**	**$346,198,477**	**$57,821,553**	**$663,163,806**	**$33,596,733**	**$696,760,539**	**$16,611,871**	**$713,372,410**
300-10 LONG TERM CARE	32590	T	1	General Funds	$171,170,485	$221,915,185	$94,983,047	$126,932,138	$24,100,670	$246,015,855	$12,478,922	$258,494,777	$6,630,220	$265,124,997
300-10 LONG TERM CARE	32590	T	2	Federal Funds	$359,931,845	$378,413,045	$161,996,597	$216,416,448	$36,014,888	$414,427,933	$21,117,811	$435,545,744	$9,759,358	$445,305,102
300-10 LONG TERM CARE	32590	T	3	Other Funds	$583,253									
300-10 LONG TERM CARE	32590	T	4	SWAP Funds	$2,282,223	$2,284,362	$990,437	$1,293,925		$2,284,362		$2,284,362		$2,284,362
300-10 LONG TERM CARE	32590	T	5	County Funds		$639,780	$261,373	$378,407	($204,124)	$435,656		$435,656	$51,793	$487,449
300-10 LONG TERM CARE	32590	T	6	IGT Funds		$2,139,881	$916,072	$1,223,809	($2,139,881)				$170,500	$170,500
					$533,967,806	**$605,392,253**	**$259,147,526**	**$346,244,727**	**$57,771,553**	**$663,163,806**	**$33,596,733**	**$696,760,539**	**$16,611,871**	**$713,372,410**

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Subdivision	Class	FB	Bgt Acct	Bgt Acct Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-42 DD COUNCIL	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	1.40	1.40		1.40		1.40		1.40		1.40
					1.40	**1.40**		**1.40**		**1.40**		**1.40**		**1.40**
300-42 DD COUNCIL	32510	B	511000	Salaries - Permanent	$106,747	$113,269	$55,515	$57,754	$17,494	$130,763		$130,763		$130,763
300-42 DD COUNCIL	32510	B	516000	Fringe Benefits	$18,344	$32,860	$9,556	$23,304	$590	$33,450	$2,672	$36,122		$36,122
300-42 DD COUNCIL	32510	B	599110	Salary Increase							$7,675	$7,675		$7,675
300-42 DD COUNCIL	32510	B	599160	Benefit Increase							$1,306	$1,306		$1,306
					$125,091	**$146,129**	**$65,071**	**$81,058**	**$18,084**	**$164,213**	**$11,653**	**$175,866**		**$175,866**
300-42 DD COUNCIL	32510	F	F_1992	Salary - Federal Funds	$125,091	$146,129	$65,071	$81,058	$18,084	$164,213	$11,653	$175,866		$175,866
					$125,091	**$146,129**	**$65,071**	**$81,058**	**$18,084**	**$164,213**	**$11,653**	**$175,866**		**$175,866**
300-42 DD COUNCIL	32530	B	521000	Travel	$15,373	$28,265	$13,000	$15,265	($1,160)	$27,105		$27,105		$27,105
300-42 DD COUNCIL	32530	B	532000	Supply/Material-Professional	$7	$200		$200		$200		$200		$200
300-42 DD COUNCIL	32530	B	535000	Miscellaneous Supplies	$635									
300-42 DD COUNCIL	32530	B	536000	Office Supplies	$34	$100	$24	$76		$100		$100		$100
300-42 DD COUNCIL	32530	B	541000	Postage	$80	$50		$50	$50	$100		$100		$100
300-42 DD COUNCIL	32530	B	542000	Printing	$268	$700	$237	$463		$700		$700		$700
300-42 DD COUNCIL	32530	B	582000	Rentals/Leases - Bldg/Land	$5,883	$6,480	$3,958	$2,522	($35)	$6,445		$6,445		$6,445
300-42 DD COUNCIL	32530	B	602000	IT-Communications	$1	$50		$50		$50		$50		$50
300-42 DD COUNCIL	32530	B	611000	Professional Development	$9,076	$9,300	$6,450	$2,850	$3,000	$12,300		$12,300		$12,300
300-42 DD COUNCIL	32530	B	621000	Operating Fees and Services	$1,821	$4,360	$435	$3,925	($3,435)	$925		$925		$925
300-42 DD COUNCIL	32530	B	623000	Fees - Professional Services		$1,900		$1,900		$1,900		$1,900		$1,900
					$33,178	**$51,405**	**$24,104**	**$27,301**	**($1,580)**	**$49,825**		**$49,825**		**$49,825**
300-42 DD COUNCIL	32530	F	F_3992	Operating - Federal Funds	$33,178	$51,405	$24,104	$27,301	($1,580)	$49,825		$49,825		$49,825
					$33,178	**$51,405**	**$24,104**	**$27,301**	**($1,580)**	**$49,825**		**$49,825**		**$49,825**
300-42 DD COUNCIL	32560	B	712000	Grants, Benefits & Claims	$726,830	$816,288	$242,662	$573,626	($52,771)	$763,517		$763,517		$763,517
					$726,830	**$816,288**	**$242,662**	**$573,626**	**($52,771)**	**$763,517**		**$763,517**		**$763,517**
300-42 DD COUNCIL	32560	F	F_6992	Grants - Federal Funds	$726,830	$816,288	$242,662	$573,626	($52,771)	$763,517		$763,517		$763,517
					$726,830	**$816,288**	**$242,662**	**$573,626**	**($52,771)**	**$763,517**		**$763,517**		**$763,517**
300-42 DD COUNCIL	32590	T	2	Federal Funds	$885,099	$1,013,822	$331,837	$681,985	($36,267)	$977,555	$11,653	$989,208		$989,208
					$885,099	**$1,013,822**	**$331,837**	**$681,985**	**($36,267)**	**$977,555**	**$11,653**	**$989,208**		**$989,208**

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300-43 AGING SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	11.00	10.00		10.00		10.00		10.00		10.00
					11.00	**10.00**		**10.00**		**10.00**		**10.00**		**10.00**
300-43 AGING SERVICES	32510	B	511000	Salaries - Permanent	$862,439	$734,131	$385,824	$348,307	$84,413	$818,544		$818,544		$818,544
300-43 AGING SERVICES	32510	B	514000	Overtime	$305									
300-43 AGING SERVICES	32510	B	516000	Fringe Benefits	$263,189	$277,452	$132,168	$145,284	($3,922)	$273,530	$26,208	$299,738		$299,738
300-43 AGING SERVICES	32510	B	599110	Salary Increase							$49,067	$49,067		$49,067
300-43 AGING SERVICES	32510	B	599160	Benefit Increase							$8,306	$8,306		$8,306
					$1,125,933	**$1,011,583**	**$517,992**	**$493,591**	**$80,491**	**$1,092,074**	**$83,581**	**$1,175,655**		**$1,175,655**
300-43 AGING SERVICES	32510	F	F_1991	Salary - General Fund	$549,917	$308,240	$157,838	$150,402	($35,215)	$273,025	$63,919	$336,944		$336,944
300-43 AGING SERVICES	32510	F	F_1992	Salary - Federal Funds	$556,085	$703,343	$360,154	$343,189	$115,706	$819,049	$19,662	$838,711		$838,711
300-43 AGING SERVICES	32510	F	F_1993	Salary - Other Funds	$19,931									
					$1,125,933	**$1,011,583**	**$517,992**	**$493,591**	**$80,491**	**$1,092,074**	**$83,581**	**$1,175,655**		**$1,175,655**
300-43 AGING SERVICES	32530	B	521000	Travel	$57,988	$61,407	$31,844	$29,563	($4,431)	$56,976		$56,976		$56,976
300-43 AGING SERVICES	32530	B	531000	Supplies - IT Software	$3,906	$3,200	$3,036	$164	$1,800	$5,000		$5,000		$5,000
300-43 AGING SERVICES	32530	B	532000	Supply/Material-Professional	$4,092	$4,000	$1,631	$2,369		$4,000		$4,000		$4,000
300-43 AGING SERVICES	32530	B	534000	Bldg, Grounds, Vehicle Supply	$17	$200	$5	$195	($200)					
300-43 AGING SERVICES	32530	B	535000	Miscellaneous Supplies	$12,057	$10,500	$1,856	$8,644	($5,126)	$5,374		$5,374		$5,374
300-43 AGING SERVICES	32530	B	536000	Office Supplies	$3,864	$5,000	$3,954	$1,046	$300	$5,300		$5,300		$5,300
300-43 AGING SERVICES	32530	B	541000	Postage	$957	$800	$522	$278	$550	$1,350		$1,350		$1,350
300-43 AGING SERVICES	32530	B	542000	Printing	$20,883	$13,400	$6,701	$6,699	($100)	$13,300		$13,300		$13,300
300-43 AGING SERVICES	32530	B	561000	Utilities	$412	$450	$261	$189		$450		$450		$450
300-43 AGING SERVICES	32530	B	581000	Rentals/Leases-Equip & Other	$36									
300-43 AGING SERVICES	32530	B	582000	Rentals/Leases - Bldg/Land	$35,397	$700	$181	$519	$150	$850		$850		$850
300-43 AGING SERVICES	32530	B	591000	Repairs	$627	$1,000	$267	$733		$1,000		$1,000		$1,000
300-43 AGING SERVICES	32530	B	601000	IT - Data Processing	$675	$300	$240	$60	$200	$500		$500		$500
300-43 AGING SERVICES	32530	B	602000	IT-Communications	$7,540	$4,500	$2,171	$2,329		$4,500		$4,500		$4,500
300-43 AGING SERVICES	32530	B	611000	Professional Development	$16,133	$18,300	$12,173	$6,127	$5,540	$23,840		$23,840		$23,840
300-43 AGING SERVICES	32530	B	621000	Operating Fees and Services	$10,016,336	$10,510,746	$4,772,931	$5,737,815	$1,374,908	$11,885,654		$11,885,654		$11,885,654
					$10,180,920	**$10,634,503**	**$4,837,773**	**$5,796,730**	**$1,373,591**	**$12,008,094**		**$12,008,094**		**$12,008,094**
300-43 AGING SERVICES	32530	F	F_3991	Operating - General Fund	$853,811	$805,848	$366,591	$439,257	$305,671	$1,111,519		$1,111,519		$1,111,519
300-43 AGING SERVICES	32530	F	F_3992	Operating - Federal Funds	$9,273,319	$9,680,255	$4,403,673	$5,276,582	$850,895	$10,531,150		$10,531,150		$10,531,150
300-43 AGING SERVICES	32530	F	F_3993	Operating - Other Funds	$53,790	$148,400	$67,509	$80,891	$217,025	$365,425		$365,425		$365,425
					$10,180,920	**$10,634,503**	**$4,837,773**	**$5,796,730**	**$1,373,591**	**$12,008,094**		**$12,008,094**		**$12,008,094**
300-43 AGING SERVICES	32550	B	683000	Other Capital Payments	$600	$1,883		$1,883	($1,689)	$194		$194		$194
					$600	**$1,883**		**$1,883**	**($1,689)**	**$194**		**$194**		**$194**
300-43 AGING SERVICES	32550	F	F_5991	Land & Cptl Imprv - Gen Fund	$311	$773		$773	($725)	$48		$48		$48
300-43 AGING SERVICES	32550	F	F_5992	Land & Cptl Imprv - Fed Funds	$288	$1,110		$1,110	($964)	$146		$146		$146
300-43 AGING SERVICES	32550	F	F_5993	Land & Cptl Imprv - Other Fnds	$1									
					$600	**$1,883**		**$1,883**	**($1,689)**	**$194**		**$194**		**$194**

Department of Human Services
Summary by Subdivision (OMB's Budget L[illegible]d Budget Account Codes with Funding Sources
For the 2007[illegible] Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-43 AGING SERVICES	32560	B	712000	Grants, Benefits & Claims	$1,898,788	$470,070	$243,018	$227,052	($220,070)	$250,000		$250,000		$250,000
					$1,898,788	**$470,070**	**$243,018**	**$227,052**	**($220,070)**	**$250,000**		**$250,000**		**$250,000**
300-43 AGING SERVICES	32560	F	F_6991	Grants - General Fund	$1,663,044									
300-43 AGING SERVICES	32560	F	F_6992	Grants - Federal Funds	$234,852	$470,070	$243,018	$227,052	($264,645)	$205,425		$205,425		$205,425
300-43 AGING SERVICES	32560	F	F_6993	Grants - Other Funds	$892				$44,575	$44,575		$44,575		$44,575
					$1,898,788	**$470,070**	**$243,018**	**$227,052**	**($220,070)**	**$250,000**		**$250,000**		**$250,000**
300-43 AGING SERVICES	32590	T	1	General Funds	$3,067,083	$1,114,861	$524,429	$590,432	$269,731	$1,384,592	$63,919	$1,448,511		$1,448,511
300-43 AGING SERVICES	32590	T	2	Federal Funds	$10,064,544	$10,854,778	$5,006,845	$5,847,933	$700,992	$11,555,770	$19,662	$11,575,432		$11,575,432
300-43 AGING SERVICES	32590	T	3	Other Funds	$74,614	$148,400	$67,509	$80,891	$261,600	$410,000		$410,000		$410,000
					$13,206,241	**$12,118,039**	**$5,598,783**	**$6,519,256**	**$1,232,323**	**$13,350,362**	**$83,581**	**$13,433,943**		**$13,433,943**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-46 CHILDREN AND FAMILY SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	17.00	18.00		18.00		18.00		18.00		18.00
					17.00	**18.00**		**18.00**		**18.00**		**18.00**		**18.00**
300-46 CHILDREN AND FAMILY SERVICES	32510	B	511000	Salaries - Permanent	$1,256,765	$1,475,597	$736,852	$738,745	$94,474	$1,570,071	$2	$1,570,073		$1,570,073
300-46 CHILDREN AND FAMILY SERVICES	32510	B	513000	Temporary Salaries	$2,989	$11,378	$3,206	$8,172	$1,056	$12,434	($2)	$12,432		$12,432
300-46 CHILDREN AND FAMILY SERVICES	32510	B	514000	Overtime		$563	$563		($563)					
300-46 CHILDREN AND FAMILY SERVICES	32510	B	516000	Fringe Benefits	$415,675	$513,433	$256,883	$256,550	$9,799	$523,232	$49,820	$573,052		$573,052
300-46 CHILDREN AND FAMILY SERVICES	32510	B	599110	Salary Increase							$95,423	$95,423		$95,423
300-46 CHILDREN AND FAMILY SERVICES	32510	B	599160	Benefit Increase							$16,167	$16,167		$16,167
					$1,675,429	**$2,000,971**	**$997,504**	**$1,003,467**	**$104,766**	**$2,105,737**	**$161,410**	**$2,267,147**		**$2,267,147**
300-46 CHILDREN AND FAMILY SERVICES	32510	F	F_1991	Salary - General Fund	$515,154	$573,879	$286,084	$287,795	($8,057)	$565,822	$90,245	$656,067		$656,067
300-46 CHILDREN AND FAMILY SERVICES	32510	F	F_1992	Salary - Federal Funds	$1,158,844	$1,427,092	$711,420	$715,672	$112,823	$1,539,915	$71,165	$1,611,080		$1,611,080
300-46 CHILDREN AND FAMILY SERVICES	32510	F	F_1993	Salary - Other Funds	$1,431									
					$1,675,429	**$2,000,971**	**$997,504**	**$1,003,467**	**$104,766**	**$2,105,737**	**$161,410**	**$2,267,147**		**$2,267,147**
300-46 CHILDREN AND FAMILY SERVICES	32530	B	521000	Travel	$221,782	$365,208	$167,799	$197,409	$30,151	$395,359		$395,359		$395,359
300-46 CHILDREN AND FAMILY SERVICES	32530	B	531000	Supplies - IT Software	$3,566	$3,928	$2,008	$1,920	$271	$4,199		$4,199		$4,199
300-46 CHILDREN AND FAMILY SERVICES	32530	B	532000	Supply/Material-Professional	$28,466	$28,768	$9,884	$18,884	($6,868)	$21,900		$21,900		$21,900
300-46 CHILDREN AND FAMILY SERVICES	32530	B	535000	Miscellaneous Supplies	$4,034	$5,024	$2,671	$2,353	$476	$5,500		$5,500		$5,500
300-46 CHILDREN AND FAMILY SERVICES	32530	B	536000	Office Supplies	$5,934	$10,286	$3,752	$6,534	($2,036)	$8,250		$8,250		$8,250
300-46 CHILDREN AND FAMILY SERVICES	32530	B	541000	Postage	$3,172	$3,851	$1,545	$2,306	$235	$4,086		$4,086		$4,086
300-46 CHILDREN AND FAMILY SERVICES	32530	B	542000	Printing	$67,851	$56,684	$34,995	$21,689	$8,854	$65,538		$65,538		$65,538
300-46 CHILDREN AND FAMILY SERVICES	32530	B	553000	Office Equip & Furniture-Under		$600		$600	$575	$1,175		$1,175		$1,175
300-46 CHILDREN AND FAMILY SERVICES	32530	B	581000	Rentals/Leases-Equip & Other	$25	$600		$600	($100)	$500		$500		$500
300-46 CHILDREN AND FAMILY SERVICES	32530	B	582000	Rentals/Leases - Bldg/Land	$6,076	$6,192	$4,665	$1,527	$292	$6,484		$6,484		$6,484
300-46 CHILDREN AND FAMILY SERVICES	32530	B	591000	Repairs	$319	$1,012	$614	$398	($16)	$996		$996		$996
300-46 CHILDREN AND FAMILY SERVICES	32530	B	601000	IT - Data Processing	$2,843	$4,000	$2,270	$1,730	$164	$4,164		$4,164		$4,164
300-46 CHILDREN AND FAMILY SERVICES	32530	B	602000	IT-Communications	$2,515	$4,113	$996	$3,117	($519)	$3,594		$3,594		$3,594
300-46 CHILDREN AND FAMILY SERVICES	32530	B	603000	IT Contractual Services and Re	$837	$62	$62		($62)					
300-46 CHILDREN AND FAMILY SERVICES	32530	B	611000	Professional Development	$142,571	$222,188	$114,806	$107,382	$16,650	$238,838		$238,838		$238,838
300-46 CHILDREN AND FAMILY SERVICES	32530	B	621000	Operating Fees and Services	$3,714,334	$4,317,687	$2,045,069	$2,272,618	($86,718)	$4,230,969	$97,255	$4,328,224	$48,532	$4,376,756
300-46 CHILDREN AND FAMILY SERVICES	32530	B	623000	Fees - Professional Services	$2,639	$2,000		$2,000		$2,000		$2,000		$2,000
					$4,206,964	**$5,032,203**	**$2,391,136**	**$2,641,067**	**($38,651)**	**$4,993,552**	**$97,255**	**$5,090,807**	**$48,532**	**$5,139,339**
300-46 CHILDREN AND FAMILY SERVICES	32530	F	F_3991	Operating - General Fund	$1,468,657	$1,567,640	$744,891	$822,749	$3,949	$1,571,589	$97,255	$1,668,844	$39,416	$1,708,260
300-46 CHILDREN AND FAMILY SERVICES	32530	F	F_3992	Operating - Federal Funds	$2,696,916	$3,234,188	$1,536,778	$1,697,410	($186,155)	$3,048,033		$3,048,033	$9,116	$3,057,149
300-46 CHILDREN AND FAMILY SERVICES	32530	F	F_3993	Operating - Other Funds	$41,025	$5,000	$1,528	$3,472	$111,464	$116,464		$116,464		$116,464
300-46 CHILDREN AND FAMILY SERVICES	32530	F	F_3994	Operating - Swap Funds	$366									
300-46 CHILDREN AND FAMILY SERVICES	32530	F	F_3995	Operating - County Funds		$225,375	$107,939	$117,436	$32,091	$257,466		$257,466		$257,466
					$4,206,964	**$5,032,203**	**$2,391,136**	**$2,641,067**	**($38,651)**	**$4,993,552**	**$97,255**	**$5,090,807**	**$48,532**	**$5,139,339**

Departr[illegible] Human Services
Summary by Subdivision (OMB's Budget [illegible] and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-46 CHILDREN AND FAMILY SERVICES	32560	B	712000	Grants, Benefits & Claims	$94,401,470	$106,013,848	$46,039,183	$59,974,665	$2,874,746	$108,888,594	$2,893,863	$111,782,457	$1,496,854	$113,279,311
					$94,401,470	**$106,013,848**	**$46,039,183**	**$59,974,665**	**$2,874,746**	**$108,888,594**	**$2,893,863**	**$111,782,457**	**$1,496,854**	**$113,279,311**
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6991	Grants - General Fund	$12,903,243	$15,070,231	$6,544,627	$8,525,604	$992,297	$16,062,528	$934,835	$16,997,363	$944,861	$17,942,224
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6992	Grants - Federal Funds	$68,465,383	$75,002,268	$32,571,624	$42,430,644	$1,062,721	$76,064,989	$1,921,528	$77,986,517	$551,993	$78,538,510
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6993	Grants - Other Funds	$4,945,789	$6,310,682	$2,100,094	$4,210,588	($637,126)	$5,673,556		$5,673,556		$5,673,556
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6994	Grants - Swap Funds	$217,050	$164,373		$164,373	($45,190)	$119,183		$119,183		$119,183
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6995	Grants - County Funds	$7,870,005	$9,252,887	$4,730,161	$4,522,726	$1,715,451	$10,968,338	$37,500	$11,005,838		$11,005,838
300-46 CHILDREN AND FAMILY SERVICES	32560	F	F_6996	Grants - IGT Funds		$213,407	$92,677	$120,730	($213,407)					
					$94,401,470	**$106,013,848**	**$46,039,183**	**$59,974,665**	**$2,874,746**	**$108,888,594**	**$2,893,863**	**$111,782,457**	**$1,496,854**	**$113,279,311**
300-46 CHILDREN AND FAMILY SERVICES	32590	T	1	General Funds	$14,887,054	$17,211,750	$7,575,602	$9,636,148	$988,189	$18,199,939	$1,122,335	$19,322,274	$984,277	$20,306,551
300-46 CHILDREN AND FAMILY SERVICES	32590	T	2	Federal Funds	$72,321,143	$79,663,548	$34,819,822	$44,843,726	$989,389	$80,652,937	$1,992,693	$82,645,630	$561,109	$83,206,739
300-46 CHILDREN AND FAMILY SERVICES	32590	T	3	Other Funds	$4,988,245	$6,315,682	$2,101,622	$4,214,060	($525,662)	$5,790,020		$5,790,020		$5,790,020
300-46 CHILDREN AND FAMILY SERVICES	32590	T	4	SWAP Funds	$217,416	$164,373		$164,373	($45,190)	$119,183		$119,183		$119,183
300-46 CHILDREN AND FAMILY SERVICES	32590	T	5	County Funds	$7,870,005	$9,478,262	$4,838,100	$4,640,162	$1,747,542	$11,225,804	$37,500	$11,263,304		$11,263,304
300-46 CHILDREN AND FAMILY SERVICES	32590	T	6	IGT Funds		$213,407	$92,677	$120,730	($213,407)					
					$100,283,863	**$113,047,022**	**$49,427,823**	**$63,619,199**	**$2,940,861**	**$115,987,883**	**$3,152,528**	**$119,140,411**	**$1,545,386**	**$120,685,797**

Department of Human Services
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For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt Acct	Bgt Acct Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	14.00	18.00		18.00		18.00		18.00		18.00
					14.00	**18.00**		**18.00**		**18.00**		**18.00**		**18.00**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	511000	Salaries - Permanent	$1,058,378	$1,441,946	$690,434	$751,512	$98,781	$1,540,727	($2)	$1,540,725		$1,540,725
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	513000	Temporary Salaries	$78,081	$26,723	$17,633	$9,090	($8,003)	$18,720		$18,720		$18,720
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	514000	Overtime	$3,139									
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	516000	Fringe Benefits	$310,981	$480,477	$212,159	$268,318	$2,055	$482,532	$42,312	$524,844		$524,844
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	599110	Salary Increase							$93,674	$93,674		$93,674
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	B	599160	Benefit Increase							$15,850	$15,850		$15,850
					$1,450,579	**$1,949,146**	**$920,226**	**$1,028,920**	**$92,833**	**$2,041,979**	**$151,834**	**$2,193,813**		**$2,193,813**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	F	F_1991	Salary - General Fund	$259,146	$635,933	$300,235	$335,698	($112,787)	$523,146	$114,982	$638,128		$638,128
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	F	F_1992	Salary - Federal Funds	$1,191,433	$1,205,117	$568,957	$636,160	$179,361	$1,384,478	$34,065	$1,418,543		$1,418,543
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32510	F	F_1993	Salary - Other Funds		$108,096	$51,034	$57,062	$26,259	$134,355	$2,787	$137,142		$137,142
					$1,450,579	**$1,949,146**	**$920,226**	**$1,028,920**	**$92,833**	**$2,041,979**	**$151,834**	**$2,193,813**		**$2,193,813**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	521000	Travel	$61,463	$111,516	$39,180	$72,336	($13,121)	$98,395		$98,395		$98,395
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	531000	Supplies - IT Software	$1,713	$4,400	$1,509	$2,891	($1,100)	$3,300		$3,300		$3,300
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	532000	Supply/Material-Professional	$196,878	$192,900	$97,259	$95,641	$2,466	$195,366		$195,366		$195,366
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	535000	Miscellaneous Supplies	$5,497	$4,690	$2,002	$2,688	($390)	$4,300		$4,300		$4,300
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	536000	Office Supplies	$1,506	$7,520	$2,962	$4,558	($2,020)	$5,500		$5,500		$5,500
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	541000	Postage	$6,861	$29,800	$7,214	$22,586	($13,555)	$16,245		$16,245		$16,245
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	542000	Printing	$3,358	$10,700	$1,642	$9,058	($4,900)	$5,800		$5,800		$5,800
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	553000	Office Equip & Furniture-Under		$500		$500	$500	$1,000		$1,000		$1,000
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	561000	Utilities		$60	$31	$29	($60)					
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	582000	Rentals/Leases - Bldg/Land	$107,702	$117,584	$81,412	$36,172	$32,152	$149,736		$149,736		$149,736
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	591000	Repairs	$625	$1,015	$33	$982	($65)	$950		$950		$950
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	601000	IT - Data Processing	$121	$900	$371	$529	($100)	$800		$800		$800
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	602000	IT-Communications	$1,553	$2,775	$623	$2,152	($325)	$2,450		$2,450		$2,450
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	603000	IT Contractual Services and Re	$10	$133	$133		($133)					
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	611000	Professional Development	$126,302	$153,135	$58,764	$94,371	($13,120)	$140,015		$140,015		$140,015
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	621000	Operating Fees and Services	$830,185	$3,087,403	$293,840	$2,793,563	($1,353,919)	$1,733,484	$700,000	$2,433,484	$124,400	$2,557,884
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	B	699000	Operating Budget Adjustment							$2,804,562	$2,804,562		$2,804,562
					$1,343,774	**$3,725,031**	**$586,975**	**$3,138,056**	**($1,367,690)**	**$2,357,341**	**$3,504,562**	**$5,861,903**	**$124,400**	**$5,986,303**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	F	F_3991	Operating - General Fund	$40,401	$621,740	$97,971	$523,769	$71,092	$692,832	$3,504,562	$4,197,394	$124,400	$4,321,794
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	F	F_3992	Operating - Federal Funds	$1,229,774	$2,274,491	$358,405	$1,916,086	($692,803)	$1,581,688		$1,581,688		$1,581,688
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32530	F	F_3993	Operating - Other Funds	$73,599	$828,800	$130,599	$698,201	($745,979)	$82,821		$82,821		$82,821
					$1,343,774	**$3,725,031**	**$586,975**	**$3,138,056**	**($1,367,690)**	**$2,357,341**	**$3,504,562**	**$5,861,903**	**$124,400**	**$5,986,303**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32560	B	712000	Grants, Benefits & Claims	$4,883,869	$4,396,859	$1,427,113	$2,969,746	($140,215)	$4,256,644		$4,256,644		$4,256,644
					$4,883,869	**$4,396,859**	**$1,427,113**	**$2,969,746**	**($140,215)**	**$4,256,644**		**$4,256,644**		**$4,256,644**
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32560	F	F_6991	Grants - General Fund	$770,186	$649,706	$210,879	$438,827	$68,648	$718,354		$718,354		$718,354
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32560	F	F_6992	Grants - Federal Funds	$3,955,202	$3,347,153	$1,086,404	$2,260,749	($142,863)	$3,204,290		$3,204,290		$3,204,290
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32560	F	F_6993	Grants - Other Funds	$158,481	$400,000	$129,830	$270,170	($66,000)	$334,000		$334,000		$334,000
					$4,883,869	**$4,396,859**	**$1,427,113**	**$2,969,746**	**($140,215)**	**$4,256,644**		**$4,256,644**		**$4,256,644**

Department of Human Services
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Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32590	T	1	General Funds	$1,069,733	$1,907,379	$609,085	$1,298,294	$26,953	$1,934,332	$3,619,544	$5,553,876	$124,400	$5,678,276
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32590	T	2	Federal Funds	$6,376,409	$6,826,761	$2,013,766	$4,812,995	($656,305)	$6,170,456	$34,065	$6,204,521		$6,204,521
300-47 MENTAL HEALTH AND SUBSTANCE ABUSE	32590	T	3	Other Funds	$232,080	$1,336,896	$311,463	$1,025,433	($785,720)	$551,176	$2,787	$553,963		$553,963
					$7,678,222	**$10,071,036**	**$2,934,314**	**$7,136,722**	**($1,415,072)**	**$8,655,964**	**$3,656,396**	**$12,312,360**	**$124,400**	**$12,436,760**

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300-51 DISABILITY SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	46.10	41.10		41.10		41.10		41.10		41.10
					46.10	**41.10**		**41.10**		**41.10**		**41.10**		**41.10**
300-51 DISABILITY SERVICES	32510	B	511000	Salaries - Permanent	$2,863,710	$2,895,845	$1,343,502	$1,552,343	$24,417	$2,920,262	($6)	$2,920,256		$2,920,256
300-51 DISABILITY SERVICES	32510	B	513000	Temporary Salaries		$58,368	$29,095	$29,273	($34,369)	$23,999	$1	$24,000		$24,000
300-51 DISABILITY SERVICES	32510	B	514000	Overtime	$6,620	$8,000	$4,921	$3,079	($2,997)	$5,003	$1	$5,004		$5,004
300-51 DISABILITY SERVICES	32510	B	516000	Fringe Benefits	$1,025,534	$1,069,771	$505,963	$563,808	($5,502)	$1,064,269	$109,334	$1,173,603		$1,173,603
300-51 DISABILITY SERVICES	32510	B	599110	Salary Increase							$180,294	$180,294		$180,294
300-51 DISABILITY SERVICES	32510	B	599160	Benefit Increase							$30,345	$30,345		$30,345
					$3,895,864	**$4,031,984**	**$1,883,481**	**$2,148,503**	**($18,451)**	**$4,013,533**	**$319,969**	**$4,333,502**		**$4,333,502**
300-51 DISABILITY SERVICES	32510	F	F_1991	Salary - General Fund	$500,714	$572,797	$267,574	$305,223	($3,281)	$569,516	$210,347	$779,863		$779,863
300-51 DISABILITY SERVICES	32510	F	F_1992	Salary - Federal Funds	$3,372,534	$3,459,187	$1,615,907	$1,843,280	($15,170)	$3,444,017	$109,622	$3,553,639		$3,553,639
300-51 DISABILITY SERVICES	32510	F	F_1993	Salary - Other Funds	$22,616									
					$3,895,864	**$4,031,984**	**$1,883,481**	**$2,148,503**	**($18,451)**	**$4,013,533**	**$319,969**	**$4,333,502**		**$4,333,502**
300-51 DISABILITY SERVICES	32530	B	521000	Travel	$238,884	$288,953	$131,146	$157,807	$25,817	$314,770		$314,770		$314,770
300-51 DISABILITY SERVICES	32530	B	531000	Supplies - IT Software	$26,705	$38,246	$14,745	$23,501	($12,600)	$25,646		$25,646		$25,646
300-51 DISABILITY SERVICES	32530	B	532000	Supply/Material-Professional	$26,484	$74,020	$9,244	$64,776	$47,643	$121,663		$121,663		$121,663
300-51 DISABILITY SERVICES	32530	B	534000	Bldg, Grounds, Vehicle Supply	$84									
300-51 DISABILITY SERVICES	32530	B	535000	Miscellaneous Supplies	$75,089	$32,835	$15,779	$17,056	($7,535)	$25,300		$25,300		$25,300
300-51 DISABILITY SERVICES	32530	B	536000	Office Supplies	$22,728	$47,288	$20,749	$26,539	($18,805)	$28,483		$28,483		$28,483
300-51 DISABILITY SERVICES	32530	B	541000	Postage	$70,798	$62,754	$23,863	$38,891	($16,624)	$46,130		$46,130		$46,130
300-51 DISABILITY SERVICES	32530	B	542000	Printing	$70,466	$130,785	$41,807	$88,978	($44,335)	$86,450		$86,450		$86,450
300-51 DISABILITY SERVICES	32530	B	551000	IT Equip under $5,000	$16,791									
300-51 DISABILITY SERVICES	32530	B	552000	Other Equip under $5,000	$16,289	$17,590	$12	$17,578	$2,410	$20,000		$20,000		$20,000
300-51 DISABILITY SERVICES	32530	B	553000	Office Equip & Furniture-Under		$35,092	$8,208	$26,884	($13,565)	$21,527		$21,527		$21,527
300-51 DISABILITY SERVICES	32530	B	581000	Rentals/Leases-Equip & Other	$2,556	$10,250	$4,296	$5,954	($290)	$9,960		$9,960		$9,960
300-51 DISABILITY SERVICES	32530	B	582000	Rentals/Leases - Bldg/Land	$386,766	$331,805	$262,024	$69,781	$72,374	$404,179		$404,179		$404,179
300-51 DISABILITY SERVICES	32530	B	591000	Repairs	$13,962	$9,750	$1,623	$8,127	($2,750)	$7,000		$7,000		$7,000
300-51 DISABILITY SERVICES	32530	B	601000	IT - Data Processing	$987	$1,044	$553	$491	$416	$1,460		$1,460		$1,460
300-51 DISABILITY SERVICES	32530	B	602000	IT-Communications	$2,808	$2,786	$1,742	$1,044	$3,373	$6,159		$6,159		$6,159
300-51 DISABILITY SERVICES	32530	B	603000	IT Contractual Services and Re	$2,623	$25	$13	$12	($25)					
300-51 DISABILITY SERVICES	32530	B	611000	Professional Development	$78,859	$118,798	$55,945	$62,853	$52,678	$171,476		$171,476		$171,476
300-51 DISABILITY SERVICES	32530	B	621000	Operating Fees and Services	$2,481,791	$3,588,551	$1,411,786	$2,176,765	$390,922	$3,979,473	$43,520	$4,022,993	$14,506	$4,037,499
300-51 DISABILITY SERVICES	32530	B	623000	Fees - Professional Services	$522,078	$444,750	$245,436	$199,314	$141,480	$586,230		$586,230		$586,230
300-51 DISABILITY SERVICES	32530	B	625000	Medical, Dental and Optical	$3,128	$18,100	$108	$17,992	($18,100)					
					$4,059,876	**$5,253,422**	**$2,249,079**	**$3,004,343**	**$602,484**	**$5,855,906**	**$43,520**	**$5,899,426**	**$14,506**	**$5,913,932**
300-51 DISABILITY SERVICES	32530	F	F_3991	Operating - General Fund	$1,021,391	$1,303,437	$558,023	$745,414	$498,138	$1,801,575	$43,520	$1,845,095	$14,506	$1,859,601
300-51 DISABILITY SERVICES	32530	F	F_3992	Operating - Federal Funds	$3,030,611	$3,929,985	$1,682,494	$2,247,491	$114,346	$4,044,331		$4,044,331		$4,044,331
300-51 DISABILITY SERVICES	32530	F	F_3993	Operating - Other Funds	$7,874	$20,000	$8,562	$11,438	($10,000)	$10,000		$10,000		$10,000
					$4,059,876	**$5,253,422**	**$2,249,079**	**$3,004,343**	**$602,484**	**$5,855,906**	**$43,520**	**$5,899,426**	**$14,506**	**$5,913,932**

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300-51 DISABILITY SERVICES	32560	B	621000	Operating Fees and Services	$198,497									
300-51 DISABILITY SERVICES	32560	B	712000	Grants, Benefits & Claims	$12,864,733	$18,668,825	$7,432,437	$11,236,388	$185,241	$18,854,066	$29,555	$18,883,621	$1,000,000	$19,883,621
					$13,063,230	**$18,668,825**	**$7,432,437**	**$11,236,388**	**$185,241**	**$18,854,066**	**$29,555**	**$18,883,621**	**$1,000,000**	**$19,883,621**
300-51 DISABILITY SERVICES	32560	F	F_6991	Grants - General Fund	$3,035,576	$3,407,343	$1,356,532	$2,050,811	($40,689)	$3,366,654	$14,778	$3,381,432	$1,000,000	$4,381,432
300-51 DISABILITY SERVICES	32560	F	F_6992	Grants - Federal Funds	$9,927,554	$15,162,382	$6,036,451	$9,125,931	$228,030	$15,390,412	$14,777	$15,405,189		$15,405,189
300-51 DISABILITY SERVICES	32560	F	F_6993	Grants - Other Funds	$100,100	$99,100	$39,454	$59,646	($2,100)	$97,000		$97,000		$97,000
					$13,063,230	**$18,668,825**	**$7,432,437**	**$11,236,388**	**$185,241**	**$18,854,066**	**$29,555**	**$18,883,621**	**$1,000,000**	**$19,883,621**
300-51 DISABILITY SERVICES	32590	T	1	General Funds	$4,557,681	$5,283,577	$2,182,129	$3,101,448	$454,168	$5,737,745	$268,645	$6,006,390	$1,014,506	$7,020,896
300-51 DISABILITY SERVICES	32590	T	2	Federal Funds	$16,330,699	$22,551,554	$9,334,852	$13,216,702	$327,206	$22,878,760	$124,399	$23,003,159		$23,003,159
300-51 DISABILITY SERVICES	32590	T	3	Other Funds	$130,590	$119,100	$48,016	$71,084	($12,100)	$107,000		$107,000		$107,000
					$21,018,970	**$27,954,231**	**$11,564,997**	**$16,389,234**	**$769,274**	**$28,723,505**	**$393,044**	**$29,116,549**	**$1,014,506**	**$30,131,055**

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410-71 NORTHWEST HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	49.00	45.75		45.75		45.75		45.75		45.75
					49.00	**45.75**		**45.75**		**45.75**		**45.75**		**45.75**
410-71 NORTHWEST HSC	32570	B	511000	Salaries - Permanent	$3,311,258	$3,468,695	$1,610,106	$1,858,589	($13,244)	$3,455,451	$3	$3,455,454		$3,455,454
410-71 NORTHWEST HSC	32570	B	513000	Temporary Salaries	$184,389	$200,523	$78,446	$122,077	$21,576	$222,099	($1)	$222,098		$222,098
410-71 NORTHWEST HSC	32570	B	514000	Overtime	$5,687	$36,400	$159	$36,241	($36,400)					
410-71 NORTHWEST HSC	32570	B	516000	Fringe Benefits	$1,134,299	$1,298,921	$577,933	$720,988	($62,263)	$1,236,658	$120,176	$1,356,834		$1,356,834
410-71 NORTHWEST HSC	32570	B	521000	Travel	$139,582	$150,059	$71,618	$78,441	$6,131	$156,190		$156,190		$156,190
410-71 NORTHWEST HSC	32570	B	531000	Supplies - IT Software	$5,550	$6,000	$560	$5,440	($600)	$5,400		$5,400		$5,400
410-71 NORTHWEST HSC	32570	B	532000	Supply/Material-Professional	$15,366	$17,525	$6,382	$11,143	($2,239)	$15,286		$15,286		$15,286
410-71 NORTHWEST HSC	32570	B	533000	Food and Clothing	$5,209	$5,650	$1,739	$3,911	($1,150)	$4,500		$4,500		$4,500
410-71 NORTHWEST HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$45				$500	$500		$500		$500
410-71 NORTHWEST HSC	32570	B	535000	Miscellaneous Supplies	$21,277	$15,650	$7,329	$8,321	$8	$15,658		$15,658		$15,658
410-71 NORTHWEST HSC	32570	B	536000	Office Supplies	$10,028	$9,250	$5,175	$4,075	$2,750	$12,000		$12,000		$12,000
410-71 NORTHWEST HSC	32570	B	541000	Postage	$1,661	$20,000	$8,690	$11,310	($4,150)	$15,850		$15,850		$15,850
410-71 NORTHWEST HSC	32570	B	542000	Printing	$13,330	$6,500	$1,192	$5,308	($3,500)	$3,000		$3,000		$3,000
410-71 NORTHWEST HSC	32570	B	581000	Rentals/Leases-Equip & Other	$7,506	$20,000	$1,096	$18,904	($17,000)	$3,000		$3,000		$3,000
410-71 NORTHWEST HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$402,529	$407,105	$213,986	$193,119	($1,951)	$405,154		$405,154		$405,154
410-71 NORTHWEST HSC	32570	B	591000	Repairs	$56,309	$50,867	$35,749	$15,118	$10,644	$61,511		$61,511		$61,511
410-71 NORTHWEST HSC	32570	B	599110	Salary Increase							$213,425	$213,425		$213,425
410-71 NORTHWEST HSC	32570	B	599160	Benefit Increase							$36,173	$36,173		$36,173
410-71 NORTHWEST HSC	32570	B	602000	IT-Communications	$62,164	$62,111	$30,155	$31,956	$3,379	$65,490		$65,490		$65,490
410-71 NORTHWEST HSC	32570	B	611000	Professional Development	$5,030	$6,360	$2,278	$4,082	$2,790	$9,150		$9,150		$9,150
410-71 NORTHWEST HSC	32570	B	621000	Operating Fees and Services	$59,182	$89,019	$45,404	$43,615	($21,753)	$67,266		$67,266		$67,266
410-71 NORTHWEST HSC	32570	B	625000	Medical, Dental and Optical	$5,451	$5,000	$173	$4,827	($4,000)	$1,000		$1,000		$1,000
410-71 NORTHWEST HSC	32570	B	712000	Grants, Benefits & Claims	$1,337,378	$1,389,925	$603,401	$786,524	($50,407)	$1,339,518	$61,124	$1,400,642	$20,375	$1,421,017
					$6,783,230	**$7,265,560**	**$3,301,571**	**$3,963,989**	**($170,879)**	**$7,094,681**	**$430,900**	**$7,525,581**	**$20,375**	**$7,545,956**
410-71 NORTHWEST HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$3,424,648	$3,617,868	$1,644,009	$1,973,859	$437,095	$4,054,963	$334,360	$4,389,323	$20,375	$4,409,698
410-71 NORTHWEST HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$3,229,102	$3,300,855	$1,499,954	$1,800,901	($600,532)	$2,700,323	$90,815	$2,791,138		$2,791,138
410-71 NORTHWEST HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$129,480	$346,837	$157,608	$189,229	($7,442)	$339,395	$5,725	$345,120		$345,120
					$6,783,230	**$7,265,560**	**$3,301,571**	**$3,963,989**	**($170,879)**	**$7,094,681**	**$430,900**	**$7,525,581**	**$20,375**	**$7,545,956**

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410-72 NORTH CENTRAL HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	116.28	116.78		116.78		116.78	1.00	117.78		117.78
	-				**116.28**	**116.78**		**116.78**		**116.78**	**1.00**	**117.78**		**117.78**
410-72 NORTH CENTRAL HSC	32570	B	511000	Salaries - Permanent	$7,089,781	$7,657,623	$3,653,728	$4,003,895	$209,147	$7,866,770	$62,403	$7,929,173		$7,929,173
410-72 NORTH CENTRAL HSC	32570	B	512000	Salaries-Other	$11,605	$11,520	$5,688	$5,832	$1	$11,521		$11,521		$11,521
410-72 NORTH CENTRAL HSC	32570	B	513000	Temporary Salaries	$78,207	$86,526	$30,841	$55,685	($21,051)	$65,475	($3)	$65,472		$65,472
410-72 NORTH CENTRAL HSC	32570	B	514000	Overtime	$28,608	$20,248	$6,510	$13,738	($6,089)	$14,159		$14,159		$14,159
410-72 NORTH CENTRAL HSC	32570	B	516000	Fringe Benefits	$2,558,679	$2,946,141	$1,376,344	$1,569,797	$66,029	$3,012,170	$343,620	$3,355,790		$3,355,790
410-72 NORTH CENTRAL HSC	32570	B	521000	Travel	$242,210	$231,432	$105,809	$125,623	$39,380	$270,812		$270,812		$270,812
410-72 NORTH CENTRAL HSC	32570	B	531000	Supplies - IT Software	$14,406	$10,000	$4,791	$5,209	$5,000	$15,000		$15,000		$15,000
410-72 NORTH CENTRAL HSC	32570	B	532000	Supply/Material-Professional	$9,459	$19,850	$8,087	$11,763	$3,650	$23,500		$23,500		$23,500
410-72 NORTH CENTRAL HSC	32570	B	533000	Food and Clothing	$49,900	$50,000	$24,068	$25,932	$5,000	$55,000		$55,000		$55,000
410-72 NORTH CENTRAL HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$3,986	$1,000		$1,000		$1,000		$1,000		$1,000
410-72 NORTH CENTRAL HSC	32570	B	535000	Miscellaneous Supplies	$55,308	$33,500	$21,704	$11,796	$1,499	$34,999		$34,999		$34,999
410-72 NORTH CENTRAL HSC	32570	B	536000	Office Supplies	$12,219	$12,538	$6,008	$6,530	$1,462	$14,000		$14,000		$14,000
410-72 NORTH CENTRAL HSC	32570	B	541000	Postage	$23,871	$32,000	$16,378	$15,622		$32,000		$32,000		$32,000
410-72 NORTH CENTRAL HSC	32570	B	542000	Printing	$16,109	$16,000	$11,016	$4,984	$6,000	$22,000		$22,000		$22,000
410-72 NORTH CENTRAL HSC	32570	B	553000	Office Equip & Furniture-Under	$146									
410-72 NORTH CENTRAL HSC	32570	B	561000	Utilities	$3,379									
410-72 NORTH CENTRAL HSC	32570	B	581000	Rentals/Leases-Equip & Other		$14,334	$2,480	$11,854	$2,466	$16,800		$16,800		$16,800
410-72 NORTH CENTRAL HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$940,784	$919,204	$429,119	$490,085	$19,619	$938,823		$938,823		$938,823
410-72 NORTH CENTRAL HSC	32570	B	591000	Repairs	$38,200	$25,328	$11,236	$14,092	($728)	$24,600		$24,600		$24,600
410-72 NORTH CENTRAL HSC	32570	B	599110	Salary Increase							$502,928	$502,928		$502,928
410-72 NORTH CENTRAL HSC	32570	B	599160	Benefit Increase							$83,795	$83,795		$83,795
410-72 NORTH CENTRAL HSC	32570	B	602000	IT-Communications	$117,805	$110,165	$51,200	$58,965	$35,493	$145,658		$145,658		$145,658
410-72 NORTH CENTRAL HSC	32570	B	611000	Professional Development	$5,322	$10,898	$5,524	$5,374	$3,500	$14,398		$14,398		$14,398
410-72 NORTH CENTRAL HSC	32570	B	621000	Operating Fees and Services	$203,396	$134,305	$76,025	$58,280	($60,705)	$73,600		$73,600		$73,600
410-72 NORTH CENTRAL HSC	32570	B	625000	Medical, Dental and Optical	$21,716	$25,000	$11,683	$13,317		$25,000		$25,000		$25,000
410-72 NORTH CENTRAL HSC	32570	B	712000	Grants, Benefits & Claims	$2,903,359	$2,900,461	$1,219,624	$1,680,837	$135,541	$3,036,002	$136,712	$3,172,714	$45,571	$3,218,285
					$14,428,455	**$15,268,073**	**$7,077,863**	**$8,190,210**	**$445,214**	**$15,713,287**	**$1,129,455**	**$16,842,742**	**$45,571**	**$16,888,313**
410-72 NORTH CENTRAL HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$7,561,375	$8,042,290	$3,728,187	$4,314,103	$43,325	$8,085,815	$839,160	$8,924,775	$45,571	$8,970,346
410-72 NORTH CENTRAL HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$6,159,481	$6,371,278	$2,953,551	$3,417,727	$420,217	$6,791,495	$273,478	$7,064,973		$7,064,973
410-72 NORTH CENTRAL HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$617,742	$733,982	$396,125	$337,857	$2,195	$736,177	$16,817	$752,994		$752,994
410-72 NORTH CENTRAL HSC	32570	F	F_7095	HSCs & Institutions - County	$89,857	$120,523		$120,523	($20,523)	$100,000		$100,000		$100,000
					$14,428,455	**$15,268,073**	**$7,077,863**	**$8,190,210**	**$445,214**	**$15,713,287**	**$1,129,455**	**$16,842,742**	**$45,571**	**$16,888,313**

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt Acct	Bgt Acct Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
410-73 LAKE REGION HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	62.00	61.25		61.25	0.00	61.25	1.00	62.25		62.25
					62.00	**61.25**		**61.25**	**0.00**	**61.25**	**1.00**	**62.25**		**62.25**
410-73 LAKE REGION HSC	32570	B	511000	Salaries - Permanent	$4,084,943	$4,342,923	$2,032,072	$2,310,851	$246,147	$4,589,070	$7,098	$4,596,168		$4,596,168
410-73 LAKE REGION HSC	32570	B	512000	Salaries-Other		$37,923	$17,525	$20,398	($2,715)	$35,208	$1	$35,209		$35,209
410-73 LAKE REGION HSC	32570	B	513000	Temporary Salaries	$25,458	$74,880	$11,159	$63,721	$1,252	$76,132	($2)	$76,130		$76,130
410-73 LAKE REGION HSC	32570	B	514000	Overtime	$2,766									
410-73 LAKE REGION HSC	32570	B	516000	Fringe Benefits	$1,342,785	$1,558,744	$697,893	$860,851	$22,662	$1,581,406	$170,530	$1,751,936		$1,751,936
410-73 LAKE REGION HSC	32570	B	521000	Travel	$134,233	$168,045	$74,421	$93,624	$5,025	$173,070		$173,070		$173,070
410-73 LAKE REGION HSC	32570	B	531000	Supplies - IT Software	$8,090	$4,500	$3,930	$570	$2,000	$6,500		$6,500		$6,500
410-73 LAKE REGION HSC	32570	B	532000	Supply/Material-Professional	$50,509	$37,650	$22,587	$15,063	$6,450	$44,100		$44,100		$44,100
410-73 LAKE REGION HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$50									
410-73 LAKE REGION HSC	32570	B	535000	Miscellaneous Supplies	$29,232	$10,057	$6,294	$3,763	($845)	$9,212		$9,212		$9,212
410-73 LAKE REGION HSC	32570	B	536000	Office Supplies	$24,600	$32,550	$13,966	$18,584		$32,550		$32,550		$32,550
410-73 LAKE REGION HSC	32570	B	541000	Postage	$20,824	$25,952	$13,857	$12,095	$200	$26,152		$26,152		$26,152
410-73 LAKE REGION HSC	32570	B	542000	Printing	$7,693	$10,000	$1,126	$8,874	($6,000)	$4,000		$4,000		$4,000
410-73 LAKE REGION HSC	32570	B	553000	Office Equip & Furniture-Under	$3,404									
410-73 LAKE REGION HSC	32570	B	571000	Insurance	$2,012	$4,500	$2,100	$2,400		$4,500		$4,500		$4,500
410-73 LAKE REGION HSC	32570	B	581000	Rentals/Leases-Equip & Other	$284									
410-73 LAKE REGION HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$335,421	$366,519	$168,579	$197,940	$59,321	$425,840		$425,840		$425,840
410-73 LAKE REGION HSC	32570	B	591000	Repairs	$17,349	$17,600	$8,909	$8,691		$17,600		$17,600		$17,600
410-73 LAKE REGION HSC	32570	B	599110	Salary Increase							$285,839	$285,839		$285,839
410-73 LAKE REGION HSC	32570	B	599160	Benefit Increase							$46,685	$46,685		$46,685
410-73 LAKE REGION HSC	32570	B	602000	IT-Communications	$72,268	$91,418	$32,569	$58,849	($4,690)	$86,728		$86,728		$86,728
410-73 LAKE REGION HSC	32570	B	611000	Professional Development	$3,316	$6,200	$384	$5,816	($75)	$6,125		$6,125		$6,125
410-73 LAKE REGION HSC	32570	B	621000	Operating Fees and Services	$70,245	$147,606	$47,080	$100,526	($17,996)	$129,610		$129,610		$129,610
410-73 LAKE REGION HSC	32570	B	623000	Fees - Professional Services	$1,414	$3,520	$201	$3,319	($445)	$3,075		$3,075		$3,075
410-73 LAKE REGION HSC	32570	B	625000	Medical, Dental and Optical	$161	$4,200	$375	$3,825		$4,200		$4,200		$4,200
410-73 LAKE REGION HSC	32570	B	691000	Equipment Over $5000	$15,139	$20,000		$20,000		$20,000		$20,000		$20,000
410-73 LAKE REGION HSC	32570	B	712000	Grants, Benefits & Claims	$1,504,187	$1,954,520	$786,660	$1,167,860	$24,332	$1,978,852	$89,263	$2,068,115	$29,754	$2,097,869
					$7,756,383	**$8,919,307**	**$3,941,687**	**$4,977,620**	**$334,623**	**$9,253,930**	**$599,414**	**$9,853,344**	**$29,754**	**$9,883,098**
410-73 LAKE REGION HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$4,066,610	$4,780,621	$2,112,688	$2,667,933	$187,449	$4,968,070	$467,940	$5,436,010	$29,754	$5,465,764
410-73 LAKE REGION HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$3,199,001	$3,652,704	$1,614,230	$2,038,474	$189,122	$3,841,826	$124,077	$3,965,903		$3,965,903
410-73 LAKE REGION HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$490,772	$485,982	$214,769	$271,213	($41,948)	$444,034	$7,397	$451,431		$451,431
					$7,756,383	**$8,919,307**	**$3,941,687**	**$4,977,620**	**$334,623**	**$9,253,930**	**$599,414**	**$9,853,344**	**$29,754**	**$9,883,098**

Robert Tescher, CPA

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
410-74 NORTHEAST HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	142.90	136.25		136.25	(1.15)	135.10	2.00	137.10		137.10
					142.90	**136.25**		**136.25**	**(1.15)**	**135.10**	**2.00**	**137.10**		**137.10**
410-74 NORTHEAST HSC	32570	B	511000	Salaries - Permanent	$7,855,316	$9,340,593	$4,487,219	$4,853,374	($63,082)	$9,277,511	$123,965	$9,401,476		$9,401,476
410-74 NORTHEAST HSC	32570	B	513000	Temporary Salaries	$259,443	$284,337	$144,293	$140,044	$58,745	$343,082	($3)	$343,079		$343,079
410-74 NORTHEAST HSC	32570	B	514000	Overtime	$32,449	$33,467	$31,085	$2,382	$17,435	$50,902		$50,902		$50,902
410-74 NORTHEAST HSC	32570	B	516000	Fringe Benefits	$3,079,200	$3,665,026	$1,676,935	$1,988,091	($239,387)	$3,425,639	$399,907	$3,825,546		$3,825,546
410-74 NORTHEAST HSC	32570	B	521000	Travel	$371,117	$390,801	$177,170	$213,631	$5,199	$396,000		$396,000		$396,000
410-74 NORTHEAST HSC	32570	B	531000	Supplies - IT Software	$11,677	$22,200	$9,734	$12,466		$22,200		$22,200		$22,200
410-74 NORTHEAST HSC	32570	B	532000	Supply/Material-Professional	$49,203	$38,476	$11,922	$26,554	($128)	$38,348		$38,348		$38,348
410-74 NORTHEAST HSC	32570	B	533000	Food and Clothing	$100,815	$115,680	$41,945	$73,735		$115,680		$115,680		$115,680
410-74 NORTHEAST HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$11,547	$10,142	$3,673	$6,469		$10,142		$10,142		$10,142
410-74 NORTHEAST HSC	32570	B	535000	Miscellaneous Supplies	$41,536	$55,847	$14,127	$41,720	($7,002)	$48,845		$48,845		$48,845
410-74 NORTHEAST HSC	32570	B	536000	Office Supplies	$55,060	$51,650	$23,311	$28,339	($40)	$51,610		$51,610		$51,610
410-74 NORTHEAST HSC	32570	B	541000	Postage	$36,496	$37,851	$18,188	$19,663	($336)	$37,515		$37,515		$37,515
410-74 NORTHEAST HSC	32570	B	542000	Printing	$16,284	$20,610	$5,714	$14,896		$20,610		$20,610		$20,610
410-74 NORTHEAST HSC	32570	B	553000	Office Equip & Furniture-Under	$39,190	$360	$360			$360		$360		$360
410-74 NORTHEAST HSC	32570	B	561000	Utilities	$33,961	$29,950	$18,104	$11,846	$10,000	$39,950		$39,950		$39,950
410-74 NORTHEAST HSC	32570	B	571000	Insurance	$1,947	$2,778	$1,383	$1,395		$2,778		$2,778		$2,778
410-74 NORTHEAST HSC	32570	B	581000	Rentals/Leases-Equip & Other	$2,850	$3,886	$1,425	$2,461		$3,886		$3,886		$3,886
410-74 NORTHEAST HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$1,178,282	$1,210,283	$587,927	$622,356	$8,893	$1,219,176		$1,219,176		$1,219,176
410-74 NORTHEAST HSC	32570	B	591000	Repairs	$98,596	$54,696	$22,380	$32,316	($718)	$53,978		$53,978		$53,978
410-74 NORTHEAST HSC	32570	B	599110	Salary Increase							$580,606	$580,606		$580,606
410-74 NORTHEAST HSC	32570	B	599160	Benefit Increase							$96,743	$96,743		$96,743
410-74 NORTHEAST HSC	32570	B	602000	IT-Communications	$172,229	$163,276	$78,818	$84,458	$10,933	$174,209		$174,209		$174,209
410-74 NORTHEAST HSC	32570	B	611000	Professional Development	$10,664	$30,077	$11,032	$19,045	($5,000)	$25,077		$25,077		$25,077
410-74 NORTHEAST HSC	32570	B	621000	Operating Fees and Services	$288,934	$327,264	$141,739	$185,525	($32,048)	$295,216		$295,216		$295,216
410-74 NORTHEAST HSC	32570	B	623000	Fees - Professional Services	$390,015	$520,571	$199,464	$321,107		$520,571		$520,571		$520,571
410-74 NORTHEAST HSC	32570	B	625000	Medical, Dental and Optical	$65,118	$82,927	$56,638	$6,289	$20,000	$82,927		$82,927		$82,927
410-74 NORTHEAST HSC	32570	B	699000	Operating Budget Adjustment							$652,132	$652,132		$652,132
410-74 NORTHEAST HSC	32570	B	712000	Grants, Benefits & Claims	$3,649,951	$3,995,312	$1,893,644	$2,101,668	($25,851)	$3,969,461	$113,582	$4,083,043	$37,861	$4,120,904
					$17,851,880	**$20,468,060**	**$9,658,230**	**$10,809,830**	**($242,387)**	**$20,225,673**	**$1,966,932**	**$22,192,605**	**$37,861**	**$22,230,466**
410-74 NORTHEAST HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$7,299,136	$8,332,165	$3,931,685	$4,400,480	$274,857	$8,607,022	$1,329,261	$9,936,283	$33,696	$9,969,979
410-74 NORTHEAST HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$10,145,466	$11,251,266	$5,309,117	$5,942,149	($400,615)	$10,850,651	$624,544	$11,475,195	$4,165	$11,479,360
410-74 NORTHEAST HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$407,278	$884,629	$417,428	$467,201	($116,629)	$768,000	$13,127	$781,127		$781,127
					$17,851,880	**$20,468,060**	**$9,658,230**	**$10,809,830**	**($242,387)**	**$20,225,673**	**$1,966,932**	**$22,192,605**	**$37,861**	**$22,230,466**

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410-75 SOUTHEAST HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	183.60	177.35		177.35		177.35	6.00	183.35		183.35
					183.60	**177.36**		**177.35**		**177.35**	**6.00**	**183.35**		**183.35**
410-75 SOUTHEAST HSC	32570	B	511000	Salaries - Permanent	$12,140,135	$13,053,822	$6,316,172	$6,737,650	$558,040	$13,611,862	$388,273	$14,000,135		$14,000,135
410-75 SOUTHEAST HSC	32570	B	513000	Temporary Salaries	$357,136	$455,803	$240,345	$215,458	($249,450)	$206,353	($1)	$206,352		$206,352
410-75 SOUTHEAST HSC	32570	B	514000	Overtime	$38,185	$16,910	$16,013	$897	($16,910)					
410-75 SOUTHEAST HSC	32570	B	516000	Fringe Benefits	$4,128,565	$4,654,223	$2,216,817	$2,437,406	$22,102	$4,676,325	$621,347	$5,297,672		$5,297,672
410-75 SOUTHEAST HSC	32570	B	521000	Travel	$302,446	$327,098	$164,681	$162,417	$37,235	$364,333		$364,333		$364,333
410-75 SOUTHEAST HSC	32570	B	531000	Supplies - IT Software	$16,047	$17,281	$13,867	$3,414	$12,864	$30,145		$30,145		$30,145
410-75 SOUTHEAST HSC	32570	B	532000	Supply/Material-Professional	$35,233	$25,531	$13,122	$12,409	$3,305	$28,836		$28,836		$28,836
410-75 SOUTHEAST HSC	32570	B	533000	Food and Clothing	$8,784	$10,302	$8,209	$2,093	($1,598)	$8,704		$8,704		$8,704
410-75 SOUTHEAST HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$16,601	$28,132	$9,712	$18,420	($55)	$28,077		$28,077		$28,077
410-75 SOUTHEAST HSC	32570	B	535000	Miscellaneous Supplies	$38,047	$53,585	$26,729	$26,856	($14,069)	$39,516		$39,516		$39,516
410-75 SOUTHEAST HSC	32570	B	536000	Office Supplies	$40,698	$42,889	$20,976	$21,913	$4,180	$47,069		$47,069		$47,069
410-75 SOUTHEAST HSC	32570	B	541000	Postage	$44,167	$48,768	$23,622	$25,146	$3,406	$52,174		$52,174		$52,174
410-75 SOUTHEAST HSC	32570	B	542000	Printing	$22,625	$23,978	$9,097	$14,881	$1,354	$25,332		$25,332		$25,332
410-75 SOUTHEAST HSC	32570	B	552000	Other Equip under $5,000	$450	$5,423		$5,423		$5,423		$5,423		$5,423
410-75 SOUTHEAST HSC	32570	B	553000	Office Equip & Furniture-Under	$14,682	$9,564	$3,417	$6,147		$9,564		$9,564		$9,564
410-75 SOUTHEAST HSC	32570	B	561000	Utilities	$123,841	$113,333	$77,755	$35,578	$20,503	$133,836		$133,836		$133,836
410-75 SOUTHEAST HSC	32570	B	571000	Insurance		$600		$600		$600		$600		$600
410-75 SOUTHEAST HSC	32570	B	581000	Rentals/Leases-Equip & Other	$16,468	$19,402	$8,231	$11,171		$19,402		$19,402		$19,402
410-75 SOUTHEAST HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$55,973	$61,486	$32,551	$28,935	$114,041	$175,527		$175,527		$175,527
410-75 SOUTHEAST HSC	32570	B	591000	Repairs	$209,030	$178,598	$98,322	$80,276	$17,445	$196,043		$196,043		$196,043
410-75 SOUTHEAST HSC	32570	B	599110	Salary Increase							$834,339	$834,339		$834,339
410-75 SOUTHEAST HSC	32570	B	599160	Benefit Increase							$134,367	$134,367		$134,367
410-75 SOUTHEAST HSC	32570	B	602000	IT-Communications	$187,031	$186,907	$83,598	$103,309	$37,869	$224,776		$224,776		$224,776
410-75 SOUTHEAST HSC	32570	B	611000	Professional Development	$19,763	$57,850	$15,794	$42,056	($16)	$57,834		$57,834		$57,834
410-75 SOUTHEAST HSC	32570	B	621000	Operating Fees and Services	$213,574	$116,847	$78,056	$38,791	$5,829	$122,676		$122,676		$122,676
410-75 SOUTHEAST HSC	32570	B	623000	Fees - Professional Services	$3,489	$23,821	$10,537	$13,284	$3,241	$27,062		$27,062		$27,062
410-75 SOUTHEAST HSC	32570	B	625000	Medical, Dental and Optical	$82,394	$82,517	$53,193	$29,324	($25,840)	$56,677		$56,677		$56,677
410-75 SOUTHEAST HSC	32570	B	683000	Other Capital Payments	$591,444	$565,111	$345,437	$219,674	($509,362)	$55,749		$55,749		$55,749
410-75 SOUTHEAST HSC	32570	B	691000	Equipment Over $5000		$19,000		$19,000		$19,000		$19,000		$19,000
410-75 SOUTHEAST HSC	32570	B	712000	Grants, Benefits & Claims	$2,840,874	$3,327,741	$1,551,523	$1,776,218	$432,551	$3,760,292	$183,962	$3,944,254	$61,321	$4,005,575
					$21,547,662	**$23,526,522**	**$11,437,776**	**$12,088,746**	**$456,665**	**$23,983,187**	**$2,162,287**	**$26,145,474**	**$61,321**	**$26,206,795**
410-75 SOUTHEAST HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$9,427,207	$9,955,620	$4,840,076	$5,115,544	$473,847	$10,429,467	$1,419,408	$11,848,875	$61,321	$11,910,196
410-75 SOUTHEAST HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$11,331,752	$12,441,908	$6,048,822	$6,393,086	($64,568)	$12,377,340	$700,598	$13,077,938		$13,077,938
410-75 SOUTHEAST HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$788,703	$1,128,994	$548,878	$580,116	$47,386	$1,176,380	$42,281	$1,218,661		$1,218,661
					$21,547,662	**$23,526,522**	**$11,437,776**	**$12,088,746**	**$456,665**	**$23,983,187**	**$2,162,287**	**$26,145,474**	**$61,321**	**$26,206,795**

Department of Human Services
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Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
410-76 SOUTH CENTRAL HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	88.00	87.60		87.60	(0.60)	87.00		87.00		87.00
					88.00	**87.60**		**87.60**	**(0.60)**	**87.00**		**87.00**		**87.00**
410-76 SOUTH CENTRAL HSC	32570	B	511000	Salaries - Permanent	$5,657,613	$6,185,854	$2,927,986	$3,257,868	$117,378	$6,303,232	($3)	$6,303,229		$6,303,229
410-76 SOUTH CENTRAL HSC	32570	B	512000	Salaries-Other	$6,858	$7,800	$3,600	$4,200	($1)	$7,799		$7,799		$7,799
410-76 SOUTH CENTRAL HSC	32570	B	513000	Temporary Salaries	$51,194	$141,289	$40,355	$100,934	$9,720	$151,009	($1)	$151,008		$151,008
410-76 SOUTH CENTRAL HSC	32570	B	514000	Overtime	$1,615									
410-76 SOUTH CENTRAL HSC	32570	B	516000	Fringe Benefits	$1,947,261	$2,226,029	$1,048,715	$1,177,314	$44,655	$2,270,684	$229,366	$2,500,050		$2,500,050
410-76 SOUTH CENTRAL HSC	32570	B	521000	Travel	$210,485	$244,355	$99,956	$144,399	($9,173)	$235,182		$235,182		$235,182
410-76 SOUTH CENTRAL HSC	32570	B	531000	Supplies - IT Software	$11,001	$7,864	$1,302	$6,562	($2,000)	$5,864		$5,864		$5,864
410-76 SOUTH CENTRAL HSC	32570	B	532000	Supply/Material-Professional	$32,976	$32,339	$11,082	$21,257	$1,450	$33,789		$33,789		$33,789
410-76 SOUTH CENTRAL HSC	32570	B	533000	Food and Clothing	$18,666	$29,796	$9,429	$20,367	($5,600)	$24,196		$24,196		$24,196
410-76 SOUTH CENTRAL HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$13,320	$13,735	$5,553	$8,182	$1,400	$15,135		$15,135		$15,135
410-76 SOUTH CENTRAL HSC	32570	B	535000	Miscellaneous Supplies	$8,567	$14,150	$899	$13,251	($1,614)	$12,536		$12,536		$12,536
410-76 SOUTH CENTRAL HSC	32570	B	536000	Office Supplies	$14,041	$19,604	$7,577	$12,027	($1,000)	$18,604		$18,604		$18,604
410-76 SOUTH CENTRAL HSC	32570	B	541000	Postage	$31,086	$42,494	$15,064	$27,430	($5,000)	$37,494		$37,494		$37,494
410-76 SOUTH CENTRAL HSC	32570	B	542000	Printing	$9,098	$9,250	$4,713	$4,537	($300)	$8,950		$8,950		$8,950
410-76 SOUTH CENTRAL HSC	32570	B	553000	Office Equip & Furniture-Under	$7,208									
410-76 SOUTH CENTRAL HSC	32570	B	581000	Rentals/Leases-Equip & Other	$17,265	$12,550		$12,550	($12,550)					
410-76 SOUTH CENTRAL HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$623,754	$634,903	$325,317	$309,586		$634,903		$634,903		$634,903
410-76 SOUTH CENTRAL HSC	32570	B	591000	Repairs	$11,190	$13,850	$1,455	$12,395	$2,900	$16,750		$16,750		$16,750
410-76 SOUTH CENTRAL HSC	32570	B	599110	Salary Increase							$389,567	$389,567		$389,567
410-76 SOUTH CENTRAL HSC	32570	B	599160	Benefit Increase							$64,068	$64,068		$64,068
410-76 SOUTH CENTRAL HSC	32570	B	602000	IT-Communications	$96,213	$107,229	$48,561	$58,668	$20,033	$127,262		$127,262		$127,262
410-76 SOUTH CENTRAL HSC	32570	B	611000	Professional Development	$6,051	$13,850	$3,466	$10,384	$200	$14,050		$14,050		$14,050
410-76 SOUTH CENTRAL HSC	32570	B	621000	Operating Fees and Services	$392,192	$442,060	$196,207	$245,853	($27,605)	$414,455		$414,455	$12,316	$426,771
410-76 SOUTH CENTRAL HSC	32570	B	625000	Medical, Dental and Optical	$2,567	$3,500	$3,500			$3,500		$3,500		$3,500
410-76 SOUTH CENTRAL HSC	32570	B	691000	Equipment Over $5000	$15,989									
410-76 SOUTH CENTRAL HSC	32570	B	712000	Grants, Benefits & Claims	$1,779,696	$1,922,737	$871,046	$1,051,691	$1,682,028	$3,604,765	$118,582	$3,723,347	$27,211	$3,750,558
					$10,965,906	**$12,125,238**	**$5,625,783**	**$6,499,455**	**$1,814,921**	**$13,940,159**	**$801,579**	**$14,741,738**	**$39,527**	**$14,781,265**
410-76 SOUTH CENTRAL HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$5,377,561	$5,855,329	$2,716,715	$3,138,614	$1,875,501	$7,730,830	$560,362	$8,291,192	$29,250	$8,320,442
410-76 SOUTH CENTRAL HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$4,897,641	$5,401,154	$2,505,989	$2,895,165	$51,979	$5,453,133	$228,768	$5,681,901	$10,277	$5,692,178

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410-77 WEST CENTRAL HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	124.00	130.55		130.55		130.55	1.00	131.55		131.55
					124.00	**130.55**		**130.55**		**130.55**	**1.00**	**131.55**		**131.55**
410-77 WEST CENTRAL HSC	32570	B	511000	Salaries - Permanent	$8,068,017	$8,764,307	$4,261,889	$4,502,418	$719,047	$9,483,354	$71,593	$9,554,947		$9,554,947
410-77 WEST CENTRAL HSC	32570	B	513000	Temporary Salaries	$157,439	$88,216	$65,649	$22,567	$1,353	$89,569	$1	$89,570		$89,570
410-77 WEST CENTRAL HSC	32570	B	514000	Overtime	$80,711	$4,800	$4,800		($1)	$4,799		$4,799		$4,799
410-77 WEST CENTRAL HSC	32570	B	516000	Fringe Benefits	$2,768,665	$3,121,901	$1,512,645	$1,609,256	$179,009	$3,300,910	$352,618	$3,653,528		$3,653,528
410-77 WEST CENTRAL HSC	32570	B	521000	Travel	$393,708	$375,708	$214,940	$160,768	$63,205	$438,913		$438,913		$438,913
410-77 WEST CENTRAL HSC	32570	B	531000	Supplies - IT Software	$26,589	$28,340	$13,295	$15,045	$860	$29,200		$29,200		$29,200
410-77 WEST CENTRAL HSC	32570	B	532000	Supply/Material-Professional	$34,615	$36,970	$16,209	$20,761	$2,590	$39,560		$39,560		$39,560
410-77 WEST CENTRAL HSC	32570	B	533000	Food and Clothing	$3,761	$6,300	$2,091	$4,209	$500	$6,800		$6,800		$6,800
410-77 WEST CENTRAL HSC	32570	B	534000	Bldg, Grounds, Vehicle Supply	$2,156	$3,200	$1,744	$1,456		$3,200		$3,200		$3,200
410-77 WEST CENTRAL HSC	32570	B	535000	Miscellaneous Supplies	$1,599	$300	$28	$272	($296)	$4		$4		$4
410-77 WEST CENTRAL HSC	32570	B	536000	Office Supplies	$24,024	$38,000	$27,762	$10,238		$38,000		$38,000		$38,000
410-77 WEST CENTRAL HSC	32570	B	541000	Postage	$42,364	$40,000	$13,773	$26,227		$40,000		$40,000		$40,000
410-77 WEST CENTRAL HSC	32570	B	542000	Printing	$14,116	$29,625	$17,687	$11,938		$29,625		$29,625		$29,625
410-77 WEST CENTRAL HSC	32570	B	552000	Other Equip under $5,000	$7,115									
410-77 WEST CENTRAL HSC	32570	B	553000	Office Equip & Furniture-Under	$103,853	$5,380	$3,807	$1,573	$13,370	$18,750		$18,750		$18,750
410-77 WEST CENTRAL HSC	32570	B	561000	Utilities	$541									
410-77 WEST CENTRAL HSC	32570	B	581000	Rentals/Leases-Equip & Other	$6,180	$2,976	$1,988	$988	($2,976)					
410-77 WEST CENTRAL HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$1,072,785	$990,066	$537,625	$452,441	$31,440	$1,021,506		$1,021,506		$1,021,506
410-77 WEST CENTRAL HSC	32570	B	591000	Repairs	$18,176	$25,000	$8,142	$16,858	($3,000)	$22,000		$22,000		$22,000
410-77 WEST CENTRAL HSC	32570	B	599110	Salary Increase							$583,674	$583,674		$583,674
410-77 WEST CENTRAL HSC	32570	B	599160	Benefit Increase							$96,972	$96,972		$96,972
410-77 WEST CENTRAL HSC	32570	B	601000	IT - Data Processing	$60									
410-77 WEST CENTRAL HSC	32570	B	602000	IT-Communications	$120,148	$127,769	$61,180	$66,589	$26,591	$154,360		$154,360		$154,360
410-77 WEST CENTRAL HSC	32570	B	611000	Professional Development	$8,643	$19,374	$4,841	$14,533	$15,156	$34,530		$34,530		$34,530
410-77 WEST CENTRAL HSC	32570	B	621000	Operating Fees and Services	$218,072	$112,217	$72,841	$39,376	($37,142)	$75,075	$3,373	$78,448		$78,448
410-77 WEST CENTRAL HSC	32570	B	623000	Fees - Professional Services	$31,107	$5,752	$2,504	$3,248		$5,752		$5,752		$5,752
410-77 WEST CENTRAL HSC	32570	B	625000	Medical, Dental and Optical	$50,980	$30,000	$30,000		($10,000)	$20,000		$20,000		$20,000
410-77 WEST CENTRAL HSC	32570	B	691000	Equipment Over $5000	$13,577	$11,000		$11,000	($11,000)					
410-77 WEST CENTRAL HSC	32570	B	699000	Operating Budget Adjustment							$95,800	$95,800		$95,800
410-77 WEST CENTRAL HSC	32570	B	712000	Grants, Benefits & Claims	$3,699,910	$4,573,417	$1,990,417	$2,583,000	($2,488)	$4,570,929	$137,305	$4,708,234	$45,769	$4,754,003
					$16,968,911	**$18,440,618**	**$8,865,857**	**$9,574,761**	**$986,218**	**$19,426,836**	**$1,341,336**	**$20,768,172**	**$45,769**	**$20,813,941**
410-77 WEST CENTRAL HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$8,177,908	$8,898,665	$4,278,289	$4,620,376	$602,876	$9,501,541	$939,399	$10,440,940	$29,292	$10,470,232
410-77 WEST CENTRAL HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$8,153,207	$8,769,852	$4,216,358	$4,553,494	$254,444	$9,024,296	$386,909	$9,411,205	$16,477	$9,427,682
410-77 WEST CENTRAL HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$637,796	$772,101	$371,210	$400,891	$128,898	$900,999	$15,028	$916,027		$916,027
					$16,968,911	**$18,440,618**	**$8,865,857**	**$9,574,761**	**$986,218**	**$19,426,836**	**$1,341,336**	**$20,768,172**	**$45,769**	**$20,813,941**

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410-78 BADLANDS HSC	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	76.70	73.95		73.95		73.95		73.95		73.95
					76.70	**73.95**		**73.95**		**73.95**		**73.95**		**73.95**
410-78 BADLANDS HSC	32570	B	511000	Salaries - Permanent	$4,639,312	$4,910,936	$2,348,401	$2,562,535	$159,990	$5,070,926	($1)	$5,070,925		$5,070,925
410-78 BADLANDS HSC	32570	B	512000	Salaries-Other	$5,216									
410-78 BADLANDS HSC	32570	B	513000	Temporary Salaries	$83,707	$157,384	$53,170	$104,214	($1,742)	$155,642	($1)	$155,641		$155,641
410-78 BADLANDS HSC	32570	B	514000	Overtime	$28,103									
410-78 BADLANDS HSC	32570	B	516000	Fringe Benefits	$1,686,884	$1,893,359	$878,599	$1,014,760	($36,699)	$1,856,660	$187,538	$2,044,198		$2,044,198
410-78 BADLANDS HSC	32570	B	521000	Travel	$135,831	$155,100	$72,546	$82,554		$155,100		$155,100		$155,100
410-78 BADLANDS HSC	32570	B	531000	Supplies - IT Software	$12,771	$11,150	$7,151	$3,999	$5,000	$16,150		$16,150		$16,150
410-78 BADLANDS HSC	32570	B	532000	Supply/Material-Professional	$24,991	$25,055	$11,794	$13,261		$25,055		$25,055		$25,055
410-78 BADLANDS HSC	32570	B	533000	Food and Clothing	$15,221	$34,875	$7,302	$27,573		$34,875		$34,875		$34,875
410-78 BADLANDS HSC	32570	B	535000	Miscellaneous Supplies	$21,614	$38,363	$5,500	$32,863	($25,003)	$13,360		$13,360		$13,360
410-78 BADLANDS HSC	32570	B	536000	Office Supplies	$13,718	$23,250	$10,555	$12,695		$23,250		$23,250		$23,250
410-78 BADLANDS HSC	32570	B	541000	Postage	$24,421	$22,450	$10,320	$12,130		$22,450		$22,450		$22,450
410-78 BADLANDS HSC	32570	B	542000	Printing	$7,912	$14,793	$1,500	$13,293	($10,000)	$4,793		$4,793		$4,793
410-78 BADLANDS HSC	32570	B	553000	Office Equip & Furniture-Under	$14,605	$16,300		$16,300	($8,300)	$8,000		$8,000		$8,000
410-78 BADLANDS HSC	32570	B	561000	Utilities	$14,185	$20,000	$7,941	$12,059		$20,000		$20,000		$20,000
410-78 BADLANDS HSC	32570	B	581000	Rentals/Leases-Equip & Other	$29	$500	$100	$400		$500		$500		$500
410-78 BADLANDS HSC	32570	B	582000	Rentals/Leases - Bldg/Land	$396,460	$420,625	$229,178	$191,447	$110,744	$531,369		$531,369		$531,369
410-78 BADLANDS HSC	32570	B	591000	Repairs	$13,122	$13,082	$5,380	$7,702		$13,082		$13,082		$13,082
410-78 BADLANDS HSC	32570	B	599110	Salary Increase							$312,279	$312,279		$312,279
410-78 BADLANDS HSC	32570	B	599160	Benefit Increase							$52,981	$52,981		$52,981
410-78 BADLANDS HSC	32570	B	602000	IT-Communications	$77,169	$84,024	$33,874	$50,150	$4,506	$88,530		$88,530		$88,530
410-78 BADLANDS HSC	32570	B	611000	Professional Development	$19,883	$9,000	$520	$8,480		$9,000		$9,000		$9,000
410-78 BADLANDS HSC	32570	B	621000	Operating Fees and Services	$51,500	$119,365	$16,806	$102,559	($82,950)	$36,415		$36,415		$36,415
410-78 BADLANDS HSC	32570	B	623000	Fees - Professional Services	$750									
410-78 BADLANDS HSC	32570	B	625000	Medical, Dental and Optical	$30	$15,000	$2,300	$12,700		$15,000		$15,000		$15,000
410-78 BADLANDS HSC	32570	B	712000	Grants, Benefits & Claims	$971,657	$1,077,513	$467,996	$609,517	$76,367	$1,153,880	$42,163	$1,196,043	$14,054	$1,210,097
					$8,259,091	**$9,062,124**	**$4,170,933**	**$4,891,191**	**$191,913**	**$9,254,037**	**$594,959**	**$9,848,996**	**$14,054**	**$9,863,050**
410-78 BADLANDS HSC	32570	F	F_7091	HSCs & Institutions - Gen Fund	$4,207,435	$4,334,674	$1,995,077	$2,339,597	$251,674	$4,586,348	$417,032	$5,003,380	$13,914	$5,017,294
410-78 BADLANDS HSC	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$3,577,071	$3,909,411	$1,799,345	$2,110,066	($120,758)	$3,788,653	$160,094	$3,948,747	$140	$3,948,887
410-78 BADLANDS HSC	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$474,585	$818,039	$376,511	$441,528	$60,997	$879,036	$17,833	$896,869		$896,869
					$8,259,091	**$9,062,124**	**$4,170,933**	**$4,891,191**	**$191,913**	**$9,254,037**	**$594,959**	**$9,848,996**	**$14,054**	**$9,863,050**

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Subdivision	Class	FB	Bgt Acct	Bgt Acct Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
420-00 STATE HOSPITAL	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	373.73	380.29		380.29		380.29		380.29		380.29
					373.73	380.29		380.29		380.29		380.29		380.29
420-00 STATE HOSPITAL	32551	B	684000	Extraordinary Repairs		$350,000	$59,184	$290,816	($350,000)					
						$350,000	$59,184	$290,816	($350,000)					
420-00 STATE HOSPITAL	32551	F	F_5991	Land & Cptl Imprv - Gen Fund		$350,000	$59,184	$290,816	($350,000)					
						$350,000	$59,184	$290,816	($350,000)					
420-00 STATE HOSPITAL	32570	B	511000	Salaries - Permanent	$22,953,247	$22,865,815	$11,527,223	$11,338,592	$3,810,669	$26,676,484		$26,676,484		$26,676,484
420-00 STATE HOSPITAL	32570	B	512000	Salaries-Other	$574,616	$1,378,818	$285,953	$1,092,865	($776,445)	$602,373	($1)	$602,372		$602,372
420-00 STATE HOSPITAL	32570	B	513000	Temporary Salaries	$478,675	$497,150	$477,412	$19,738	($365,821)	$131,329	($1)	$131,328		$131,328
420-00 STATE HOSPITAL	32570	B	514000	Overtime	$63,719	$43,293	$40,677	$2,616	$38,067	$81,360		$81,360		$81,360
420-00 STATE HOSPITAL	32570	B	516000	Fringe Benefits	$8,234,687	$9,540,561	$4,445,027	$5,095,534	$307,623	$9,848,184	$988,101	$10,836,285		$10,836,285
420-00 STATE HOSPITAL	32570	B	519100	Reduction in Salary - Budget					($1,059,046)	($1,059,046)		($1,059,046)		($1,059,046)
420-00 STATE HOSPITAL	32570	B	521000	Travel	$252,362	$279,719	$150,970	$128,749	$57,027	$336,746		$336,746		$336,746
420-00 STATE HOSPITAL	32570	B	531000	Supplies - IT Software	$30,892	$34,700	$19,867	$14,833	$3,100	$37,800		$37,800		$37,800
420-00 STATE HOSPITAL	32570	B	532000	Supply/Material-Professional	$155,834	$124,700	$73,373	$51,327	$1,700	$126,400		$126,400		$126,400
420-00 STATE HOSPITAL	32570	B	533000	Food and Clothing	$780,183	$729,585	$195,364	$534,221	$241,976	$971,561		$971,561		$971,561
420-00 STATE HOSPITAL	32570	B	534000	Bldg, Grounds, Vehicle Supply	$400,087	$454,296	$341,274	$113,022	$7,000	$461,296		$461,296		$461,296
420-00 STATE HOSPITAL	32570	B	535000	Miscellaneous Supplies	$144,963	$99,460	$92,695	$6,765	$69,302	$168,762		$168,762		$168,762
420-00 STATE HOSPITAL	32570	B	536000	Office Supplies	$230,352	$190,350	$144,875	$45,475	$34,850	$225,200		$225,200		$225,200
420-00 STATE HOSPITAL	32570	B	541000	Postage	$13,264	$17,055	$10,629	$6,426	($3,588)	$13,467		$13,467		$13,467
420-00 STATE HOSPITAL	32570	B	542000	Printing	$32,458	$17,600	$15,408	$2,192	$8,400	$26,000		$26,000		$26,000
420-00 STATE HOSPITAL	32570	B	552000	Other Equip under $5,000	$4,038	$148,829	$24,011	$124,818	($136,617)	$12,212		$12,212		$12,212
420-00 STATE HOSPITAL	32570	B	553000	Office Equip & Furniture-Under		$663	$663		($663)					
420-00 STATE HOSPITAL	32570	B	561000	Utilities	$1,106,435	$1,109,913	$513,085	$596,828	($113,472)	$996,441		$996,441		$996,441
420-00 STATE HOSPITAL	32570	B	571000	Insurance	$92,490	$130,435	$43,506	$86,929	($25,980)	$104,455		$104,455		$104,455
420-00 STATE HOSPITAL	32570	B	581000	Rentals/Leases-Equip & Other	$23,824	$30,378	$10,323	$20,055	($11,301)	$19,077		$19,077		$19,077
420-00 STATE HOSPITAL	32570	B	582000	Rentals/Leases - Bldg/Land	$1,802	$2,500	$267	$2,233	($2,100)	$400		$400		$400
420-00 STATE HOSPITAL	32570	B	591000	Repairs	$266,305	$283,070	$105,551	$177,519	($124,724)	$158,346		$158,346		$158,346
420-00 STATE HOSPITAL	32570	B	599110	Salary Increase							$1,685,665	$1,685,665		$1,685,665
420-00 STATE HOSPITAL	32570	B	599160	Benefit Increase							$272,147	$272,147		$272,147
420-00 STATE HOSPITAL	32570	B	601000	IT - Data Processing	$1,120									
420-00 STATE HOSPITAL	32570	B	602000	IT-Communications	$249,135	$235,898	$89,619	$146,279	$35,906	$271,804		$271,804		$271,804
420-00 STATE HOSPITAL	32570	B	603000	IT Contractual Services and Re	$80	$100		$100	($100)					
420-00 STATE HOSPITAL	32570	B	611000	Professional Development	$77,909	$89,410	$88,964	$446	$7,664	$97,074		$97,074		$97,074
420-00 STATE HOSPITAL	32570	B	621000	Operating Fees and Services	$137,935	$151,518	$132,329	$19,189	($47,067)	$104,451		$104,451		$104,451
420-00 STATE HOSPITAL	32570	B	623000	Fees - Professional Services	$1,006,761	$950,475	$570,837	$379,638	$281,542	$1,232,017		$1,232,017		$1,232,017
420-00 STATE HOSPITAL	32570	B	625000	Medical, Dental and Optical	$2,286,259	$1,911,426	$1,244,434	$666,992	$674,060	$2,585,486		$2,585,486		$2,585,486
420-00 STATE HOSPITAL	32570	B	682000	Land and Buildings		$110,000		$110,000	($110,000)		$3,362,757	$3,362,757		$3,362,757
420-00 STATE HOSPITAL	32570	B	683000	Other Capital Payments	$540,400	$517,634	$313,100	$204,534	($51,243)	$466,391		$466,391		$466,391
420-00 STATE HOSPITAL	32570	B	684000	Extraordinary Repairs	$48,960	$412,600	$412,245	$355	($232,600)	$180,000	$1,153,500	$1,333,500		$1,333,500
420-00 STATE HOSPITAL	32570	B	691000	Equipment Over $5000	$19,286	$100,000	$7,227	$92,773	($66,500)	$33,500		$33,500		$33,500
					$40,208,078	$42,457,951	$21,376,908	$21,081,043	$2,451,619	$44,909,570	$7,462,168	$52,371,738		$52,371,738
420-00 STATE HOSPITAL	32570	F	F_7091	HSCs & Institutions - Gen Fund	$25,627,942	$26,777,625	$13,482,111	$13,295,514	$2,918,888	$29,696,513	$6,947,991	$36,644,504		$36,644,504
420-00 STATE HOSPITAL	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$4,429,553	$4,377,653	$2,204,080	$2,173,573	($264,233)	$4,113,420	$269,868	$4,383,288		$4,383,288
420-00 STATE HOSPITAL	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$10,150,583	$11,302,673	$5,690,717	$5,611,956	($203,036)	$11,099,637	$244,309	$11,343,946		$11,343,946
					$40,208,078	$42,457,951	$21,376,908	$21,081,043	$2,451,619	$44,909,570	$7,462,168	$52,371,738		$52,371,738

Department of Human Services
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421-00 SH SECURED SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	50.27	65.72		65.72	2.00	67.72	17.00	84.72	1.50	86.22
					50.27	**65.72**		**65.72**	**2.00**	**67.72**	**17.00**	**84.72**	**1.50**	**86.22**
421-00 SH SECURED SERVICES	32570	B	511000	Salaries - Permanent	$2,034,322	$3,179,007	$1,347,868	$1,831,139	$860,038	$4,039,045	$699,300	$4,738,345	$105,024	$4,843,369
421-00 SH SECURED SERVICES	32570	B	512000	Salaries-Other	$74,369	$90,451	$40,117	$50,334	$87,125	$177,576		$177,576		$177,576
421-00 SH SECURED SERVICES	32570	B	513000	Temporary Salaries	$14,778	$5,360	$5,360		$236,560	$241,920		$241,920		$241,920
421-00 SH SECURED SERVICES	32570	B	514000	Overtime	$6,030	$5,309	$5,309		$5,323	$10,632		$10,632		$10,632
421-00 SH SECURED SERVICES	32570	B	516000	Fringe Benefits	$754,408	$1,315,603	$533,666	$781,937	$352,934	$1,668,537	$575,973	$2,244,510	$62,458	$2,306,968
421-00 SH SECURED SERVICES	32570	B	521000	Travel	$2,069	$1,200	$1,047	$153	$2,300	$3,500		$3,500		$3,500
421-00 SH SECURED SERVICES	32570	B	531000	Supplies - IT Software	$916	$975		$975	$225	$1,200		$1,200		$1,200
421-00 SH SECURED SERVICES	32570	B	532000	Supply/Material-Professional	$403	$20,195	$10,095	$10,100	$4,005	$24,200		$24,200		$24,200
421-00 SH SECURED SERVICES	32570	B	533000	Food and Clothing	$43,351	$238,711	$136,393	$102,318	$232,330	$471,041		$471,041		$471,041
421-00 SH SECURED SERVICES	32570	B	534000	Bldg, Grounds, Vehicle Supply	$8,556	$31,604	$3,554	$28,050	$24,950	$56,554		$56,554		$56,554
421-00 SH SECURED SERVICES	32570	B	535000	Miscellaneous Supplies	$20,118	$17,062	$6,432	$10,630	$15,052	$32,114		$32,114		$32,114
421-00 SH SECURED SERVICES	32570	B	536000	Office Supplies	$4,344	$1,047	$184	$863	($1,000)	$47		$47		$47
421-00 SH SECURED SERVICES	32570	B	541000	Postage		$3,045	$2,728	$317	$3,588	$6,633		$6,633		$6,633
421-00 SH SECURED SERVICES	32570	B	542000	Printing	$578	$4,925	$2,133	$2,792	$9,875	$14,800		$14,800		$14,800
421-00 SH SECURED SERVICES	32570	B	552000	Other Equip under $5,000	$5,672									
421-00 SH SECURED SERVICES	32570	B	553000	Office Equip & Furniture-Under		$253	$253		$3,559	$3,812		$3,812		$3,812
421-00 SH SECURED SERVICES	32570	B	561000	Utilities		$80,087	$34,190	$45,897	$75,427	$155,514		$155,514		$155,514
421-00 SH SECURED SERVICES	32570	B	571000	Insurance		$9,412	$2,320	$7,092	$16,037	$25,449		$25,449		$25,449
421-00 SH SECURED SERVICES	32570	B	581000	Rentals/Leases-Equip & Other		$755		$755	($755)					
421-00 SH SECURED SERVICES	32570	B	591000	Repairs	$1,432	$15,930	$5,898	$10,032	$12,391	$28,321		$28,321		$28,321
421-00 SH SECURED SERVICES	32570	B	599110	Salary Increase							$263,231	$263,231		$263,231
421-00 SH SECURED SERVICES	32570	B	599160	Benefit Increase							$42,548	$42,548		$42,548
421-00 SH SECURED SERVICES	32570	B	602000	IT-Communications		$9,288	$6,412	$2,876	$10,798	$20,086		$20,086		$20,086
421-00 SH SECURED SERVICES	32570	B	611000	Professional Development		$10,520	$260	$10,260	($10,520)					
421-00 SH SECURED SERVICES	32570	B	621000	Operating Fees and Services	$2,335	$20,098	$1,194	$18,902	$16,399	$36,495		$36,495		$36,495
421-00 SH SECURED SERVICES	32570	B	623000	Fees - Professional Services	$62,774	$36,000	$35,532	$468	$235,131	$271,131		$271,131		$271,131
421-00 SH SECURED SERVICES	32570	B	625000	Medical, Dental and Optical	$114	$362,385	$101,284	$261,101	$48,503	$410,888		$410,888		$410,888
421-00 SH SECURED SERVICES	32570	B	682000	Land and Buildings							$3,100,000	$3,100,000		$3,100,000
421-00 SH SECURED SERVICES	32570	B	699000	Operating Budget Adjustment							$206,837	$206,837		$206,837
					$3,036,569	**$5,459,220**	**$2,282,229**	**$3,176,991**	**$2,240,275**	**$7,699,495**	**$4,887,889**	**$12,587,384**	**$167,482**	**$12,754,866**
421-00 SH SECURED SERVICES	32570	F	F_7091	HSCs & Institutions - Gen Fund	$3,036,569	$5,459,220	$2,282,229	$3,176,991	$2,082,740	$7,541,960	$4,884,348	$12,426,308	$167,482	$12,593,790
421-00 SH SECURED SERVICES	32570	F	F_7093	HSCs & Institutions - Oth Fnds					$157,535	$157,535	$3,541	$161,076		$161,076
					$3,036,569	**$5,459,220**	**$2,282,229**	**$3,176,991**	**$2,240,275**	**$7,699,495**	**$4,887,889**	**$12,587,384**	**$167,482**	**$12,754,866**

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430-00 DEVELOPMENTAL CENTER	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	451.54	449.54		449.54		449.54		449.54		449.54
					451.54	**449.54**		**449.54**		**449.54**		**449.54**		**449.54**
430-00 DEVELOPMENTAL CENTER	32570	B	511000	Salaries - Permanent	$21,632,786	$22,874,312	$11,125,024	$11,749,288	$1,180,236	$24,054,548	($1)	$24,054,547		$24,054,547
430-00 DEVELOPMENTAL CENTER	32570	B	512000	Salaries-Other	$291,138	$269,000	$137,963	$131,037	$8,200	$277,200		$277,200		$277,200
430-00 DEVELOPMENTAL CENTER	32570	B	513000	Temporary Salaries	$231,020	$235,200	$114,048	$121,152	($199,488)	$35,712		$35,712		$35,712
430-00 DEVELOPMENTAL CENTER	32570	B	514000	Overtime	$84,354	$40,000	$22,945	$17,055	$5,144	$45,144		$45,144		$45,144
430-00 DEVELOPMENTAL CENTER	32570	B	516000	Fringe Benefits	$9,233,423	$10,707,029	$5,015,626	$5,691,403	($96,125)	$10,610,904	$1,185,654	$11,796,558		$11,796,558
430-00 DEVELOPMENTAL CENTER	32570	B	519100	Reduction in Salary - Budget					($1,047,908)	($1,047,908)		($1,047,908)		($1,047,908)
430-00 DEVELOPMENTAL CENTER	32570	B	521000	Travel	$327,215	$270,034	$181,088	$88,946	$73,742	$343,776		$343,776		$343,776
430-00 DEVELOPMENTAL CENTER	32570	B	531000	Supplies - IT Software	$14,941	$21,215	$10,232	$10,983		$21,215		$21,215		$21,215
430-00 DEVELOPMENTAL CENTER	32570	B	532000	Supply/Material-Professional	$32,576	$40,000	$22,792	$17,208		$40,000		$40,000		$40,000
430-00 DEVELOPMENTAL CENTER	32570	B	533000	Food and Clothing	$1,300,579	$1,199,616	$581,562	$618,054	$18,621	$1,218,237		$1,218,237		$1,218,237
430-00 DEVELOPMENTAL CENTER	32570	B	534000	Bldg, Grounds, Vehicle Supply	$306,931	$323,571	$148,753	$174,818		$323,571		$323,571		$323,571
430-00 DEVELOPMENTAL CENTER	32570	B	535000	Miscellaneous Supplies	$163,761	$179,484	$95,099	$84,385		$179,484		$179,484		$179,484
430-00 DEVELOPMENTAL CENTER	32570	B	536000	Office Supplies	$118,234	$112,453	$63,408	$49,045		$112,453		$112,453		$112,453
430-00 DEVELOPMENTAL CENTER	32570	B	541000	Postage	$26,777	$26,000	$11,344	$14,656		$26,000		$26,000		$26,000
430-00 DEVELOPMENTAL CENTER	32570	B	542000	Printing	$45,575	$15,879	$7,562	$8,317		$15,879		$15,879		$15,879
430-00 DEVELOPMENTAL CENTER	32570	B	552000	Other Equip under $5,000	$6,358	$8,000	$7,883	$117	($8,000)					
430-00 DEVELOPMENTAL CENTER	32570	B	553000	Office Equip & Furniture-Under		$2,121	$1,347	$774	($2,121)					
430-00 DEVELOPMENTAL CENTER	32570	B	561000	Utilities	$1,808,647	$1,285,448	$1,073,772	$211,676	$790,059	$2,075,507		$2,075,507		$2,075,507
430-00 DEVELOPMENTAL CENTER	32570	B	571000	Insurance	$67,413	$109,900	$55,281	$54,619		$109,900		$109,900		$109,900
430-00 DEVELOPMENTAL CENTER	32570	B	581000	Rentals/Leases-Equip & Other	$34,791	$43,216	$18,842	$24,374		$43,216		$43,216		$43,216
430-00 DEVELOPMENTAL CENTER	32570	B	582000	Rentals/Leases - Bldg/Land	$10									
430-00 DEVELOPMENTAL CENTER	32570	B	591000	Repairs	$418,120	$292,096	$176,653	$115,443	$48,329	$340,425		$340,425		$340,425
430-00 DEVELOPMENTAL CENTER	32570	B	599110	Salary Increase							$1,596,117	$1,596,117		$1,596,117
430-00 DEVELOPMENTAL CENTER	32570	B	599160	Benefit Increase							$273,231	$273,231		$273,231
430-00 DEVELOPMENTAL CENTER	32570	B	602000	IT-Communications	$210,612	$181,221	$94,310	$86,911	$35,259	$216,480		$216,480		$216,480
430-00 DEVELOPMENTAL CENTER	32570	B	603000	IT Contractual Services and Re	$70									
430-00 DEVELOPMENTAL CENTER	32570	B	611000	Professional Development	$17,075	$35,404	$17,246	$18,158		$35,404		$35,404		$35,404
430-00 DEVELOPMENTAL CENTER	32570	B	621000	Operating Fees and Services	$2,664,407	$2,135,937	$1,434,614	$701,323	$156,191	$2,292,128		$2,292,128		$2,292,128
430-00 DEVELOPMENTAL CENTER	32570	B	623000	Fees - Professional Services	$253,383	$265,214	$124,418	$140,796		$265,214		$265,214		$265,214
430-00 DEVELOPMENTAL CENTER	32570	B	625000	Medical, Dental and Optical	$1,106,641	$1,151,201	$623,943	$527,258	$390,576	$1,541,777		$1,541,777		$1,541,777
430-00 DEVELOPMENTAL CENTER	32570	B	682000	Land and Buildings							$998,200	$998,200		$998,200
430-00 DEVELOPMENTAL CENTER	32570	B	683000	Other Capital Payments	$619,726	$593,231	$296,615	$296,616	($58,726)	$534,505		$534,505		$534,505
430-00 DEVELOPMENTAL CENTER	32570	B	684000	Extraordinary Repairs							$600,000	$600,000		$600,000
430-00 DEVELOPMENTAL CENTER	32570	B	691000	Equipment Over $5000		$8,500	$8,303	$197	($8,500)		$92,640	$92,640		$92,640
					$41,016,565	**$42,425,282**	**$21,470,673**	**$20,954,609**	**$1,285,489**	**$43,710,771**	**$4,745,841**	**$48,456,612**		**$48,456,612**
430-00 DEVELOPMENTAL CENTER	32570	F	F_7091	HSCs & Institutions - Gen Fund	$9,170,453	$11,625,706	$5,883,561	$5,742,145	$916,146	$12,541,852	$2,671,070	$15,212,922		$15,212,922
430-00 DEVELOPMENTAL CENTER	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$29,429,469	$27,850,053	$14,094,411	$13,755,642	($578,159)	$27,271,894	$1,969,190	$29,241,084		$29,241,084
430-00 DEVELOPMENTAL CENTER	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$2,416,643	$2,949,523	$1,492,701	$1,456,822	$947,502	$3,897,025	$105,581	$4,002,606		$4,002,606
					$41,016,565	**$42,425,282**	**$21,470,673**	**$20,954,609**	**$1,285,489**	**$43,710,771**	**$4,745,841**	**$48,456,612**		**$48,456,612**

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Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
999-99 Department Totals	32590	A	S101	FULL TIME EQUIVALENTS (FTES)	2,045.42	2,058.43		2,058.43	(0.75)	2,057.68	28.00	2,085.68	2.50	2,088.18
					2,045.42	**2,058.43**		**2,058.43**	**(0.75)**	**2,057.68**	**28.00**	**2,085.68**	**2.50**	**2,088.18**
999-99 Department Totals	32590	T	1	General Funds	$401,550,377	$483,805,731	$219,028,506	$264,777,225	$51,251,659	$535,057,390	$47,103,509	$582,160,899	$16,824,453	$598,985,352
999-99 Department Totals	32590	T	2	Federal Funds	$1,011,713,667	$1,097,951,106	$486,853,115	$611,097,991	$5,409,193	$1,103,360,299	$64,750,206	$1,168,110,505	$24,061,214	$1,192,171,719
999-99 Department Totals	32590	T	3	Other Funds	$47,586,229	$49,558,171	$19,946,695	$29,611,476	($1,680,781)	$47,877,390	$512,864	$48,390,254		$48,390,254
999-99 Department Totals	32590	T	4	SWAP Funds	$26,395,146	$31,538,123	$16,328,219	$15,209,904	$4,470,397	$36,008,520		$36,008,520		$36,008,520
999-99 Department Totals	32590	T	5	County Funds	$8,270,952	$12,273,096	$5,298,368	$6,974,728	$1,490,227	$13,763,323	$37,500	$13,800,823	$51,793	$13,852,616
999-99 Department Totals	32590	T	6	IGT Funds		$3,200,000	$1,444,698	$1,755,302	($3,200,000)				$170,500	$170,500
					$1,495,516,371	**$1,678,326,227**	**$748,899,601**	**$929,426,626**	**$57,740,695**	**$1,736,066,922**	**$112,404,079**	**$1,848,471,001**	**$41,107,960**	**$1,889,578,961**

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
March 20, 2007

2007-09 BIENNIUM DEPARTMENT OF HUMAN SERVICES BUDGET - SUMMARY OF PENDING HOUSE CHANGES

	FTE	General Fund	Estimated Income	Total
Senate Version				
Management	102.10	$21,013,025	$23,085,165	$44,098,190
Program and Policy	231.30	445,344,027	1,127,268,003	1,572,612,030
State Hospital	466.51	49,238,294	15,888,310	65,126,604
Developmental Center	449.54	15,212,922	33,243,690	48,456,612
Northwest Human Service Center	45.75	4,409,698	3,136,258	7,545,956
North Central Human Service Center	117.78	8,970,346	7,917,967	16,888,313
Lake Region Human Service Center	62.25	5,465,764	4,417,334	9,883,098
Northeast Human Service Center	137.10	9,969,979	12,260,487	22,230,466
Southeast Human Service Center	183.35	11,910,196	14,296,599	26,206,795
South Central Human Service Center	87.00	8,320,442	6,460,823	14,781,265
West Central Human Service Center	131.55	10,470,232	10,343,709	20,813,941
Badlands Human Service Center	73.95	5,017,294	4,845,756	9,863,050
Total Senate version	2,088.18	$595,342,219	$1,263,164,101	$1,858,506,320
House changes				
Management	0.00	($423,800)	($576,200)	($1,000,000)
Program and Policy	2.00	20,981,333	26,279,438	47,260,771
State Hospital	(2.50)	(536,510)	(1,445)	(537,955)
Developmental Center	0.00	(1,000,000)	(51,108)	(1,051,108)
Northwest Human Service Center	0.00	(100,000)	0	(100,000)
North Central Human Service Center	0.00	(100,000)	0	(100,000)
Lake Region Human Service Center	0.00	(100,000)	0	(100,000)
Northeast Human Service Center	0.00	(100,000)	0	(100,000)
Southeast Human Service Center	0.00	(100,000)	0	(100,000)
South Central Human Service Center	0.00	(100,000)	0	(100,000)
West Central Human Service Center	0.00	(100,000)	0	(100,000)
Badlands Human Service Center	0.00	(100,000)	0	(100,000)
Total House changes	(0.50)	$18,221,023	$25,650,685	$43,871,708
House Version				
Management	102.10	$20,589,225	$22,508,965	$43,098,190
Program and Policy	233.30	466,325,360	1,153,547,441	1,619,872,801
State Hospital	464.01	48,701,784	15,886,865	64,588,649
Developmental Center	449.54	14,212,922	33,192,582	47,405,504
Northwest Human Service Center	45.75	4,309,698	3,136,258	7,445,956
North Central Human Service Center	117.78	8,870,346	7,917,967	16,788,313
Lake Region Human Service Center	62.25	5,365,764	4,417,334	9,783,098
Northeast Human Service Center	137.10	9,869,979	12,260,487	22,130,466
Southeast Human Service Center	183.35	11,810,196	14,296,599	26,106,795
South Central Human Service Center	87.00	8,220,442	6,460,823	14,681,265
West Central Human Service Center	131.55	10,370,232	10,343,709	20,713,941
Badlands Human Service Center	73.95	4,917,294	4,845,756	9,763,050
Total House version	2,087.68	$613,563,242	$1,288,814,786	$1,902,378,028

MANAGEMENT SUBDIVISION	FTE	General Fund	Estimated Income	Total
ate Version	102.10	$21,013,025	$23,085,165	$44,098,190
anagement -House changes:				
Administration Support Program				
No changes				
Division of Information Technology Program				
Removes operating expenses funding added in the executive budget for developing a client information sharing computer system		(423,800)	(576,200)	(1,000,000)
Total House changes - Management	0.00	($423,800)	($576,200)	($1,000,000)
House Version - Management Subdivision	102.10	$20,589,225	$22,508,965	$43,098,190

* Do Pass
Passed

PROGRAM AND POLICY SUBDIVISION		FTE	General Fund	Estimated Income	Total
[Prog]ram and Policy - House changes:					
(A) Adds funding to provide a 5 percent annual inflationary increase for the department's service providers. The Senate provided a 4 percent annual inflationary increase.	opposed - Voice Vote		$5,422,635	$8,796,269	$14,218,904
(B) Adds funding to provide a 5 percent annual inflationary increase for the department's service providers. The Senate provided a 4 percent annual inflationary increase. Of the total, $1,144,080 is from the health care trust fund for the additional state matching funds relating to nursing homes.	passed		4,278,555	9,940,349	14,218,904
(C) Adds funding for grants - Medical assistance to provide a 5 percent annual inflationary increase for developmental disabilities service providers. The Senate provided a 4 percent annual inflationary increase.	opposed - Voice Vote		1,400,428	2,458,937	3,859,365
Economic Assistance Policy Program					
No changes					
Child Support Program					
(1) Removes operating expenses funding from the general fund for the Devils Lake child support enforcement unit due to provisions of Senate Bill No. 2205 providing for state administration of child support enforcement	pass		(215,016)	0	(215,016)
(2) Removes operating expenses funding added in the executive budget for child support enforcement relating to a parental employment project, a receivables project, an electronic parent locator network, and medical insurance matching	opposed		(197,810)	(168,300)	(366,110)
Medical Services Program					
(1) Adds funding for grants - Medical assistance to increase medical-related medical assistance payment rates to the Medicare rates (additional funding is based on the 2005-06 [M]illiman study report)	failed		13,250,000	27,000,000	40,250,000
(2) Removes funding for grants - Medical assistance added by the Senate for increasing medically needy income levels from 61 to 83 percent of poverty	approved pass		(2,529,690)	(4,493,325)	(7,023,015)
(3) Removes funding for grants - Medical assistance added by the Senate to provide continuous Medicaid eligibility for children under 19 year of age who are either categorically or optionally categorically needy beginning January 2008. The section added by the Senate providing that the department monitor and report on these expenditures is also removed. A new section is added providing for a Legislative Council study of the feasibility and desirability of allowing continuous Medicaid eligibility for this population.	Pass		(2,281,110)	(4,051,789)	(6,332,899)
(4) Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of the following medical assistance services from the amounts included in the executive budget and Senate version:	pass				
Inpatient hospital			(3,000,000)	(5,328,706)	(8,328,706)
Drugs			(1,783,368)	(3,167,035)	(4,950,403)
Health Steps			(200,000)	(593,336)	(793,336)
Durable medical equipment			(166,269)	(295,177)	(461,446)
(5) Reduces funding for grants - Medical assistance to remove inflationary increases for dental payments under the Medicaid program	pass		(249,808)	(443,838)	(693,646)
(6) Adds funding for grants - Medical assistance to increase Medicaid payment rates for instate hospitals to the maximum base rate	pass		1,394,469	2,476,904	3,871,373

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
(1) s funding for grants - Medical assistance to provide an additional 5 percent inflationary increase for physicians for the second year of the biennium. This change will allow for a 5 percent inflationary increase for the first year of the biennium and a 10 percent increase for the second year. — *Fails*		517,458	958,494	1,475,952
(2) Adds funding for grants - Medical assistance to increase Medicaid payment rates for chiropractic services to 60 percent of fiscal year 2006 billed charges — *Failed - Reconsidered passed*		64,344	114,291	178,635
(3) Adds funding for grants - Medical assistance to increase Medicaid payment rates for ambulance services to 50 percent of fiscal year 2006 billed charges — *Passed by voice vote*		456,403	810,678	1,267,081
(4) Adds operating expenses funding and a section to the bill requiring the department to develop a method for rebasing medical service providers payment rates under the Medicaid program — *Failed pass*		175,000	175,000	350,000
Long Term Care Program				
(1) Adds funding for grants - Medical assistance to continue the same SPED eligibility criteria as the 2005-07 biennium — *Pass*		1,537,030	80,896	1,617,926
(2) Adds funding for grants - Medical assistance to provide the 4 percent annual inflationary increase and provider rate change on the SPED eligibility change listed above — *Failed*		296,754	15,617	312,371
(A) Adds funding for grants - Medical assistance to increase the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation by an additional $5 per month, from the $55 per month amount provided by the Senate to $60. Of the estimated income amount, $170,500 is from the health care trust fund. — *Failed*			499,850	499,850
Removes funding for grants - Medical assistance to continue the $50 per month personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation. The Senate had provided a $55 per month allowance. — *Pass*			(499,850)	(499,850)
(B1) Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of nursing home, aged and disabled waiver, basic care, and personal care option services from the amounts included in the executive budget and Senate version — *Pass*		(5,035,000)	(8,943,345)	(13,978,345)
(B2) Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of basic care services from the amounts included in the executive budget and Senate version — *Pass*		(216,537)	(145,565)	(362,102)
(A1) (A) Adds funding for grants - Medical assistance to increase the average wage of employees of developmental disabilities service providers by an additional 40 cents per hour. The executive budget and the Senate provided for a 60 cents per hour increase. The House version provides for an increase of $1 per hour effective July 2007. — *Failed*		2,578,587	4,516,129	7,094,716
(B) Adds funding for grants - Medical assistance to increase the average wage of employees of developmental disabilities service providers by an additional 60 cents per hour for the second year of the biennium. The executive budget and the Senate provided for a 60 cents per hour increase effective July 2007. The House version provides for a 60 cents per hour increase in July 2007 and an additional 60 cents per hour increase in July 2008. — *Failed*		1,885,731	3,303,629	5,189,360
Reduces funding for grants - Medical assistance to reflect an anticipated reduction in the cost and caseload/utilization of developmental disabilities services from the amounts included in the executive budget and Senate version — *Pass*		(3,575,000)	(6,350,042)	(9,925,042)

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PROGRAM AND POLICY SUBDIVISION		FTE	General Fund	Estimated Income	Total
ces funding added by the Senate from $900,000 to $200,000 from the general fund for the transition of selected Developmental Center residents to community programs	Pass		(700,000)	(1,243,365)	(1,943,365)
(2) (A) Adds funding for grants - Medical assistance for increasing payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children. This amount is in addition to the $832,871, of which $300,000 is from the general fund, added by the Senate.	Fail		55,000	97,693	152,693
(3) (B) Reduces funding added by the Senate from $300,000 to $200,000 from the general fund for increasing the payment rates for children who are severely medically fragile residing at the Anne Carlsen Center for Children	Pass		(100,000)	(177,624)	(277,624)
(4) Reduces funding added by the Senate from $200,000 to $150,000 from the general fund for increasing payment rates for facilities serving children with behavioral challenges	Pass		(50,000)	(88,812)	(138,812)
(5) Adds funding for grants - medical assistance to provide that all infant development programs are paid no less than the current average daily rate for all programs	Fail		220,303	391,139	611,442
Aging Services Program					
(6) Adds operating expenses funding for establishing and implementing an aging and disability resource center to be a single point of information program at the community level regarding long-term care service and support options available in the state	Withdrawn		40,000	800,000	840,000
Children and Family Services Program					
(7) (A) Adds funding for grants for the Healthy Families program. This amount is in addition to the $300,000 from the general fund added by the Senate.	Failed		300,000	0	300,000
(8) (B) Removes funding for grants added by the Senate for the Healthy Families program	Pass		(300,000)	0	(300,000)
luces funding for grants to reflect an anticipated reduction in the cost and aseload/utilization of subsidized adoption services from the amounts included in the executive budget and Senate version	Pass		~~(800,000)~~ (300,000)	(1,137,046)	(1,937,046)
(10) Reduces grants funding added by the Senate to provide a total of $200,000 from the general fund for Children's Advocacy Centers in Bismarck and Fargo. The executive budget recommended $100,000 and the Senate provided a total of $500,000.	Pass		(300,000)	0	(300,000)
(11) Adds operating expenses funding for providing early childhood care workforce development and early childhood business and program technical assistance and for establishing a quality improvement rating system for early childhood care facilities	Withdrawn		1,900,000	0	1,900,000
(12) (A) Adds funding for grants to reimburse counties for the actual cost of child abuse and neglect assessments	failed		3,530,726	0	3,530,726
(13) (B) Adds funding from federal TANF block grant funds for grants to increase reimbursements for county child abuse and neglect assessments by $100 per assessment	Pass		—	770,800	770,800
(14) Adds funding for grants to expand county-based family preservation services	failed		1,500,000	0	1,500,000
Mental Health and Substance Abuse Program					
(15) Adds funding from the community health trust fund for providing grants to organizations to discourage impaired driving, alcohol and drug abuse, suicide, and pregnancy by minors	Hold			100,000	100,000
(16) Adds funding for 2 pilot projects to provide residential services to individuals with serious mental illness	failed	2.00	2,377,518	99,918	2,477,436

Developmental Disabilities Council

o changes

PROGRAM AND POLICY SUBDIVISION	FTE	General Fund	Estimated Income	Total
Disabilities Program				
(1) Reduces funding added by the Senate to provide a total of $250,000 from the general fund for the interagency program for assistive technology (IPAT)	Pass	(150,000) ~~(250,000)~~	0	(250,000)
(2) Reduces funding added by the Senate for centers for independent living. The House version provides a total of $1,381,457, of which $546,040 is from the general fund. The executive budget recommended $1,131,457, of which $296,040 is from the general fund and the Senate provided $1,631,457, of which $796,040 is from the general fund.	Pass	(250,000)	0	(250,000)
Total House changes - Program and Policy	2.00	$20,981,333	$26,279,438	$47,260,771
House Version - Program and Policy Subdivision	233.30	$466,325,360	$1,153,547,441	$1,619,872,801

Other changes affecting Program and Policy programs:

1 Section 4 of the engrossed bill is changed to remove authority for the department to hire additional FTE positions without Emergency Commission approval. Pass
2 Section 7 of the engrossed bill is changed to remove specific reference to the Robinson Recovery Center.
3 Section 10 of the engrossed bill added by the Senate providing for a Legislative Council study of the use of local property tax revenues to finance the delivery of human services is removed. Pass
4 Sections added by the Senate changing the statutory name of qualified service providers to home service providers beginning July 2008 are removed. pass
Sections are added which:
5 - Identify one-time funding included in the budget and provide for a report to the 2009 Legislative Assembly on the agency's use of the one-time funding pass
6 - Remove the requirement that entities contracting to provide guardianship services to vulnerable adults maintain a system of volunteer guardians pass
7 - Provide that the department report to the Legislative Council on its progress in establishing the aging and disability resource center
8 - Require the department to prepare a 10-year strategic plan relating to the continuum of care for long-term care services in the state } withdrawn
- Require the department to study infant development services and funding and report to the Legislative Council pass
- Provide for a Legislative Council study of nursing home equalization of rates and provider taxes/assessments on nursing homes pass
- Provide legislative intent that developmental disabilities service providers give priority to using the increased funding being provided for the 2007-09 biennium for increasing their employees' salaries. pass
12 - Provide legislative intent that organizations under contract with the department for providing methamphetamine treatment services charge clients receiving the services for at least 25 percent of the cost of the treatment services which must be paid by the client within 5 years of completing treatment. } withdrawn

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STATE HOSPITAL	FTE	General Fund	Estimated Income	Total
te Version	466.51	$49,238,294	$15,888,310	$65,126,604
te Hospital - House changes:				
Removes funding added by the Senate for increasing security in the secure services unit	(1.50)	($167,482)	$0	($167,482)
Removes funding for vocational training position in the secure services unit added in the executive budget	(1.00)	(69,028)	(1,445)	(70,473)
Reduces funding for road improvements from $614,000 to $314,000		(300,000)	0	(300,000)
Total House changes - State Hospital	(2.50)	($536,510)	($1,445)	($537,955)
House Version - State Hospital	464.01	$48,701,784	$15,886,865	$64,588,649

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DEVELOPMENTAL CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	449.54	$15,212,922	$33,243,690	$48,456,612
Developmental Center - House changes:				
Removes funding for capital improvement projects		($947,092)	($51,108)	($998,200)
Reduces funding for extraordinary repairs from $600,000 to $547,092		(52,908)	0	(52,908)
Total House changes - Developmental Center	0.00	($1,000,000)	($51,108)	($1,051,108)
House Version - Developmental Center	449.54	$14,212,922	$33,192,582	$47,405,504

NORTHWEST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
te Version	45.75	$4,409,698	$3,136,258	$7,545,956
thwest Human Service Center - House changes:				
Reduces general fund support for the center		(100,000)	0	(100,000)
Total House changes - Northwest Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - Northwest Human Service Center	45.75	$4,309,698	$3,136,258	$7,445,956

Pass 800,000 to each center

NORTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	117.78	$8,970,346	$7,917,967	$16,888,313
North Central Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - North Central Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - North Central Human Service Center	117.78	$8,870,346	$7,917,967	$16,788,313

LAKE REGION HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	62.25	$5,465,764	$4,417,334	$9,883,098
Lake Region Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - Lake Region Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - Lake Region Human Service Center	62.25	$5,365,764	$4,417,334	$9,783,098

NORTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	137.10	$9,969,979	$12,260,487	$22,230,466
Northeast Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - Northeast Human Service Center	0.00	($100,000)	$0	($100,000)
ouse Version - Northeast Human Service Center	137.10	$9,869,979	$12,260,487	$22,130,466

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SOUTHEAST HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
[Senat]e Version	183.35	$11,910,196	$14,296,599	$26,206,795
[Sou]theast Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - Southeast Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - Southeast Human Service Center	183.35	$11,810,196	$14,296,599	$26,106,795

SOUTH CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	87.00	$8,320,442	$6,460,823	$14,781,265
South Central Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - South Central Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - South Central Human Service Center	87.00	$8,220,442	$6,460,823	$14,681,265

WEST CENTRAL HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	131.55	$10,470,232	$10,343,709	$20,813,941
West Central Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - West Central Human Service Center	0.00	($100,000)	$0	($100,000)
House Version - West Central Human Service Center	131.55	$10,370,232	$10,343,709	$20,713,941

BADLANDS HUMAN SERVICE CENTER	FTE	General Fund	Estimated Income	Total
Senate Version	73.95	$5,017,294	$4,845,756	$9,863,050
Badlands Human Service Center - House changes:				
Reduces general fund support for the center		($100,000)	$0	($100,000)
Total House changes - Badlands Human Service Center	0.00	($100,000)	$0	($100,000)
[Ho]use Version - Badlands Human Service Center	73.95	$4,917,294	$4,845,756	$9,763,050

North Dakota Department of Human Services
Inflation Scenarios
2007-2009 Budget "To House"

Provider Groups	Provider Inflation 3.0% / 3.0% *(Included in Budget "To Senate")*			Additional Funds Added by Senate			Provider Inflation 4.0% / 4.0%		
	Total	General	Federal / Other	Total	General	Federal / Other	Total	General	Federal / Other
Inflation for Medicaid grant providers	12,084,969	3,931,101	8,153,868	4,672,639	1,545,512	3,127,127	16,757,608	5,476,613	11,280,995
Inflation for DD grant providers	11,185,877	4,057,735	7,128,142	3,659,852	1,327,634	2,332,218	14,845,729	5,385,369	9,460,360
Inflation for Nursing Homes with 1/1/06 Rebase & 1/1/09 Rebasing	9,652,045	3,479,535	6,172,510	3,197,972	1,152,926	2,045,046	12,850,017	4,632,461	8,217,556
Inflation for Other LTC providers	1,525,410	861,175	664,235	1,228,738	594,852	633,886	2,754,148	1,456,027	1,298,121
Inflation for Children and Family Service grant providers	2,180,054	451,419	1,728,635	641,461	125,348	516,113	2,821,515	576,767	2,244,748
Inflation for Mental Health/Substance Abuse and Disability Services contracted providers and Family Preservation Services	764,139	556,469	207,670	208,831	163,835	44,996	972,970	720,304	252,666
Inflation for the Human Service Center contracted providers	882,693	789,516	93,177	294,232	263,173	31,059	1,176,925	1,052,689	124,236
Total Inflation	**38,275,187**	**14,126,950**	**24,148,237**	**13,903,725**	**5,173,280**	**8,730,445**	**52,178,912**	**19,300,230**	**32,878,682**

Provider Groups	Provider Inflation 4.0% / 4.0%			Additional Funds Needed For 5%/5%			Provider Inflation 5% / 5%		
	Total	General	Federal / Other	Total	General	Federal / Other	Total	General	Federal / Other
Inflation for Medicaid grant providers	16,757,608	5,476,613	11,280,995	4,445,231	1,460,523	2,984,708	21,202,839	6,937,136	14,265,703
Inflation for DD grant providers	14,845,729	5,385,369	9,460,360	3,859,365	1,400,428	2,458,937	18,705,094	6,785,797	11,919,297
Inflation for Nursing Homes with 1/1/06 Rebase & 1/1/09 Rebasing	12,850,017	4,632,461	8,217,556	3,173,226	1,144,080	2,029,146	16,023,243	5,776,541	10,246,702
Inflation for Other LTC providers	2,754,148	1,456,027	1,298,121	1,580,672	850,211	730,461	4,334,820	2,306,238	2,028,582
Inflation for Children and Family Service grant providers	2,821,515	576,767	2,244,748	642,462	125,413	517,049	3,463,977	702,180	2,761,797
Inflation for Mental Health/Substance Abuse and Disability Services contracted providers and Family Preservation Services	972,970	720,304	252,666	223,716	178,807	44,909	1,196,686	899,111	297,575
Inflation for the Human Service Center contracted providers	1,176,925	1,052,689	124,236	294,232	263,173	31,059	1,471,157	1,315,862	155,295
Total Inflation	**52,178,912**	**19,300,230**	**32,878,682**	**14,218,904**	**5,422,635**	**8,796,269**	**66,397,816**	**24,722,865**	**41,674,951**

SB 2012
DEPARTMENT OF HUMAN SERVICES
RETAINED (SWAP) FUNDS

Description	Amount
Economic Assistance Policy	
Indian County Allocation	1,964,607
TANF Grants	6,174,667
Child Care Assistance Grants	5,225,819
Subtotal	13,365,093
Medical Services	
Operating Contracts	638,032
Traditional Grants	19,601,850
Subtotal	20,239,882
Long Term Care	
Basic Care	2,284,362
Children and Family Services	119,183
Total SWAP Funds	$ 36,008,520

Department of Human Services
SB 2012
Changes in Major Department Grants

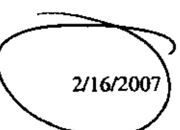
	2005-07 Biennium	2007-09 Biennium	Difference
TANF			
General Fund	$ 3,938,442	$ 4,314,942	$ 376,500
Federal Funds	8,155,352	6,821,322	(1,334,030)
Other Funds	12,166,206	11,303,716	(862,490)
Total Funds	$ 24,260,000	$ 22,439,980	$ (1,820,020)
LIHEAP			
General Fund	$ -	$ -	$ -
Federal Funds	-	-	-
Other Funds	28,706,569	36,108,430	7,401,861
Total Funds	$ 28,706,569	$ 36,108,430	$ 7,401,861
Food Stamps			
General Fund	$ -	$ -	$ -
Federal Funds	-	-	-
Other Funds	105,840,659	107,017,992	1,177,333
Total Funds	$ 105,840,659	$ 107,017,992	$ 1,177,333
Traditional Medicaid			
General Fund	$ 87,151,956	$ 99,271,951	$ 12,119,995
Federal Funds	256,278,074	252,049,579	(4,228,495)
Other Funds	26,276,803	30,910,210	4,633,407
Total Funds	$ 369,706,833	$ 382,231,740	$ 12,524,907
Healthy Steps			
General Fund	$ 2,919,413	$ 4,965,555	$ 2,046,142
Federal Funds	9,156,129	14,724,750	5,568,621
Other Funds			-
Total Funds	$ 12,075,542	$ 19,690,305	$ 7,614,763
Nursing Homes			
General Fund	$ 120,807,641	$ 136,360,652	$ 15,553,011
Federal Funds	221,468,801	242,094,724	20,625,923
Other Funds	736,598		(736,598)
Total Funds	$ 343,013,040	$ 378,455,376	$ 35,442,336

Department of Human Services
SB 2012
Changes in Major Department Grants

	2005-07 Biennium	2007-09 Biennium	Difference
Basic Care			
General Fund	$ 5,374,918	$ 6,323,372	$ 948,454
Federal Funds	5,484,596	5,793,512	308,916
Other Funds	2,442,457	2,284,362	(158,095)
Total Funds	$ 13,301,971	$ 14,401,246	$ 1,099,275
Home & Community Based Services			
General Fund	$ 21,180,465	$ 18,997,987	$ (2,182,478)
Federal Funds	$ 15,607,897	$ 17,341,897	1,734,000
Other Funds	$ 909,560	$ 435,656	(473,904)
Total Funds	$ 37,697,922	$ 36,775,540	$ (922,382)
DD Grants			
General Fund	$ 74,502,161	$ 96,812,766	$ 22,310,605
Federal Funds	135,851,751	170,315,611	34,463,860
Other Funds	975,408		(975,408)
Total Funds	$ 211,329,320	$ 267,128,377	$ 55,799,057
Foster Care			
General Fund	$ 9,618,674	$ 9,020,336	$ (598,338)
Federal Funds	38,289,910	39,699,981	1,410,071
Other Funds	10,935,240	11,856,957	921,717
Total Funds	$ 58,843,824	$ 60,577,274	$ 1,733,450
Subsidized Adoption			
General Fund	$ 4,237,273	$ 6,038,361	$ 1,801,088
Federal Funds	5,337,726	6,589,097	1,251,371
Other Funds	1,395,863	1,993,009	597,146
Total Funds	$ 10,970,862	$ 14,620,467	$ 3,649,605

Department of Human Services
SB 2012
Changes in Major Department Grants

	2005-07 Budget	Difference	2007-09 Executive Budget	Senate Changes	2007-09 Budget to House
TANF					
General Fund	$ 3,938,442	$ 376,500	$ 4,314,942	$ -	$ 4,314,942
Federal Funds	8,155,352	(1,334,030)	6,821,322	-	6,821,322
Other Funds	12,166,206	(862,490)	11,303,716	-	11,303,716
Total Funds	$ 24,260,000	$ (1,820,020)	$ 22,439,980	$ -	$ 22,439,980
LIHEAP					
General Fund	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	-	-	-	-
Other Funds	28,706,569	7,401,861	36,108,430	-	36,108,430
Total Funds	$ 28,706,569	$ 7,401,861	$ 36,108,430	$ -	$ 36,108,430
Food Stamps					
General Fund	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	-	-	-	-
Other Funds	105,840,659	1,177,333	107,017,992	-	107,017,992
Total Funds	$ 105,840,659	$ 1,177,333	$ 107,017,992	$ -	$ 107,017,992
Traditional Medicaid					
General Fund	$ 87,151,956	$ 12,119,995	$ 99,271,951	$ 7,842,846	$ 107,114,797
Federal Funds	256,278,074	(4,228,495)	252,049,579	14,312,725	266,362,304
Other Funds	26,276,803	4,633,407	30,910,210	-	30,910,210
Total Funds	$ 369,706,833	$ 12,524,907	$ 382,231,740	$ 22,155,571	$ 404,387,311
Healthy Steps					
General Fund	$ 2,919,413	$ 2,046,142	$ 4,965,555	$ (260,490)	$ 4,705,065
Federal Funds	9,156,129	5,568,621	14,724,750	(772,787)	13,951,963
Other Funds		-		-	-
Total Funds	$ 12,075,542	$ 7,614,763	$ 19,690,305	$ (1,033,277)	$ 18,657,028



Department of Human Services
SB 2012
Changes in Major Department Grants

	2005-07 Budget	Difference	2007-09 Executive Budget	Senate Changes	2007-09 Budget to House
Nursing Homes					
General Fund	$ 120,807,641	$ 15,553,011	$ 136,360,652	$ 1,152,926	$ 137,513,578
Federal Funds	221,468,801	20,625,923	242,094,724	2,328,791	244,423,515
Other Funds	736,598	(736,598)		144,825	144,825
Total Funds	$ 343,013,040	$ 35,442,336	$ 378,455,376	$ 3,626,542	$ 382,081,918
Basic Care					
General Fund	$ 5,374,918	$ 948,454	$ 6,323,372	$ 117,490	$ 6,440,862
Federal Funds	5,484,596	308,916	5,793,512	148,400	5,941,912
Other Funds	2,442,457	(158,095)	2,284,362	-	2,284,362
Total Funds	$ 13,301,971	$ 1,099,275	$ 14,401,246	$ 265,890	$ 14,667,136
Home & Community Based Services					
General Fund	$ 21,180,465	$ (2,182,478)	$ 18,997,987	$ 2,632,170	$ 21,630,157
Federal Funds	$ 15,607,897	1,734,000	$ 17,341,897	2,417,614	19,759,511
Other Funds	$ 909,560	(473,904)	$ 435,656	51,793	487,449
Total Funds	$ 37,697,922	$ (922,382)	$ 36,775,540	$ 5,101,577	$ 41,877,117
DD Grants					
General Fund	$ 74,502,161	$ 22,310,605	$ 96,812,766	$ 2,727,634	$ 99,540,400
Federal Funds	135,851,751	34,463,860	170,315,611	4,864,553	175,180,164
Other Funds	975,408	(975,408)		25,675	25,675
Total Funds	$ 211,329,320	$ 55,799,057	$ 267,128,377	$ 7,617,862	$ 274,746,239
Foster Care					
General Fund	$ 9,618,674	$ (598,338)	$ 9,020,336	$ 125,348	$ 9,145,684
Federal Funds	38,289,910	1,410,071	39,699,981	516,113	40,216,094
Other Funds	10,935,240	921,717	11,856,957	-	11,856,957
Total Funds	$ 58,843,824	$ 1,733,450	$ 60,577,274	$ 641,461	$ 61,218,735
Subsidized Adoption					
General Fund	$ 4,237,273	$ 1,801,088	$ 6,038,361	$ -	$ 6,038,361
Federal Funds	5,337,726	1,251,371	6,589,097	-	6,589,097
Other Funds	1,395,863	597,146	1,993,009	-	1,993,009
Total Funds	$ 10,970,862	$ 3,649,605	$ 14,620,467	$ -	$ 14,620,467

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Child Care		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	17,736,229	15,910,789	-1,825,440
				Special Funds	4,226,895	5,225,819	998,924
					21,963,124	21,136,608	-826,516
Food Stamps - EBT		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	105,840,659	107,017,992	1,177,333
					105,840,659	107,017,992	1,177,333
Indian County Allocation		60	ECONOMIC ASSIST POLICY-GRANTS	Special Funds	1,964,607	1,964,607	0
				General Fund	1,147,174	1,572,200	425,026
					3,111,781	3,536,807	425,026
JOBS - Transportation		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	2,646,480	3,050,000	403,520
					2,646,480	3,050,000	403,520
Kinship Care		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	220,000	420,000	200,000
					220,000	420,000	200,000
Low Income Home Energy Assistance Program		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	36,506,569	40,540,430	4,033,861
					36,506,569	40,540,430	4,033,861
Miscellaneous Grants		60	ECONOMIC ASSIST POLICY-GRANTS	Special Funds	15,000	8,040	-6,960
				Federal Funds	45,000	38,040	-6,960
					60,000	46,080	-13,920
Nutrition Education Plan		60	ECONOMIC ASSIST POLICY-GRANTS	Federal Funds	2,975,000	3,344,838	369,838
					2,975,000	3,344,838	369,838
TANF Benefit		60	ECONOMIC ASSIST POLICY-GRANTS	General Fund	3,938,442	4,314,942	376,500
				Federal Funds	8,155,352	6,821,322	-1,334,030
				Special Funds	12,166,206	11,303,716	-862,490
					24,260,000	22,439,980	-1,820,020
		Total for Reporting Level			**197,583,613**	**201,532,735**	**3,949,122**

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Access & Visitation		60	CHILD SUPPORT ENFORCEMENT	Federal Funds	400,000	200,000	-200,000
					400,000	200,000	-200,000
IV-D Incentives		60	CHILD SUPPORT ENFORCEMENT	Special Funds	1,485,000	1,766,288	281,288
					1,485,000	1,766,288	281,288
	Total for Reporting Level				**1,885,000**	**1,966,288**	**81,288**
Healthy Steps		73	MEDICAL SERVICES	General Fund	2,919,413	4,965,555	2,046,142
				Federal Funds	9,156,129	14,724,750	5,568,621
					12,075,542	19,690,305	7,614,763
Medicaid		73	MEDICAL SERVICES	General Fund	87,151,956	99,271,951	12,119,995
				Federal Funds	256,278,074	252,049,579	-4,228,495
				Special Funds	26,276,803	30,910,210	4,633,407
					369,706,833	382,231,740	12,524,907
Nursing Home Survey & Certification		73	MEDICAL SERVICES	Federal Funds	1,266,928	1,948,105	681,177
				Special Funds	447,964	638,032	190,068
				General Fund	0	75,081	75,081
					1,714,892	2,661,218	946,326
Remedial Blind		73	MEDICAL SERVICES	Special Funds	44,948	0	-44,948
				General Fund	0	31,650	31,650
					44,948	31,650	-13,298
	Total for Reporting Level				**383,542,215**	**404,614,913**	**21,072,698**
Dev. Center Transition Funds		60	LONG TERM CARE	General Fund	50,000	0	-50,000
					50,000	0	-50,000
Aged & Disabled Waiver		73	LONG TERM CARE	Federal Funds	2,192,688	3,109,661	916,973
				General Fund	1,161,726	1,751,684	589,958

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Aged & Disabled Waiver		73	LONG TERM CARE	Special Funds	45,489	0	-45,489
					3,399,903	4,861,345	1,461,442
Basic Care		73	LONG TERM CARE	Special Funds	2,442,457	2,284,362	-158,095
				General Fund	5,374,918	6,096,469	721,551
				Federal Funds	5,484,596	5,698,988	214,392
					13,301,971	14,079,819	777,848
Developmental Disabilities Grants		73	LONG TERM CARE	Special Funds	975,408	0	-975,408
				Federal Funds	135,851,751	177,152,356	41,300,605
				General Fund	74,502,161	101,153,476	26,651,315
					211,329,320	278,305,832	66,976,512
Expanded SPED		73	LONG TERM CARE	General Fund	823,837	638,976	-184,861
				Special Funds	14,200	0	-14,200
					838,037	638,976	-199,061
Nursing Homes		73	LONG TERM CARE	Federal Funds	221,468,801	235,922,214	14,453,413
				Special Funds	736,598	0	-736,598
				General Fund	120,807,641	132,881,117	12,073,476
					343,013,040	368,803,331	25,790,291
Personal Care Option		73	LONG TERM CARE	General Fund	5,446,358	6,771,560	1,325,202
				Federal Funds	10,009,348	12,022,075	2,012,727
				Special Funds	52,678	0	-52,678
					15,508,384	18,793,635	3,285,251
SPED		73	LONG TERM CARE	General Fund	12,015,332	8,277,436	-3,737,896
				Special Funds	780,211	435,656	-344,555
				Federal Funds	225,720	0	-225,720
					13,021,263	8,713,092	-4,308,171

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
TBI Waiver		73	LONG TERM CARE	General Fund	1,008,021	611,818	-396,203
				Federal Funds	1,847,703	1,086,126	-761,577
				Special Funds	9,918	0	-9,918
					2,865,642	1,697,944	-1,167,698
Targeted Case Management		73	LONG TERM CARE	General Fund	725,191	312,241	-412,950
				Federal Funds	1,332,438	554,324	-778,114
				Special Funds	7,064	0	-7,064
					2,064,693	866,565	-1,198,128
	Total for Reporting Level				**605,392,253**	**696,760,539**	**91,368,286**
DD Council		60	DD COUNCIL	Federal Funds	816,288	763,517	-52,771
					816,288	763,517	-52,771
	Total for Reporting Level				**816,288**	**763,517**	**-52,771**
Supportive Community Services		60	AGING SERVICES	Federal Funds	470,070	205,425	-264,645
				Special Funds	0	44,575	44,575
					470,070	250,000	-220,070
	Total for Reporting Level				**470,070**	**250,000**	**-220,070**
Adoption Services		60	CHILDREN AND FAMILY SERVICES	General Fund	4,237,273	6,038,361	1,801,088
				Federal Funds	5,337,726	6,589,097	1,251,371
				Special Funds	1,395,863	1,993,009	597,146
					10,970,862	14,620,467	3,649,605
Child Protection Services		60	CHILDREN AND FAMILY SERVICES	Special Funds	300,000	300,000	0
				Federal Funds	4,448,174	4,409,310	-38,864
				General Fund	50,000	420,916	370,916
					4,798,174	5,130,226	332,052

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Collaboration Services		60	CHILDREN AND FAMILY SERVICES	Federal Funds	1,125,000	1,575,000	450,000
					1,125,000	1,575,000	450,000
County Reimbursement		60	CHILDREN AND FAMILY SERVICES	Special Funds	412,429	372,034	-40,395
				Federal Funds	11,069,807	10,348,020	-721,787
				General Fund	36,436	33,113	-3,323
					11,518,672	10,753,167	-765,505
Early Childhood Services		60	CHILDREN AND FAMILY SERVICES	Federal Funds	2,712,500	2,411,400	-301,100
				General Fund	0	0	0
				Special Funds	2,675,000	1,211,116	-1,463,884
					5,387,500	3,622,516	-1,764,984
Family Preservation Services		60	CHILDREN AND FAMILY SERVICES	Federal Funds	5,186,192	6,151,360	965,168
				Special Funds	76,650	857,101	780,451
				General Fund	296,483	285,936	-10,547
					5,559,325	7,294,397	1,735,072
Foster Care Services		60	CHILDREN AND FAMILY SERVICES	Federal Funds	41,322,869	42,201,613	878,744
				General Fund	10,450,039	10,219,037	-231,002
				Special Funds	11,081,407	12,065,317	983,910
					62,854,315	64,485,967	1,631,652
Refugee Services		60	CHILDREN AND FAMILY SERVICES	Federal Funds	3,800,000	4,300,717	500,717
					3,800,000	4,300,717	500,717
Total for Reporting Level					**106,013,848**	**111,782,457**	**5,768,609**
Substance Abuse Prevention and Treatment Ser		60	MENTAL HEALTH-SUBSTANCE ABUSE	Federal Funds	2,829,513	2,792,938	-36,575
				Special Funds	133	0	-133
					2,829,646	2,792,938	-36,708

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Compulsive Gambling Services		60	MENTAL HEALTH-SUBSTANCE ABUSE	Special Funds	399,867	334,000	-65,867
					399,867	334,000	-65,867
Extended Services		60	MENTAL HEALTH-SUBSTANCE ABUSE	General Fund	649,706	649,759	53
				Federal Funds	140,000	139,947	-53
					789,706	789,706	0
Mental Health Consumer Services		60	MENTAL HEALTH-SUBSTANCE ABUSE	Federal Funds	336,636	271,405	-65,231
				General Fund	0	68,595	68,595
					336,636	340,000	3,364
Olmstead Projects		60	MENTAL HEALTH-SUBSTANCE ABUSE	Federal Funds	41,004	0	-41,004
					41,004	0	-41,004
		Total for Reporting Level			**4,396,859**	**4,256,644**	**-140,215**
Developmental Disabilities Grants		60	DISABILITY SERVICES	General Fund	271,968	286,933	14,965
				Federal Funds	65,244	79,834	14,590
					337,212	366,767	29,555
Direct Client Services		60	DISABILITY SERVICES	Federal Funds	12,213,628	12,704,504	490,876
				General Fund	3,135,375	3,094,499	-40,876
					15,349,003	15,799,003	450,000
Disability Determination Services		60	DISABILITY SERVICES	Federal Funds	1,300,000	1,300,000	0
					1,300,000	1,300,000	0
Early Intervention Grants		60	DISABILITY SERVICES	Federal Funds	466,250	449,636	-16,614
					466,250	449,636	-16,614
Interagency Program for Assistive Technology		60	DISABILITY SERVICES	Special Funds	2,100	0	-2,100
				Federal Funds	927,260	681,215	-246,045
				General Fund	0	0	0
					929,360	681,215	-248,145

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Other Grants		60	DISABILITY SERVICES	Federal Funds	190,000	190,000	0
				Special Funds	97,000	97,000	0
					287,000	287,000	0
Total for Reporting Level					**18,668,825**	**18,883,621**	**214,796**
Care Coordination		70	NORTHWEST HSC	Federal Funds	51,445	0	-51,445
				General Fund	17,211	0	-17,211
					68,656	0	-68,656
Crisis Care / Safe Beds		70	NORTHWEST HSC	Federal Funds	0	6,995	6,995
				General Fund	100,000	109,776	9,776
					100,000	116,771	16,771
Inpatient Hospitalization		70	NORTHWEST HSC	General Fund	328,888	234,892	-93,996
				Federal Funds	301,112	395,108	93,996
					630,000	630,000	0
Northwest Inflation		70	NORTHWEST HSC	General Fund	0	61,124	61,124
					0	61,124	61,124
Psych Social Club		70	NORTHWEST HSC	General Fund	140,000	144,228	4,228
					140,000	144,228	4,228
Psychiatric / Psychological / Medical Service		70	NORTHWEST HSC	Special Funds	45,245	40,376	-4,869
				Federal Funds	286,808	130,927	-155,881
				General Fund	119,216	277,216	158,000
					451,269	448,519	-2,750
Total for Reporting Level					**1,389,925**	**1,400,642**	**10,717**
Case Aide		70	NORTH CENTRAL HSC	Federal Funds	32,513	53,142	20,629
				Special Funds	715	0	-715

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Case Aide		70	NORTH CENTRAL HSC	General Fund	96,772	80,784	-15,988
					130,000	133,926	3,926
Crisis Care/Safe Beds		70	NORTH CENTRAL HSC	Federal Funds	7,503	7,936	433
				Special Funds	165	0	-165
				General Fund	22,332	12,064	-10,268
					30,000	20,000	-10,000
DD Services		70	NORTH CENTRAL HSC	Federal Funds	40,000	40,000	0
					40,000	40,000	0
Evaluation Services -VR		70	NORTH CENTRAL HSC	General Fund	1,065	1,065	0
				Federal Funds	3,935	3,935	0
					5,000	5,000	0
Flex Funds Partnership		70	NORTH CENTRAL HSC	Federal Funds	6,253	5,952	-301
				General Fund	18,610	9,048	-9,562
				Special Funds	137	0	-137
					25,000	15,000	-10,000
Inpatient Hospitalization		70	NORTH CENTRAL HSC	General Fund	725,809	76,192	-649,617
				Special Funds	38,023	0	-38,023
				Federal Funds	436,168	0	-436,168
					1,200,000	76,192	-1,123,808
North Central Inflation		70	NORTH CENTRAL HSC	General Fund	0	136,712	136,712
					0	136,712	136,712
Psych Social Club		70	NORTH CENTRAL HSC	General Fund	150,000	154,530	4,530
					150,000	154,530	4,530
Psychiatric/Psychological/Medical Services		70	NORTH CENTRAL HSC	Federal Funds	173,965	319,468	145,503
				General Fund	224,005	319,825	95,820

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Psychiatric/Psychological/Medical Services		70	NORTH CENTRAL HSC	Special Funds	62,546	83,711	21,165
					460,516	723,004	262,488
Residential Services		70	NORTH CENTRAL HSC	Federal Funds	419,096	1,324,610	905,514
				Special Funds	0	28,200	28,200
				General Fund	440,849	515,540	74,691
					859,945	1,868,350	1,008,405
	Total for Reporting Level				**2,900,461**	**3,172,714**	**272,253**
Lake Region Inflation		70	LAKE REGION HSC	General Fund	0	89,263	89,263
					0	89,263	89,263
Psych Social Club-Progress Enterprises		70	LAKE REGION HSC	General Fund	140,000	140,000	0
					140,000	140,000	0
Psychiatric/Psychological/Medical Services		70	LAKE REGION HSC	General Fund	56,089	57,764	1,675
				Special Funds	21,649	16,540	-5,109
				Federal Funds	14,818	18,252	3,434
					92,556	92,556	0
Residential Services		70	LAKE REGION HSC	Federal Funds	493,541	913,341	419,800
				Special Funds	13,362	0	-13,362
				General Fund	975,061	592,955	-382,106
					1,481,964	1,506,296	24,332
Respite Care		70	LAKE REGION HSC	General Fund	40,000	0	-40,000
				Federal Funds	0	40,000	40,000
					40,000	40,000	0
Substance Abuse Treatment and Prevention		70	LAKE REGION HSC	Federal Funds	200,000	200,000	0
					200,000	200,000	0
	Total for Reporting Level				**1,954,520**	**2,068,115**	**113,595**

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Adult Protective Services		70	NORTHEAST HSC	Federal Funds	40,700	41,826	1,126
				General Fund	1,126	0	-1,126
					41,826	41,826	0
Care Coordination		70	NORTHEAST HSC	General Fund	68,669	0	-68,669
				Federal Funds	99,049	175,423	76,374
				Special Funds	7,705	0	-7,705
					175,423	175,423	0
Crisis Care/Safe Beds		70	NORTHEAST HSC	General Fund	154,633	165,376	10,743
				Special Funds	2,358	0	-2,358
				Federal Funds	82,550	74,165	-8,385
					239,541	239,541	0
DD Services		70	NORTHEAST HSC	General Fund	4,197	0	-4,197
				Federal Funds	124,653	80,000	-44,653
					128,850	80,000	-48,850
Detoxification		70	NORTHEAST HSC	Federal Funds	20,000	41,074	21,074
				General Fund	21,074	0	-21,074
					41,074	41,074	0
Inpatient Hospitalization		70	NORTHEAST HSC	General Fund	113,020	113,020	0
					113,020	113,020	0
Northeast Inflation		70	NORTHEAST HSC	Special Funds	0	0	0
				Federal Funds	0	12,494	12,494
				General Fund	0	101,088	101,088
					0	113,582	113,582
Northeast Psychology Internship		70	NORTHEAST HSC	Federal Funds	0	0	0

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Northeast Psychology Internship		70	NORTHEAST HSC	General Fund	0	0	0
					0	0	0
Psych Social Club		70	NORTHEAST HSC	General Fund	190,587	190,587	0
					190,587	190,587	0
Psychiatric/Psychological/Medical Services		70	NORTHEAST HSC	Federal Funds	110,472	238,468	127,996
				Special Funds	51,664	30,116	-21,548
				General Fund	178,572	72,124	-106,448
					340,708	340,708	0
Residential Services		70	NORTHEAST HSC	Federal Funds	1,145,136	1,217,944	72,808
				Special Funds	7,309	62,966	55,657
				General Fund	1,439,367	1,310,902	-128,465
					2,591,812	2,591,812	0
Substance Abuse Treatment and Prevention		70	NORTHEAST HSC	General Fund	19,646	36,573	16,927
				Special Funds	10,443	13,078	2,635
				Federal Funds	102,382	105,819	3,437
					132,471	155,470	22,999
	Total for Reporting Level				**3,995,312**	**4,083,043**	**87,731**
Adult Protective Services		70	SOUTHEAST HSC	Federal Funds	80,800	80,800	0
					80,800	80,800	0
Care Coordination		70	SOUTHEAST HSC	Federal Funds	46,818	67,001	20,183
				General Fund	32,096	5,253	-26,843
				Special Funds	14,340	0	-14,340
					93,254	72,254	-21,000
Case Aide		70	SOUTHEAST HSC	Federal Funds	140,745	183,890	43,145
				Special Funds	28,978	1,857	-27,121

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Case Aide		70	SOUTHEAST HSC	General Fund	85,951	69,927	-16,024
					255,674	255,674	0
Crisis Care/Safe Beds		70	SOUTHEAST HSC	General Fund	81,835	76,319	-5,516
				Federal Funds	294,715	311,445	16,730
				Special Funds	28,796	13,347	-15,449
					405,346	401,111	-4,235
DD Services		70	SOUTHEAST HSC	Federal Funds	151,357	70,963	-80,394
				General Fund	0	4,945	4,945
					151,357	75,908	-75,449
Detoxification		70	SOUTHEAST HSC	Federal Funds	2,084	1,015	-1,069
				General Fund	4,416	6,214	1,798
					6,500	7,229	729
Flex Funds Partnership		70	SOUTHEAST HSC	General Fund	15,590	3,607	-11,983
				Federal Funds	14,142	33,842	19,700
				Special Funds	6,965	0	-6,965
					36,697	37,449	752
Inpatient Hospitlization		70	SOUTHEAST HSC	General Fund	239,011	115,582	-123,429
				Federal Funds	130,419	253,848	123,429
					369,430	369,430	0
Psych Social Club		70	SOUTHEAST HSC	General Fund	185,195	185,299	104
					185,195	185,299	104
Psychiatric/Psychological/Medical Services		70	SOUTHEAST HSC	Federal Funds	35,180	33,010	-2,170
				Special Funds	7,360	4,373	-2,987
				General Fund	8,460	13,617	5,157
					51,000	51,000	0

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Residential Services		70	SOUTHEAST HSC	General Fund	605,458	734,747	129,289
				Federal Funds	961,088	1,072,404	111,316
				Special Funds	12,950	266,328	253,378
					1,579,496	2,073,479	493,983
Respite Care		70	SOUTHEAST HSC	Federal Funds	112,992	113,000	8
				General Fund	0	37,659	37,659
					112,992	150,659	37,667
Southeast Inflation		70	SOUTHEAST HSC	General Fund	0	183,962	183,962
					0	183,962	183,962
	Total for Reporting Level				**3,327,741**	**3,944,254**	**616,513**
Adult Protective Services		70	SOUTH CENTRAL HSC	Federal Funds	37,500	37,500	0
					37,500	37,500	0
Case Aide		70	SOUTH CENTRAL HSC	Federal Funds	15,000	7,800	-7,200
					15,000	7,800	-7,200
DD Services		70	SOUTH CENTRAL HSC	Federal Funds	172,124	40,000	-132,124
					172,124	40,000	-132,124
Psych Social Club		70	SOUTH CENTRAL HSC	General Fund	188,820	192,816	3,996
					188,820	192,816	3,996
Residential Services		70	SOUTH CENTRAL HSC	Federal Funds	587,658	1,162,536	574,878
				Special Funds	62,095	61,221	-874
				General Fund	847,540	2,096,892	1,249,352
					1,497,293	3,320,649	1,823,356
Respite Care		70	SOUTH CENTRAL HSC	General Fund	12,000	6,000	-6,000
					12,000	6,000	-6,000
South Central Inflation		70	SOUTH CENTRAL HSC	General Fund	0	87,751	87,751

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
South Central Inflation		70	SOUTH CENTRAL HSC	Federal Funds	0	30,831	30,831
					0	118,582	118,582
	Total for Reporting Level				**1,922,737**	**3,723,347**	**1,800,610**
Adult Protective Services		70	WEST CENTRAL HSC	Federal Funds	5,000	5,911	911
					5,000	5,911	911
Care Coordination		70	WEST CENTRAL HSC	Federal Funds	13,037	13,300	263
				General Fund	19,353	20,790	1,437
				Special Funds	1,210	910	-300
					33,600	35,000	1,400
Case Aide		70	WEST CENTRAL HSC	General Fund	459,491	579,859	120,368
				Federal Funds	630,633	523,531	-107,102
				Special Funds	27,701	14,435	-13,266
					1,117,825	1,117,825	0
Crisis Care/Safe Beds		70	WEST CENTRAL HSC	Federal Funds	16,748	19,671	2,923
				General Fund	24,864	30,749	5,885
				Special Funds	1,554	1,346	-208
					43,166	51,766	8,600
DD Services		70	WEST CENTRAL HSC	Federal Funds	130,000	70,000	-60,000
					130,000	70,000	-60,000
Detoxification		70	WEST CENTRAL HSC	General Fund	755	7,958	7,203
				Federal Funds	63,000	17,797	-45,203
					63,755	25,755	-38,000
Evaluation Services		70	WEST CENTRAL HSC	General Fund	3,148	6,296	3,148
				Federal Funds	852	1,704	852
					4,000	8,000	4,000

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Flex Funds Partnership		70	WEST CENTRAL HSC	Federal Funds	0	22,800	22,800
				Special Funds	0	1,560	1,560
				General Fund	70,000	35,640	-34,360
					70,000	60,000	-10,000
Inpatient Hospitalization		70	WEST CENTRAL HSC	Special Funds	0	8,066	8,066
				Federal Funds	0	100,121	100,121
				General Fund	125,000	16,813	-108,187
					125,000	125,000	0
Psych Social Club		70	WEST CENTRAL HSC	General Fund	180,976	184,122	3,146
					180,976	184,122	3,146
Psychiatric/Psychological/Medical Services		70	WEST CENTRAL HSC	General Fund	215,383	202,543	-12,840
				Federal Funds	142,550	194,832	52,282
				Special Funds	75,697	69,005	-6,692
					433,630	466,380	32,750
Residential Services		70	WEST CENTRAL HSC	Federal Funds	1,142,026	1,301,693	159,667
				Special Funds	37,832	40,000	2,168
				General Fund	1,034,607	927,477	-107,130
					2,214,465	2,269,170	54,705
Respite Care		70	WEST CENTRAL HSC	General Fund	52,000	0	-52,000
				Federal Funds	0	52,000	52,000
					52,000	52,000	0
Substance Abuse Treatment and Prevention		70	WEST CENTRAL HSC	Special Funds	0	10,900	10,900
				General Fund	100,000	11,900	-88,100
				Federal Funds	0	77,200	77,200
					100,000	100,000	0

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
West Central CD Short Term Residential		70	WEST CENTRAL HSC	General Fund	0	0	0
					0	0	0
West Central Inflation		70	WEST CENTRAL HSC	Special Funds	0	0	0
				Federal Funds	0	49,430	49,430
				General Fund	0	87,875	87,875
					0	137,305	137,305
Total for Reporting Level					**4,573,417**	**4,708,234**	**134,817**
Adult Protective Services		70	BADLANDS HSC	Federal Funds	9,773	0	-9,773
					9,773	0	-9,773
Badlands Inflation		70	BADLANDS HSC	Federal Funds	0	422	422
				General Fund	0	41,741	41,741
					0	42,163	42,163
Care Coordination		70	BADLANDS HSC	Federal Funds	32,000	32,000	0
					32,000	32,000	0
Case Aide		70	BADLANDS HSC	General Fund	6,460	0	-6,460
				Federal Funds	12,540	0	-12,540
					19,000	0	-19,000
DD Services		70	BADLANDS HSC	Federal Funds	36,000	36,000	0
					36,000	36,000	0
Evaluation Services - VR		70	BADLANDS HSC	Federal Funds	4,680	4,680	0
				General Fund	1,320	1,320	0
					6,000	6,000	0
Inpatient Hospitalization		70	BADLANDS HSC	General Fund	94,500	130,000	35,500
					94,500	130,000	35,500

Grants Summary

00325 DEPARTMENT OF HUMAN SERVICES

Version: 2007-R-03-00325

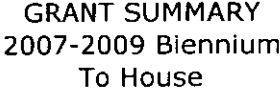
Description	Priority	Line		Funding	2005-07 Biennium Appropriation	2007-09 Budget Recommendation	Total Changes From 2005-07
Psych Social Club		70	BADLANDS HSC	General Fund	170,000	175,000	5,000
					170,000	175,000	5,000
Psychiatric Services		70	BADLANDS HSC	General Fund	139,916	155,312	15,396
				Special Funds	103,748	83,530	-20,218
				Federal Funds	217,136	286,598	69,462
					460,800	525,440	64,640
Residential Services		70	BADLANDS HSC	General Fund	213,440	68,454	-144,986
				Federal Funds	36,000	180,986	144,986
					249,440	249,440	0
Total for Reporting Level					**1,077,513**	**1,196,043**	**118,530**
Developmental Center Resident Transition		70	DEVELOPMENTAL CENTER	Federal Funds	0	0	0
				General Fund	0	0	0
					0	0	0
Total for Reporting Level					**0**	**0**	**0**
Total for DEPARTMENT OF HUMAN SERVICES					**1,339,910,597**	**1,465,107,106**	**125,196,509**

GRANT SUMMARY
2007-2009 Biennium
To House

Description	Budgeted Average Monthly Caseload / Recipient	Budgeted Average Cost per Unit of Service	Budgeted Total Expenditures	Budgeted General Fund Expenditures
Med Pymnts-DD Comm Based Care			267,128,377	96,812,766
Nursing Homes	3,609	144.86	382,081,918	137,513,578
Basic Care	480	41.85	14,667,136	6,440,862
SPED	1,163	368.26	10,268,528	9,755,101
Expanded SPED	141	224.68	760,341	760,341
TBI Waiver	27	2,779.59	1,800,519	648,755
Aged & Disabled Waiver	239	900.14	5,457,461	1,966,408
Targeted Case Management	340	112.67	918,921	331,101
Personal Care	678	1,393.45	22,671,347	8,168,451
Traditional Medicaid			423,044,339	111,819,862
Inpatient Hospital	1,095	3,765.84	98,925,215	35,644,462
Net Drugs (Includes Rebates)	50,611	49.98	60,837,656	2,311,392
Physician	120,538	19.79	57,772,931	20,815,512
Outpatient Hospital	52,938	37.18	47,219,767	17,014,110
Premiums	N/A	N/A	23,681,997	8,283,916
Indian Health Services	1,944	452.90	21,119,368	0
Healthy Steps	3,750	207.31	18,657,028	4,705,065
PRTF	2,559	327.61	20,113,320	7,247,010
Dental	9,251	54.89	12,180,758	4,388,937
Durable Medical Equipment	47,776	4.67	5,352,750	1,928,694

SB 2012
Schedule of Federal Grant /Funding Decreases Offset by General Fund Increases

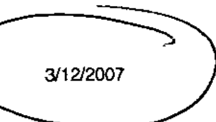
Grant	Amount
Social Services Block Grant	1,385,023
Health Care Trust Fund (IGT Funds)	3,200,000
FMAP change	9,120,541
IPAT (Initially requested in SB 2011)	500,000
Total including FMAP change	$ 14,205,564



GRANT SUMMARY
2007-2009 Biennium
To House

Description	Budgeted Average Monthly Caseload / Recipient	Budgeted Average Cost (to OMB)	Budgeted Average Cost (to Senate)	Budgeted Average Cost (to House)	Budgeted Total Expenditures	Budgeted General Fund Expenditures	
Med Pymnts-DD Comm Based Care					274,746,239	99,540,400	
Adult Education Transition Services	4	6.48	6.77	6.88	124,778	-	Average cost is per unit.
Congregate Care	49	95.04	103.72	105.13	3,765,740	1,356,824	Average cost is per unit.
Day Supports	964	10.91	12.09	12.25	39,115,866	14,128,188	Average cost is per unit.
Extended Services - HCBS	288	23.02	25.65	26.00	4,842,980	1,744,910	Average cost is per unit.
Family Subsidy	513	119.50	127.58	128.88	1,586,772	1,186,772	Average cost is per unit.
Family Support Services - In Home Support	456	18.89	20.87	21.15	8,735,762	3,147,512	Average cost is per unit.
Family Support Services - Family Care Option	17	66.11	70.28	71.30	790,536	284,822	Average cost is per unit.
Family Support Services - Family Care Option 3	33	223.28	234.76	238.31	5,725,442	2,062,731	Average cost is per unit.
ICF/MR - Adult	252	249.89	268.40	272.16	50,136,015	18,064,455	Average cost is per unit.
ICF/MR - Children	94	327.02	352.45	377.58	25,944,804	9,347,901	Average cost is per unit.
ICF/MR - Physically Handicapped	121	252.89	272.75	276.55	24,461,202	8,813,560	Average cost is per unit.
Infant Development	1,061	18.69	19.97	20.25	10,830,603	3,872,851	Average cost is per unit.
Individualized Supported Living Arrangement	767	93.62	103.48	104.87	58,797,241	21,183,962	Average cost is per unit.
Minimally Supervised Living Arrangement	181	110.96	119.95	121.62	16,091,705	5,798,000	Average cost is per unit.
Specialized Placement	11	138.39	150.66	152.74	1,228,151	442,504	Average cost is per unit.
Supported Living Arrangement	136	7.12	7.84	7.95	790,320	284,765	Average cost is per unit.
Title XIX County Waivered Services	36	1,105.49	1,155.72	1,172.71	1,013,218	365,072	Average cost is per unit.
Transitional Community Living - Training	171	100.40	110.04	111.55	13,943,336	5,023,735	Average cost is per unit.
Self-Directed Supports - Families	241	603.54	649.99	659.34	3,805,721	1,371,078	Average cost is per unit.
Self-Directed Supports - Adults	30	545.60	611.66	619.66	446,155	160,758	Average cost is per unit.
Increase in Personal Care Allowance					71,280	-	
Developmental Center Transition					2,498,612	900,000	
Nursing Homes (rate includes hospice room & board)	3,609	139.79	143.49	144.86	382,081,918	137,513,578	Average cost is per bed per day.
Basic Care (rate includes room & board and personal care)	480	40.17	41.09	41.85	14,667,136	6,440,862	Average cost is per bed per day.
SPED	1,163	312.04	326.22	368.26	10,268,528	9,755,101	Average cost is per recipient per month.
ExSPED	141	188.82	197.40	224.68	760,341	760,341	Average cost is per recipient per month.
TBI Waiver	27	2,620.28	2,698.89	2,779.59	1,800,519	648,755	Average cost is per recipient per month.
Aged & Disabled Waiver	239	848.55	874.00	900.14	5,457,461	1,966,408	Average cost is per recipient per month.
TCM Aged & Disabled Waiver	340	106.21	109.40	112.67	918,921	331,101	Average cost is per recipient per month.
Personal Care Option	678	1,155.82	1,190.49	1,393.45	22,671,347	8,168,451	Average cost is per recipient per month.
Traditional Medicaid					423,044,339	111,819,862	
Inpatient Hospital	1,095	3,550.00	3,711.35	3,765.84	98,925,215	35,644,462	Average cost is per discharge.
Net Drugs (Includes Rebates)	50,611	49.98	49.98	49.98	60,837,656	2,311,392	Average cost is per prescription.
Physician	120,538	18.65	19.50	19.79	57,772,931	20,815,512	Average cost is per unit.
Outpatient Hospital	52,938	35.05	36.64	37.18	47,219,767	17,014,110	Average cost is per unit.
Premiums	N/A	N/A	N/A	N/A	23,681,997	8,283,916	
Indian Health Services	1,944	426.94	446.35	452.90	21,119,368	0	Average cost is per recipient per month.
Healthy Steps	3,750	207.31	207.31	207.31	18,657,028	4,705,065	Average cost is per premium per month.
PRTF	2,559	314.89	324.41	327.61	20,113,320	7,247,010	Average cost is per child per day.
Dental	9,251	51.74	54.09	54.89	12,180,758	4,388,937	Average cost is per unit.
Durable Medical Equipment	47,776	4.40	4.60	4.67	5,352,750	1,928,694	Average cost is per unit.

Reverse eligibility change in SPED Program	217	1,617,926	1,537,030
Cost of 4% and 4% and QSP rate change on the SPED eligibility reversal	217	312,371	296,754
Total cost of SPED eligibility reversal		1,930,297	1,833,784



GRANT SUMMARY
2007-2009 Biennium
To House (with Re-Projections)

Description	Budgeted Average Monthly Caseload / Recipient	Budgeted Average Cost (to OMB)	Budgeted Average Cost (to Senate)	Budgeted Average Cost (to House)	Budgeted Total Expenditures	Budgeted General Fund Expenditures	Re-projected Average Monthly Caseload / Recipient	Re-projected Average Cost	Re-projected Total Expenditures	Re-projected General Fund Expenditures	Increase / (Decrease) in Avg Monthly Caseload / Recipient	Increase / (Decrease) in Avg Cost	Increase /(Decrease) in Total Expenditures	Increase /(Decrease) in General Fund Expenditures	
Med Pymnts-DD Comm Based Care					274,746,239	99,540,400			275,320,221	99,759,833			573,982	219,433	
Adult Education Transition Services	4	6.48	6.77	6.88	124,778	-	4	6.98	69,032	-	-	0.10	(55,746)	-	Average cost per hours/days.
Congregate Care	49	95.04	103.72	105.13	3,765,740	1,356,824	49	96.89	3,470,607	1,250,496	-	(8.24)	(295,133)	(106,328)	Average cost per day.
Day Supports	964	10.91	12.09	12.25	39,115,866	14,128,188	983	12.70	41,964,002	15,146,701	19	0.45	2,848,136	1,018,513	Average cost per hour.
Extended Services - HCBS	288	23.02	25.65	26.00	4,842,980	1,744,910	288	24.99	4,655,136	1,677,256	-	(1.01)	(187,844)	(67,654)	Average cost per hour.
Family Subsidy	513	119.50	127.58	128.88	1,586,772	1,186,772	513	128.88	1,586,772	1,186,772	-	-	-	-	Average cost per family.
Family Support Services - In Home Support	456	18.89	20.87	21.15	8,735,762	3,147,512	465	21.02	9,506,763	3,425,341	9	(0.13)	771,001	277,829	Average cost per hour.
Family Support Services - Family Care Option	17	66.11	70.28	71.30	790,536	284,822	16	69.75	778,418	280,449	(1)	(1.55)	(12,118)	(4,373)	Average cost per day.
Family Support Services - Family Care Option 3	33	223.28	234.76	238.31	5,725,442	2,062,731	33	224.68	5,397,859	1,944,711	-	(13.63)	(327,583)	(118,020)	Average cost per day.
ICF/MR - Adult	252	249.89	268.40	272.16	50,136,015	18,064,455	249	264.05	48,126,055	17,341,009	(3)	(8.11)	(2,009,960)	(723,446)	Average cost per day.
ICF/MR - Children	94	327.02	352.45	377.58	25,944,804	9,347,901	92	384.75	25,875,365	9,323,131	(2)	7.17	(69,439)	(24,770)	Average cost per day.
ICF/MR - Physically Handicapped	121	252.89	272.75	276.55	24,461,202	8,813,560	122	279.52	24,928,402	8,981,823	1	2.97	467,200	168,263	Average cost per day.
Infant Development	1,061	18.69	19.97	20.25	10,830,603	3,872,851	932	20.96	9,845,585	3,516,930	(129)	0.71	(985,018)	(355,921)	Average cost per work day.
Individualized Supported Living Arrangement	767	93.62	103.48	104.87	58,797,241	21,183,962	767	104.62	58,657,333	21,133,166	-	(0.25)	(139,908)	(50,796)	Average cost per day.
Minimally Supervised Living Arrangement	181	110.96	119.95	121.62	16,091,705	5,798,000	171	121.59	15,198,354	5,476,134	(10)	(0.03)	(893,351)	(321,866)	Average cost per day.
Specialized Placement	11	138.39	150.66	152.74	1,228,151	442,504	11	142.38	1,144,884	412,506	-	(10.36)	(83,267)	(29,998)	Average cost per day.
Supported Living Arrangement	136	7.12	7.84	7.95	790,320	284,765	138	9.99	1,008,157	363,249	2	2.04	217,837	78,484	Average cost per day.
Title XIX County Waivered Services	36	1,105.49	1,155.72	1,172.71	1,013,218	365,072	36	1,172.71	1,013,218	365,072	-	-	-	-	Average monthly cost per person.
Transitional Community Living - Training	171	100.40	110.04	111.55	13,943,336	5,023,735	174	120.08	15,272,511	5,503,251	3	8.53	1,329,175	479,516	Average cost per day.
Self-Directed Supports - Families	241	603.54	649.99	659.34	3,805,721	1,371,078	241	659.34	3,805,721	1,371,078	-	-	-	-	Average cost per month.
Self-Directed Supports - Adults	30	545.60	611.66	619.66	446,155	160,758	30	619.66	446,155	160,758	-	-	-	-	Average cost per month.
Increase in Personal Care Allowance					71,280	-			71,280	-			-	-	
Developmental Center Transition					2,498,612	900,000			2,498,612	900,000			-	-	
Long-Term Care Continuum					438,626,171	165,584,597			428,650,790	163,399,345			(9,975,381)	(2,185,252)	
Nursing Homes (rate includes hospice room & board)	3,609	139.79	143.49	144.86	382,081,918	137,513,578	3,609	141.66	373,634,401	134,468,915	-	(3.20)	(8,447,517)	(3,044,663)	Average cost per bed per day.
Basic Care (rate includes room & board and personal care	480	40.17	41.09	41.85	14,667,136	6,440,862	460	41.85	14,073,378	6,085,801	(20)	-	(593,758)	(355,061)	Average cost per bed per day.
SPED *	1,163	312.04	326.22	368.26	10,268,528	9,755,101	1,443	375.90	13,020,236	12,369,225	280	7.64	2,751,708	2,614,124	Average cost per recipient per month.
ExSPED	141	188.82	197.40	224.68	760,341	760,341	126	214.40	648,345	648,345	(15)	(10.28)	(111,996)	(111,996)	Average cost per recipient per month.
TBI Waiver	27	2,620.28	2,698.89	2,779.59	1,800,519	648,755	27	2,885.08	1,868,853	673,386	-	105.49	68,334	24,631	Average cost per recipient per month.
Aged & Disabled Waiver	239	848.55	874.00	900.14	5,457,461	1,966,408	239	900.14	5,457,461	1,966,408	-	-	-	-	Average cost per recipient per month.
TCM Aged & Disabled Waiver	340	106.21	109.40	112.67	918,921	331,101	340	112.67	918,921	331,101	-	-	-	-	Average cost per recipient per month.
Personal Care Option	678	1,155.82	1,190.49	1,393.45	22,671,347	8,168,451	658	1,270.85	19,029,195	6,856,164	(20)	(122.60)	(3,642,152)	(1,312,287)	Average cost per recipient per month.
Traditional Medicaid					423,044,339	111,819,862			421,676,094	110,524,124			(1,368,245)	(1,295,738)	
Inpatient Hospital	1,095	3,550.00	3,711.35	3,765.84	98,925,215	35,644,462	1,095	3,765.84	98,925,215	35,644,462	-	-	-	-	Average cost per discharge.
Net Drugs (Includes Rebates)	50,611	49.98	49.98	49.98	60,837,656	2,311,392	46,568	49.98	55,887,253	528,024	(4,043)	-	(4,950,403)	(1,783,368)	Average cost per prescription.
Physician	120,538	18.65	19.50	19.79	57,772,931	20,815,512	120,538	19.79	57,772,931	20,815,512	-	-	-	-	Average cost per visit.
Outpatient Hospital	52,938	35.05	36.64	37.18	47,219,767	17,014,110	52,938	37.18	47,219,767	17,014,110	-	-	-	-	Average cost per visit.
Premiums	N/A	N/A	N/A	N/A	23,681,997	8,283,916	N/A	N/A	23,851,350	8,301,959	N/A	N/A	169,353	18,043	
Indian Health Services	1,944	426.94	446.35	452.90	21,119,368	-	1,956	491.86	23,077,494	-	12	38.96	1,958,126	-	Average cost per encounter.
Healthy Steps	3,750	207.31	207.31	207.31	18,657,028	4,705,065	3,670	207.31	18,257,377	4,604,282	(80)	-	(399,651)	(100,783)	Average cost per premium per month.
PRTF	2,559	314.89	324.41	327.61	20,113,320	7,247,010	2,559	327.61	20,113,320	7,247,010	-	-	-	-	Average cost per child per day.
Dental	9,251	51.74	54.09	54.89	12,180,758	4,388,937	10,437	52.29	13,091,362	4,717,050	1,186	(2.60)	910,604	328,113	Average cost per visit.
Durable Medical Equipment	47,776	4.40	4.60	4.67	5,352,750	1,928,694	51,680	3.95	4,891,304	1,762,425	3,904	(0.72)	(461,446)	(166,269)	Average cost per item.

* The re-projected amounts include the reversal of the SPED eligibility change which would have required individuals to require assistance with one ADL in order to be eligible for SPED.

Totals	(10,769,644)	(3,261,557)

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Other	Description of Service
CENTRAL OFFICE					
Information Technology Services	120,000.00	88,368.00	31,536.00	96.00	Noridian Services Administration (electronic claim pass-through)
	1,139,250.00	284,812.00	854,438.00		The Medstat Group
	376,542.00	94,135.00	282,407.00		Health Information Designs
	60,000.00	15,000.00	45,000.00		Paul Phillips
	280,000.00	43,055.00	213,016.00	23,929.00	Synergy (SAMS)
	143,000.00		143,000.00		Versa Management
Subtotal for Information Technology Services	**2,118,792.00**	**525,370.00**	**1,569,397.00**	**24,025.00**	
Economic Assistance	4,432,000.00	-	4,432,000.00	-	Weatherization*
	583,200.00	-	583,200.00	-	Jobs Administration
	5,022,000.00	-	5,022,000.00	-	Jobs Client Services
	1,344,000.00	-	1,344,000.00	-	Jobs Support Services
	330,000.00	-	330,000.00	-	TANF Special Project- Turtle Mountain
	115,098.00	-	115,098.00	-	TANF Special Project- Prairie Harvest
	26,100.00	11,781.00	14,319.00	-	County Contract Staff
	208,670.00	-	208,670.00	-	Food Stamp Prgm/Employment & Training Prgm
	250,000.00	-	125,000.00	125,000.00	IAPD - EBT Reprocurement
	1,510,981.00	91,721.00	788,218.00	631,042.00	JP Morgan
Subtotal for Economic Assistance	**13,822,049.00**	**103,502.00**	**12,962,505.00**	**756,042.00**	
Child Support Enforcement	200,000.00	-	200,000.00	-	Access & Visitation*
	68,106.00	-	44,949.96	23,156.04	Tier
	40,000.00		26,400.00	13,600.00	Child Support Lien Network
	75,000.00	25,500.00	49,500.00	-	Health Management Inc
	80,000.00	-	52,800.00	27,200.00	Electronic Parent Locator Network
	100,000.00	-	66,000.00	34,000.00	Receivables Study
	111,110.00	111,110.00	-		Parental Employment Project
Subtotal for Child Support Enforcement	**674,216.00**	**136,610.00**	**439,649.96**	**97,956.04**	
Medical Services	368,140.00	127,035.00	241,105.00	-	Professional Consultants
	601,159.00	150,290.00	450,869.00	-	North Dakota Healthcare Review
	172,536.00	43,134.00	129,402.00	-	Health Information Design, Inc.
	397,000.00		397,000.00	-	Prescription Drug Monitoring Program
	92,400.00	46,802.00	45,598.00	-	First Data Bank Contract
	25,056.00	12,528.00	12,528.00	-	Graphic Art Productions
	204,000.00	102,000.00	102,000.00	-	Prime Therapeutics
	100,000.00	50,000.00	50,000.00	-	Permedion - External Quality Reviews
	50,000.00	25,000.00	25,000.00	-	Independent Assessment
	250,000.00	125,000.00	125,000.00	-	Actuary Services
	1,166,165.00	291,541.00	874,624.00	-	PASAR - Dual Diagnosis
Subtotal for Medical Services	**3,426,456.00**	**973,330.00**	**2,453,126.00**	-	

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Others	Description of Service
DD Council	183,124.00		183,124.00		DD Education-Early Intervention*
	106,822.00		106,822.00		DD Employment*
	152,603.00		152,603.00		DD Community Supports*
	320,968.00		320,968.00		DD Quality Assurance*
Subtotal for DD Council	**763,517.00**	-	**763,517.00**	-	
Aging Services	250,000.00	-	205,425.00	44,575.00	Alzheimer's Services*
	1,000,000.00	1,000,000.00	-	-	State Funds to Providers
	2,328,786.00	-	2,328,786.00	-	Community Supportive Services
	2,858,228.00	-	2,858,228.00	-	Congregate Nutrition
	1,800,856.00	-	1,800,856.00	-	Home Delivered Meals
	776,048.00	-	776,048.00	-	National Family Caregiver
	1,203,996.00	-	1,203,996.00	-	Nutrition Services
	211,858.00	-	211,858.00	-	Preventive Health
	1,023,290.00	-	1,023,290.00	-	Senior Employment
	40,000.00	40,000.00	-	-	Guardianship
	30,000.00	30,000.00	-	-	QSP Training
	325,000.00	-	-	325,000.00	Telecommunications - Equipment Distribution Program
	226,725.00	-	186,300.00	40,425.00	Alzheimer's' Project
	30,000.00	-	30,000.00	-	Single Point of Entry Real Choices System Change Grant
Subtotal for Aging Services	**12,104,787.00**	**1,070,000.00**	**10,624,787.00**	**410,000.00**	
Children & Family Services	122,500.00	-	81,400.00	41,100.00	Tribal Childcare Licensing*
	1,170,016.00	-		1,170,016.00	Bush Foundation *
	1,056,467.00	50,000.00	706,467.00	300,000.00	Child Abuse Prevention*
	2,428,110.00	105,560.00	2,322,550.00	-	Wraparound Case Management (reimb. to counties)*
	1,120,000.00	70,000.00	1,050,000.00	-	Independent Living (reimb. to counties)*
	1,200,000.00	-	1,200,000.00	-	Tribal Social Services (pass through)*
	375,000.00	-	375,000.00	-	Juvenile Services Case Management (pass through)*
	300,000.00	-	300,000.00	-	Tribal Permanency Planning (parent aid services)*
	4,300,717.00	-	4,300,717.00	-	Refugee Assistance Services*
	658,841.00	28,841.00	630,000.00		Child Care Licensing
	1,700,000.00	-	1,700,000.00	-	Child Care Resource and Referral Network*
	3,669,450.00	159,500.00	3,509,950.00	-	CAN assessments*
	1,489,426.00	64,751.00	1,424,675.00	-	Parent Aid*
	2,434,596.00	-	1,557,678.00	876,918.00	Wraparound Targeted Case Management*
	1,743,888.00	788,586.00	955,302.00	-	Foster Care Training*
	286,250.00	125,000.00	123,750.00	37,500.00	Foster Parent Recruitment*
	888,633.00	278,136.00	568,547.00	41,950.00	Intensive In-home (medicaid contract with The Village)*
	10,753,167.00	33,113.00	10,348,020.00	372,034.00	County Reimbursement*
	2,081,640.00	1,217,640.00	751,536.00	112,464.00	AASK adoption contract
	32,718.00	-	32,718.00	-	Head Start Collaboration (sponsored training & publications)
	96,600.00	17,533.00	79,067.00	-	Independent Living (sponsored training & consultants)
	59,155.00	16,548.20	38,606.80	4,000.00	Background checks (FC & SA)
	1,534,327.00	256,190.00	1,278,137.00	-	Intensive In-home (contract with The Village)
	453,287.00	-	195,821.00	257,466.00	County Wide Cost Allocation Fee
Subtotal for Children & Family Services	**39,954,788.00**	**3,211,398.20**	**33,529,941.80**	**3,213,448.00**	

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Other	Description of Service
Mental Health & Substance Abuse	120,000.00	24,210.00	95,790.00	-	Parental Support for Kids with SED*
	100,000.00	20,175.00	79,825.00	-	Train Caregivers to Elderly with Mental Health Issues*
	120,000.00	24,210.00	95,790.00	-	Mental Health Consumer Network*
	325,000.00	-	-	325,000.00	Compulsive Gamblers Treatment Services*
	1,653,764.00	-	1,653,764.00	-	Prevention Coordinators Assisting Coalitions for Substance Abuse Prevention*
	807,174.00	-	807,174.00	-	Communities Implementing Models of Substance Abuse Prevention Curriculum*
	200,000.00	-	200,000.00	-	Juvenile Drug Courts*
	58,000.00	-	58,000.00	-	Youth Involvement in Substance Abuse Activities*
	74,000.00	-	74,000.00	-	First Lady's Underage Drinking Media Campaign*
	1,200,000.00	1,200,000.00	-	-	Meth Residential Treatment Contract(s)
	360,320.00	-	360,320.00	-	Contracts with Highway Patrol for Overtime for Underage Drinking
	50,000.00	-	50,000.00	-	Contracts with Attorney Generals Office for Drug Free Programs
	60,000.00	-	-	60,000.00	Compulsive Gambling Awareness Campaign
	97,320.00	19,634.00	77,686.00	-	Clinical Forum Annual Conferences
	149,000.00	29,905.00	119,095.00	-	AOD Annual Summits
	30,000.00	6,053.00	23,947.00	-	Contract for Supported Employment Pilot at WCHSC
	41,202.00	10,354.00	30,848.00	-	MATRIX Training
	250,000.00	-	250,000.00	-	DASIS Contracts for Data Linking, Data Warehouse, etc
Subtotal for Mental Health & Substance Abuse	**5,695,780.00**	**1,334,541.00**	**3,976,239.00**	**385,000.00**	
Disability Services	166,767.00	86,933.00	79,834.00	-	Training Program for DD Providers*
	37,586.00	-	37,586.00	-	Train Parents of Children with Developmental Delays How to Care for Them*
	412,050.00	-	412,050.00	-	Assist Providers of Early Intervention Services for Children with Developmental Delays*
	400,000.00	85,200.00	314,800.00	-	Transition Youth with Disabilities from School to Work or School to Add'l Education*
	1,094,539.00	286,381.00	808,158.00	-	Centers for Independent Living*
	681,215.00	-	681,215.00	-	Provide Assistive Technology Services*
	40,000.00	-	40,000.00	-	Provide Assistance and Public Information in Regard to Implementing ADA Requirements*
	405,440.00	202,720.00	202,720.00	-	Fiscal Agent Contract for Self-directed Supports for Families
	1,503,186.00	1,503,186.00	-	-	Corporate Guardianship Contract
	27,618.00	-	27,618.00	-	Program Matching Families with Children with Developmental Delays or Disabilities
	60,000.00	-	60,000.00	-	Development of Data Collection, Reporting and Analysis for Early Intervention Programs
	251,000.00	-	251,000.00	-	Development of Public Awareness and Information/Parent Liaisons Supporting Family Activities.
	1,700,000.00	-	1,700,000.00	-	Screen Infants/Toddlers for Developmental Delays/Disabilities; Make Referrals and Follow-up
Subtotal for Disability Services	**6,779,401.00**	**2,164,420.00**	**4,614,981.00**	-	
Subtotal for Central Office	**84,576,269.00**	**9,519,171.20**	**70,934,143.76**	**4,886,471.04**	

HUMAN SERVICE CENTERS

Budget Level	Total	General	Federal	Other	Description of Service
Northwest Human Service Center	122,099.00	115,104.00	6,995.00	-	Crisis Care/Safe Beds*
	658,748.00	263,640.00	395,108.00	-	Inpatient Hospitalization*
	150,809.00	150,809.00	-	-	Psych Social Club*
	468,986.00	297,683.00	130,927.00	40,376.00	Psychiatric/Psychological/Medical Services*
	32,640.00	-	32,640.00	-	Residential Services -Addiction
Subtotal for Northwest HSC	**1,433,282.00**	**827,236.00**	**565,670.00**	**40,376.00**	

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Other	Description of Service
North Central Human Service Center	141,634.00	88,492.00	53,142.00	-	Case Aide*
	40,000.00	-	40,000.00	-	DD Services*
	79,669.00	79,669.00	-	-	Inpatient Hospitalization *
	161,582.00	161,582.00	-	-	Psych Social Club*
	751,433.00	348,254.00	319,468.00	83,711.00	Psychiatric/Psychological/Medical Services*
	1,958,168.00	605,358.00	1,324,610.00	28,200.00	Residential Services*
Subtotal for North Central HSC	**3,132,486.00**	**1,283,355.00**	**1,737,220.00**	**111,911.00**	
Lake Region Human Service Center	148,559.00	148,559.00	-	-	Psych Social Club*
	97,603.00	62,811.00	18,252.00	16,540.00	Psychiatric/Psychological/Medical Services*
	1,581,953.00	668,612.00	913,341.00	-	Residential Services*
	40,000.00	-	40,000.00	-	Respite Care*
	200,000.00	-	200,000.00	-	Substance Abuse Treatment and Prevention*
	40,000.00	-	40,000.00	-	DD Infants and Toddlers Part C-Experienced Parent
	35,050.00	25,491.00	9,559.00	-	Adult Protective Services
Subtotal for Lake Region HSC	**2,143,165.00**	**905,473.00**	**1,221,152.00**	**16,540.00**	
Northeast Human Service Center	41,826.00	-	41,826.00	-	Adult Protective Services*
	180,785.00	814.00	179,971.00	-	Care Coordination*
	246,864.00	192,478.00	54,386.00		Crisis Care/Safe Beds*
	80,000.00	-	80,000.00	-	DD Services*
	41,074.00	-	41,074.00	-	Detoxification*
	116,475.00	116,475.00	-	-	Inpatient Hospitalization*
	190,587.00	190,587.00	-	-	Psych Social Club*
	351,124.00	75,281.00	244,998.00	30,845.00	Psychiatric/Psychological/Medical Services*
	2,674,786.00	1,393,898.00	1,223,616.00	57,272.00	Residential Services*
	159,522.00	41,445.00	105,560.00	12,517.00	Substance Abuse Treatment and Prevention*
Subtotal for Northeast HSC	**4,083,043.00**	**2,010,978.00**	**1,971,431.00**	**100,634.00**	
Southeast Human Service Center	80,800.00	-	80,800.00	-	Adult Protective Services*
	60,155.00	10,856.00	49,299.00	-	Care Coordination*
	271,244.00	85,497.00	183,890.00	1,857.00	Case Aide*
	423,048.00	98,256.00	311,445.00	13,347.00	Crisis Care/Safe Beds*
	76,858.00	5,895.00	70,963.00	-	DD Services*
	37,449.00	5,888.00	31,561.00	-	Flex Funds Partnership*
	391,928.00	138,080.00	253,848.00	-	Inpatient Hospitalization*
	196,584.00	196,584.00	-	-	Psych Social Club*
	54,831.00	17,448.00	33,010.00	4,373.00	Psychiatric/Psychological/Medical Services*
	1,953,751.00	852,494.00	1,071,400.00	29,857.00	Residential Services*
	150,659.00	37,667.00	112,992.00	-	Respite Care*
Subtotal for Southeast HSC	**3,697,307.00**	**1,448,665.00**	**2,199,208.00**	**49,434.00**	

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Other	Description of Service
South Central Human Service Center	36,000.00	-	36,000.00	-	Adult Protective Services*
	40,000.00	-	40,000.00	-	DD Services*
	204,753.00	204,753.00	-	-	Psych Social Club*
	3,390,346.00	2,152,194.00	1,176,931.00	61,221.00	Residential Services*
	395,748.00	128,152.00	203,012.00	64,584.00	Contracted Psychiatrist
Subtotal for South Central HSC	**4,066,847.00**	**2,485,099.00**	**1,455,943.00**	**125,805.00**	
West Central Human Service Center	35,000.00	20,790.00	13,300.00	910.00	Care Coordination*
	1,168,279.00	600,648.00	551,082.00	16,549.00	Case Aide*
	51,766.00	30,749.00	19,671.00	1,346.00	Crisis Care/Safe Beds*
	70,000.00	-	70,000.00	-	DD Services*
	26,914.00	9,123.00	17,791.00	-	Detoxification*
	60,000.00	35,640.00	22,800.00	1,560.00	Flex Funds Partnership*
	125,000.00	16,813.00	100,121.00	8,066.00	Inpatient Hospitalization*
	184,122.00	70,150.00	113,972.00	-	Psych Social Club*
	466,380.00	202,543.00	194,832.00	69,005.00	Psychiatric/Psychological/Medical Services*
	2,450,662.00	1,085,490.00	1,350,160.00	15,012.00	Residential Services*
	52,000.00	-	52,000.00	-	Respite Care*
	100,000.00	11,900.00	77,200.00	10,900.00	Substance Abuse Treatment and Prevention*
Subtotal for West Central HSC	**4,790,123.00**	**2,083,846.00**	**2,582,929.00**	**123,348.00**	
Badlands Human Service Center	34,923.00	2,788.00	32,135.00	-	Care Coordination*
	36,000.00	-	36,000.00	-	DD Services*
	130,000.00	130,000.00	-	-	Inpatient Hospitalization*
	185,700.00	185,700.00	-	-	Psych Social Club*
	553,613.00	165,751.00	300,330.00	87,532.00	Psychiatric Services*
	249,440.00	68,454.00	180,986.00	-	Residential Services*
Subtotal for Badlands HSC	**1,189,676.00**	**552,693.00**	**549,451.00**	**87,532.00**	
Subtotal for Human Service Centers	**24,535,929.00**	**11,597,345.00**	**12,283,004.00**	**655,580.00**	
Total	**109,112,198.00**	**21,116,516.20**	**83,217,147.76**	**5,542,051.04**	

*Indicates this line came from the Grants Budget

Department of Human Services Contracted Services greater than $25,000

Budget Level	Total	General	Federal	Other	Description of Service
ND STATE HOSPITAL					
Traditional Services					
	52,490.00	52,490.00			MedCenter One - Reference lab
	47,042.00	47,042.00			Radiology Services, Inc. - Radiologist
	244,576.00	244,576.00			Dakota Clinic, Ltd. - Physician/medical services
	35,510.00	35,510.00			Basilica of St. James - Chaplaincy intern
	600,000.00	600,000.00			Progress Enterprises - Work activity for patients
Subtotal Traditional Services	**979,618.00**	**979,618.00**	-	-	
Secure Services					
	25,200.00	25,200.00			Dennis Doren - Sex offender treatment consultant
Total for State Hospital	**1,004,818.00**	**1,004,818.00**	-	-	
ND DEVELOPMENTAL CENTER					
	62,400.00	19,587.00	37,652.00	5,161.00	UND -- Psychiatric Consultation
	111,208.00	34,908.00	67,103.00	9,197.00	Unity Medical -- Respiratory Therapy
	41,600.00	13,058.00	25,101.00	3,441.00	Altru -- FN/PA Supervision
Total for Developmental Center	**215,208.00**	**67,553.00**	**129,856.00**	**17,799.00**	
One Center Total	**1,220,026.00**	**1,072,371.00**	**129,856.00**	**17,799.00**	

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through February 15, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
1246	Provides an appropriation to increase funding for dental services through the medical assistance program	1,150,106	2,042,955	3,193,061	Passed House
1351	This bill relates to claims against medical assistance recipients' estates.	This bill has no fiscal impact.			Passed House
1390	The bill requires the Department to provide liability coverage for every licensed family foster care home. The coverage is for property damage to the property of the foster parent, which is caused by intentional or unintentional acts of a foster child placed in their care.	8,820	11,180	20,000	Passed House
1431	Restricts pharmacists from dispensing substitute epilepsy drugs.	655,926	1,164,498	1,820,424	Passed House
1463	Increases income eligibility standard for the children's health insurance program.	849,465	750,458	1,599,923	Passed House
	Subtotal House Bills	**2,664,317**	**3,969,091**	**6,633,408**	

Bill No.	Description	General Fund	Other Funds	Total	Status
2012	Department's appropriation Bill.	595,342,219	1,263,164,101	1,858,506,320	Passed Senate
2024	Appropriation Bill for MMIS.	3,643,133	27,429,508	31,072,641	Signed by Governor
2041	Provides for the Department to establish and implement a voucher system for a reduced marriage license fee.		110,000	110,000	Passed Senate

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through February 15, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
2066	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.	This bill has no fiscal impact.			Passed Senate
2068	The bill expands the number of allowed geropsychiatric units within nursing homes from one to two. The bill has no fiscal impact as if a second unit is established it will use the existing nursing home facility bed capacity. The average daily rate budgeted for a geropsych bed is $198.11 per day.	This bill has no fiscal impact.			Passed Senate
2069	This Bill clarifies guidelines used in the determination of self-employment income for eligibility for the children's health insurance program. There is no fiscal impact of this bill.	This bill has no fiscal impact.			Passed Senate
2070	Provides an appropriation to establish or contract for the provision of an aging and disability resource center.	40,000	800,000	840,000	Passed Senate
2071	Redefines annuities and transfers of annuities as they relate to medical assistance	The effect on expenditures cannot be determined.			Passed Senate

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through February 15, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
2109	This bill would amend and reenact NDCC section 23-09.3-01.1 relating to a moratorium on the expansion of basic care bed capacity. This bill would also amend and reenact NDCC section 23-16-01.1 relating to a moratorium on the expansion of long-term care bed capacity.	This bill has no fiscal impact.			Passed Senate
2124	Makes changes to Medicaid provisions relating to long-term care insurance policies and estate recoveries.	The effect on expenditures cannot be determined.			Passed Senate
2126	Provides for investigations into alleged fraud in Medicaid claims.	The effect on expenditures cannot be determined.			Passed Senate
2129	Establishes fees for child support services.	127,550	247,598	375,148	Passed Senate
2132	Provides for recoveries from third parties liable for payment on behalf of medical assistance recipients.	The effect on expenditures cannot be determined.			Passed Senate
2133	This Bill relates to consumer directed care for medical assistance recipients.	This bill has no fiscal impact.			Passed Senate
2167	This Bill relates to licensure requirements of assisted living facilities.	This bill has no fiscal impact.			Passed Senate
2186	Provides an appropriation for early childhood care workforce development, the establishment of a quality improvement rating system, and a quality improvement program for early childhood care facilities and home based care.	1,900,000		1,900,000	Passed Senate

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through February 15, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
2205	Provides an appropriation for state administration of child support.		12,796,830	12,796,830	Passed Senate
2312	Provides an appropriation for implementing the alternatives-to-abortion services program.		400,000	400,000	Passed Senate
2326	Provides an appropriation for establishing and implementing a buy-in program to provide medical assistance and other health coverage options to families with children with disabilities.	1,059,932	1,673,835	2,733,767	Passed Senate
2336	Bill authorizes the Dept to adopt administrative rules dividing the responsibility for children's health insurance or other medical support between parents; authorizes amendments to child support guidelines for amounts payable for other medical support, clarifying the definition of child support.	The effect on expenditures cannot be determined.			Passed Senate
	Subtotal Senate Bills	**602,112,834**	**1,306,621,872**	**1,908,734,706**	
	Total All Bills	**604,777,151**	**1,310,590,963**	**1,915,368,114**	

The following Bills have been defeated and have therefore been removed from the schedule:

1047 - Would have increased the income eligibility limit for the children's health insurance program.
1467 - Would have provided for nursing facility assessments.
1512 - Would have provided an appropriation for administering and funding the health care service program.
2207 - Would have provided an appropriation for dispute resolution relating to the custody and support of children.
2211 - Would have provided an appropriation for assistive technology services (the funding was added to SB 2012).
2403 - Would have extended the amount of time that the Turtle Mountain Band of Chippewa Indians had, on basic

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through February 15, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status

care beds transferred before August 1, 2005, to meet state licensing requirements from forty-eight months to seventy-two months from the date of acquisition.

2412 - Would have provided funding from oil and gas tax revenues for health care insurance for children.

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through March 08, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
1246	Provides an appropriation to increase funding for dental services through the medical assistance program	1,150,106	2,042,955	3,193,061	Passed House
1351	This bill relates to claims against medical assistance recipients' estates.	This bill has no fiscal impact.			Passed House
1390	The bill requires the Department to provide liability coverage for every licensed family foster care home. The coverage is for property damage to which is caused by the acts of a foster child.	8,820	11,180	20,000	Passed House
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2041	Provides for the Department to establish and implement a voucher system for a reduced marriage license fee.		110,000	110,000	Passed Senate
2066	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.	This bill has no fiscal impact.			Passed Senate / Passed House

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through March 08, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
2068	The bill expands the number of allowed geropsychiatric units within nursing homes from one to two. The bill has no fiscal impact as if a second unit is established it will use the existing nursing home facility bed capacity. The average daily rate budgeted for a geropsych bed is $198.11 per day.	This bill has no fiscal impact.			Signed by Governor
2069	This Bill clarifies guidelines used in the determination of self-employment income for eligibility for the children's health insurance program. There is no fiscal impact of this bill.	This bill has no fiscal impact.			Signed by Governor
2070	Provides an appropriation to establish or contract for the provision of an aging and disability resource center.	40,000	800,000	840,000	Passed Senate
2071	Redefines annuities and transfers of annuities as they relate to medical assistance	The effect on expenditures cannot be determined.			Passed Senate / Passed House
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2124	Makes changes to Medicaid provisions relating to long-term care insurance policies and estate recoveries.	The effect on expenditures cannot be determined.			Signed by Governor
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2133	This Bill relates to consumer directed care for medical assistance recipients.	This bill has no fiscal impact.			Signed by Governor

2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through March 08, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status
2167	This Bill relates to licensure requirements of assisted living facilities.	This bill has no fiscal impact.			Signed by Governor
2186	Provides an appropriation for early childhood care workforce development, the establishment of a quality improvement rating system, and a quality improvement program for early childhood care facilities and home based care.	1,900,000		1,900,000	Passed Senate
2205	Provides an appropriation for state administration of child support.		12,488,292	12,488,292	Passed Senate
2312	Provides an appropriation for implementing the alternatives-to-abortion services program.		400,000	400,000	Passed Senate
2326	Provides an appropriation for establishing and implementing a buy-in program to provide medical assistance and other health coverage options to families with children with disabilities.	1,059,932	1,673,835	2,733,767	Passed Senate
2336	Bill authorizes the Dept to adopt administrative rules dividing the responsibility for children's health insurance or other medical support between parents; authorizes amendments to child support guidelines for amounts payable for other medical support, clarifying the definition of child support.	The effect on expenditures cannot be determined.			Passed Senate
	Subtotal Senate Bills	**602,112,834**	**1,306,313,334**	**1,908,426,168**	
	Total All Bills	**604,777,151**	**1,310,282,425**	**1,915,059,576**	

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2007 Legislative Session Bills
Impacting the Department of Human Services
(Including Floor Action Taken Through March 08, 2007)

Bill No.	Description	General Fund	Other Funds	Total	Status

2207 - Would have provided an appropriation for dispute resolution relating to the custody and support of children.

2211 - Would have provided an appropriation for assistive technology services (the funding was added to SB 2012).

2403 - Would have extended the amount of time that the Turtle Mountain Band of Chippewa Indians had, on basic care beds transferred before August 1, 2005, to meet state licensing requirements from forty-eight months to seventy-two months from the date of acquisition.

2412 - Would have provided funding from oil and gas tax revenues for health care insurance for children.

2005-07 FTE Positions	Executive Recommendation 2007-09 FTE Positions	Increase (Decrease)	Agency/FTE Increase (Decrease)	Salary Amounts Added or Deleted by Executive Budget Due to New or Deleted Positions: General Fund	Special Funds	Total	2007-09 FTE Positions in Agency Budget Request[1]
341.40 [3]	332.40	(9.00)	**325 - Department of Human Services - Central office**				334.40
			Transfers:				
			(8.00) FTE to the State Department of Health for children's special health services	($306,863)	($427,755)	($734,618)	
			Deletes:				
			(1.00) FTE in economic assistance policy not requested by the agency			0	
			(9.00)	($306,863)	($427,755)	($734,618)	
449.54 [3]	449.54	0.00	**Department of Human Services - Developmental Center**				463.04
427.01 [3]	465.01	38.00	**Department of Human Services - State Hospital**				495.51
			Adds:				
			19.00 FTE secure services unit positions approved by the Emergency Commission	$1,384,445	$27,593	$1,412,038	
			1.00 FTE security position in the secure services unit	98,102	2,053	100,155	
			1.00 FTE vocational training position in the secure services unit	69,028	1,445	70,473	
			2.00 FTE senior resident positions in the secure services unit	150,404		150,404	
			15.00 FTE mental health care specialists in the secure services unit	952,500		952,500	
			38.00	$2,654,479	$31,091	$2,685,570	
829.48 [3]	838.73	9.25	**Department of Human Services - Human Service Centers**				873.73
			Adds:				
			1.00 FTE addiction counselor at North Central to enhance drug court activities	$64,227	$25,027	$89,254	
			1.00 FTE human service aide II at Lake Region (previously a temporary position)	23,286		23,286	
			1.00 FTE SMI case manager at Northeast	60,357	21,239	81,596	
			1.00 FTE addiction counselor at Northeast to enhance drug court activities	57,560	38,374	95,934	
			3.00 FTE SMI case managers at Southeast (previously temporary positions)	76,620	178,776	255,396	
			1.00 FTE addiction counselor for the Off Main program at Southeast	88,411	9,823	98,234	
			1.00 FTE addiction counselor at Southeast to enhance drug court activities	94,070	4,164	98,234	
			1.00 FTE sexual abuse therapist at Southeast for treating adolescent sex offenders	89,900	9,990	99,890	
			1.00 FTE addiction counselor at West Central to enhance drug court activities	81,642	18,360	100,002	
			Deletes:				
			(1.15) FTE infant development positions privatized at Northeast				
			(0.60) FTE infant development position privatized at South Central				
			9.25	$636,073	$305,753	$941,826	
2,047.43	2,085.68	38.25	38.25 Department of Human Services subtotal	$2,983,689	($90,911)	$2,892,778	2,166.68

Agency ...rtment of Human Services

Psft No	Posn No	FTE	LOCATION	Position Description	Date Vacated	Number of Months Vacant January 2007	Date Expected to Be Filled	Current Status	Salary and Fringe Benefit Amounts Included in the 2007-09 Executive Budget: General Fund	Special Funds	Total
00003300	0169	1.00	ADMN. SUPPORT - EXEC. OFFICE	DEPUTY-NOT CLASSIFIED	08/2005	17	-----	No plans to fill - unclassified	$2,012	$688	$2,700
00003259	0128	0.60	ADMN. SUPPORT - FISCAL	ADMIN. ASSISTANT I	09/2006	4	06/2007	Assessing; funds used for temp staff	$27,401	$23,114	$50,515
00003191	0058	0.80	ADMN. SUPPORT - HR	HR OFFICER II	06/2003	43	07/2007	Assessing; funds were used for temp	$63,440	$52,873	$116,313
00003376	0248	1.00	INFO TECHNOLOGY	PROGRAMMER ANALYST II	09/2006	4	03/2007	Will be recruiting	$89,982	$31,852	$121,834
00003799	0746	1.00	INFO TECHNOLOGY	PROGRAMMER ANALYST II	07/2006	6	03/2007	Will be recruiting	$92,093	$32,596	$124,689
00003285	0154	1.00	ECONOMIC ASSISTANCE POLICY	HSPA IV	10/2006	3	02/2007	Recruiting	$46,846	$79,307	$126,153
00003197	0064	1.00	CHILD SUPPORT	OFFICE ASSISTANT III	10/2006	3	01/2007	Interviewing	$18,127	$48,014	$66,141
00003379	0251	1.00	MED SVCS - HEALTH TRACKS	HSPA V	10/2006	3	01/2007	Starting 1/29/07	$67,662	$67,180	$134,842
00003299	0168	1.00	MED SVCS-ADMIN	HSPA V	12/2006	1	02/2007	Interviewing	$75,597	$75,051	$150,648
00003479	0353	1.00	MED SVCS-ADMIN	HSPA V	12/2006	1	02/2007	Recruiting	$74,895	$74,354	$149,249
00004253	2301	1.00	MED SVCS-ADMIN	HSPA IV	12/2006	1	03/2007	Assessing	$59,936	$59,515	$119,451
00004367	2528	1.00	MED SVCS-ADMIN	HSPA III	03/2006	10	01/2007	Interviewing	$50,582	$50,235	$100,817
00003176	0043	1.00	AGING	HSPA IV	11/2006	2	01/2007	Started 1/8/07	$34,619	$85,937	$120,555
00003813	0761	0.50	CHILDREN & FAMILY SERVICES	ATTORNEY II	07/2006	6	07/2007	Assessing	$48,925	$119,524	$168,449
00003516	0391	1.00	DISABILITY SERVICES - DDS	DIS CLAIMS ANALYST I	10/2006	3	01/2007	Started 1/1/07	$15,933	$73,244	$89,177
00024842	0074	0.25	NORTHWEST HSC	ACTIVITY THERAPIST II	-----		07/2007	Assessing	$11,587	$7,773	$19,360
00003341	0213	1.00	NORTHWEST HSC	MI CASE MANAGER II	08/2006	5	03/2007	Assessing	$58,192	$41,541	$99,733
00004122	2112	1.00	NORTH CENTRAL HSC	UNCLASSIFIED	01/2006	12	-----	Funds used for psychiatric services	$194,159	$172,080	$366,239
00004286	2338	1.00	NORTH CENTRAL HSC	MI CASE MANAGER II	09/2006	4	02/2007	Interviewing	$47,475	$42,377	$89,852
00004426	3246	0.85	NORTH CENTRAL HSC	ADMIN. ASSISTANT I	04/2005	21	04/2007	Will be recruiting	$34,063	$30,327	$64,390
00003498	0373	1.00	NORTH CENTRAL-VR	VR COUNSELOR III	12/2006	1	01/2007	Interviewing	$55,147	$49,141	$104,288
00003504	0379	1.00	NORTH CENTRAL-VR	OFFICE ASSISTANT III	09/2006	4	04/2007	Will be recruiting	$38,537	$34,497	$73,034
00024843	0113	0.25	LAKE REGION HSC	ACTIVITY THERAPIST II	-----		-----	No plans to fill	$20,917	$16,780	$37,697
00003419	0291	1.00	LAKE REGION HSC	LIC PSYCHOLOGIST I	09/2004	28	08/2007	Recruiting	$85,455	$69,498	$154,953
00003420	0292	1.00	LAKE REGION HSC	SOCIAL WORKER III	11/2006	2	01/2007	Started 1/8/07	$56,192	$45,401	$101,593
00003440	0313	1.00	LAKE REGION HSC	MI CASE MANAGER II	12/2006	1	02/2007	Recruiting	$55,484	$45,291	$100,775
00003946	0914	1.00	LAKE REGION HSC	ADDICTION COUNS II	09/2006	4	03/2007	Interviewing	$49,112	$39,681	$88,793
00003991	0961	1.00	LAKE REGION HSC	ADVANCED CLINICAL SPEC	06/2006	7	01/2007	Started 1/8/07	$59,023	$48,150	$107,173
00003740	0656	1.00	NORTHEAST HSC	LIC PSYCHOLOGIST I	10/2005	15	02/2007	Recruiting	$64,391	$81,930	$146,321
00003754	0681	1.00	NORTHEAST HSC	MI CASE MANAGER II	12/2006	1	02/2007	Interviewing	$40,044	$51,178	$91,222
00003819	0768	1.00	NORTHEAST HSC	ADDICTION COUNS II	12/2006	1	01/2007	Starting 1/22/07	$45,858	$58,521	$104,379
00003879	0840	1.00	NORTHEAST HSC	DEV DIS CASE MGR II	03/2006	10	01/2007	Started 1/2/07	$39,794	$50,863	$90,657
00004083	2061	1.00	NORTHEAST HSC	OFFICE ASSISTANT III	11/2006	2	01/2007	Started 1/3/07	$28,170	$35,909	$64,079
00003662	0566	1.00	SOUTHEAST HSC	HUMAN RELATIONS CLSR	11/2006	2	01/2007	Started 1/8/07	$44,668	$55,065	$99,733
00003690	0596	1.00	SOUTHEAST HSC	ADDICTION COUNS II	03/2006	10	03/2007	Recruiting	$40,767	$50,305	$91,073
00003728	0642	1.00	SOUTHEAST HSC	DEV DIS CASE MGR II	11/2006	2	02/2007	Interviewing	$41,973	$51,778	$93,751
00003782	0724	1.00	SOUTHEAST HSC	MI CASE MANAGER II	11/2006	2	01/2007	Started 1/4/07	$39,976	$49,341	$89,317
00004228	2263	0.80	SOUTHEAST HSC	REGISTERED NURSE II	11/2006	2	03/2007	Assessing	$45,135	$55,398	$100,534
00003181	0048	1.00	SOUTH CENTRAL HSC	MI CASE MANAGER II	03/2006	10	02/2007	Interviewing	$49,853	$38,481	$88,334
00024846	0151	0.50	SOUTH CENTRAL HSC	ACTIVITY THERAPIST II	-----		07/2007	Assessing	$30,153	$23,155	$53,308
00003453	0326	1.00	SOUTH CENTRAL HSC	ADVANCED CLINICAL SPEC	08/2006	5	05/2007	Will be recruiting	$69,888	$53,810	$123,698
00003708	0619	1.00	SOUTH CENTRAL HSC	ADDICTION COUNS II	04/2006	9	02/2007	Interviewing	$55,418	$42,740	$98,158
00003970	0939	1.00	SOUTH CENTRAL HSC	LIC PSYCHOLOGIST II	08/2006	5	09/2007	Interviewing	$97,917	$75,254	$173,171
00004304	2406	1.00	SOUTH CENTRAL HSC	UNCLASSIFIED	09/2003	40	02/2008	Recruiting	$2,056	$644	$2,700
00004309	2413	1.00	SOUTH CENTRAL HSC	ADDICTION COUNS II	06/2006	7	01/2008	Recruiting	$63,850	$49,191	$113,041
00003136	0003	1.00	WEST CENTRAL HSC	ADVANCED CLINICAL SPEC	08/2006	5	01/2007	Started 1/2/07	$60,431	$59,903	$120,334

Agency: artment of Human Services

Psft No	Posn No	FTE	LOCATION	Position Description	Date Vacated	Number of Months Vacant January 2007	Date Expected to Be Filled	Current Status	Salary and Fringe Benefit Amounts Included in the 2007-09 Executive Budget: General Fund	Special Funds	Total
00024844	0125	0.75	WEST CENTRAL HSC	ACTIVITY THERAPIST II	-----		07/2007	Will be recruiting	$36,821	$36,508	$73,329
00003364	0236	1.00	WEST CENTRAL HSC	ADDICTION COUNS II	11/2006	2	02/2007	Recruiting	$55,868	$55,417	$111,285
00003741	0657	1.00	WEST CENTRAL HSC	LIC PSYCHOLOGIST I	09/2005	16	03/2007	Recruiting	$89,146	$88,134	$177,280
00003978	0947	1.00	WEST CENTRAL HSC	ADVANCED CLINICAL SPEC	09/2006	4	03/2007	Recruiting	$60,730	$60,198	$120,928
00004036	2007	1.00	WEST CENTRAL HSC	HEALTH INFO ADMIN	11/2006	2	01/2007	Starting 1/2/07	$64,512	$63,916	$128,428
00004066	2038	1.00	WEST CENTRAL HSC	ADDICTION COUNS II	07/2006	6	01/2007	Starting 1/16/07	$51,829	$51,446	$103,275
00004203	2236	1.00	WEST CENTRAL HSC	DEV DIS CASE MGR II	03/2006	10	01/2007	Starting 1/8/07	$46,066	$45,780	$91,846
00004207	2240	1.00	WEST CENTRAL HSC	OCCUPATIONAL THERAPIST	03/2006	10	07/2007	Will be recruiting	$46,066	$45,780	$91,846
00004324	2428	1.00	WEST CENTRAL HSC	MI CASE MANAGER II	07/2006	6	04/2007	Assessing	$44,370	$44,113	$88,483
00024841	0050	0.25	BADLANDS HSC	OCCUPATIONAL THERAPIST	-----		07/2007	Assessing	$10,724	$9,669	$20,393
00003406	0278	0.50	BADLANDS HSC	REGISTERED NURSE II	07/2005	18	01/2007	Starting 1/16/07	$30,893	$29,556	$60,449
00003899	0862	1.00	BADLANDS HSC	ADDICTION COUNS II	11/2006	2	02/2007	Recruiting	$57,443	$55,516	$112,959
00003780	0722	1.00	BADLANDS HSC	LIC PSYCHOLOGIST I	03/2005	22	02/2007	Starting 2/15/07	$82,118	$78,905	$161,023
00002644	4272	1.00	STATE HOSPITAL	Chaplain	12/2006	1	01/2007	Starting 1/19/07	$70,322	$29,595	$99,917
00002739	4503	1.00	STATE HOSPITAL	Human Relations Counselor	11/2006	2	03/2007	Assessing	$162,768	$3,227	$165,995
00002937	4838	1.00	STATE HOSPITAL	MHCS I	11/2006	2	01/2007	Started 1/2/07	$64,546	$1,285	$65,831
00024589	4043	1.00	STATE HOSPITAL	MHCS I	11/2006	2	01/2007	Started 1/5/07	$67,226	$1,341	$68,567
00024594	4055	1.00	STATE HOSPITAL	MHCS I	12/2006	1	01/2007	Started 1/2/07	$67,226	$1,341	$68,567
00002968	4887	1.00	STATE HOSPITAL	MHCS I	10/2006	3	01/2007	Started 1/2/07	$46,117	$22,450	$68,567
00002742	4510	0.46	STATE HOSPITAL	RN II	05/2006	8	07/2007	Funds used for temp salaries	$36,291	$16,950	$53,241
00002748	4516	1.00	STATE HOSPITAL	RN II	10/2006	3	01/2007	Starting 1/29/07	$83,988	$40,724	$124,712
00002777	4556	1.00	STATE HOSPITAL	RN II	11/2006	2	02/2007	Starting 2/25/07	$94,122	$45,594	$139,716
00002811	4619	1.00	STATE HOSPITAL	RN II	11/2006	2	01/2007	Starting 1/16/07	$70,861	$34,414	$105,275
00002879	4738	1.00	STATE HOSPITAL	MHCS I	12/2006	1	02/2007	Recruiting	$46,117	$22,450	$68,567
00003317	4017	1.00	STATE HOSPITAL	MHCS II	11/2006	2	01/2007	Started 1/2/07	$51,882	$25,292	$77,174
00002926	4822	1.00	STATE HOSPITAL	MHCS II/WC	12/2006	1	01/2007	Started 1/2/07	$59,303	$28,857	$88,160
00002538	4061	1.00	STATE HOSPITAL	MHCS II	12/2006	1	01/2007	Started 1/2/07	$52,567	$25,620	$78,187
00002832	4654	1.00	STATE HOSPITAL	MHCS I	12/2006	1	02/2007	Recruiting	$48,178	$23,498	$71,676
00002136	6233	1.00	DEVELOPMENTAL CENTER	Carpenter II	04/2005	21	03/2007	Assessing	$22,351	$54,484	$76,835
00002272	6477	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	06/2006	7	03/2007	Recruiting	$19,295	$46,975	$66,270
00002251	6445	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	09/2006	4	03/2007	Recruiting	$18,680	$45,441	$64,121
00002467	6845	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	09/2006	4	03/2007	Recruiting	$18,684	$45,451	$64,135
00002458	6832	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$18,684	$45,451	$64,135
00002438	6798	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$20,597	$50,210	$70,807
00002276	6483	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$16,865	$40,906	$57,771
00002319	6579	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$18,680	$45,441	$64,121
00002286	6501	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$18,684	$45,451	$64,135
00002344	6631	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	10/2006	3	03/2007	Recruiting	$25,777	$62,791	$88,568
00002285	6499	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	10/2006	3	03/2007	Recruiting	$21,035	$51,291	$72,326
00002230	6409	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	10/2006	3	03/2007	Recruiting	$20,777	$50,656	$71,433
00002492	6903	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	10/2006	3	03/2007	Recruiting	$21,402	$52,183	$73,585
00002373	6692	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	10/2006	3	03/2007	Recruiting	$18,192	$44,224	$62,416
00002388	6717	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	10/2006	3	03/2007	Recruiting	$19,118	$46,535	$65,653
00002278	6485	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	11/2006	2	03/2007	Recruiting	$18,684	$45,451	$64,135
00002420	6772	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	11/2006	2	03/2007	Recruiting	$20,777	$50,656	$71,433
00002495	6906	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	11/2006	2	03/2007	Recruiting	$20,777	$50,656	$71,433

Agency ...rtment of Human Services

Psft No	Posn No	FTE	LOCATION	Position Description	Date Vacated	Number of Months Vacant January 2007	Date Expected to Be Filled	Current Status	Salary and Fringe Benefit Amounts Included in the 2007-09 Executive Budget		
									General Fund	Special Funds	Total
00002385	6712	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	11/2006	2	03/2007	Recruiting	$21,211	$51,721	$72,932
00002033	6072	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	11/2006	2	03/2007	Recruiting	$18,192	$44,224	$62,416
00002391	6721	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	12/2006	1	03/2007	Recruiting	$22,297	$54,354	$76,651
00001989	6003	1.00	DEVELOPMENTAL CENTER	Nurse Practitioner	12/2006	1	03/2007	Recruiting	$46,982	$114,192	$161,174
00002398	6735	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	12/2006	1	03/2007	Recruiting	$18,684	$45,451	$64,135
00002237	6421	1.00	DEVELOPMENTAL CENTER	Direct Training Assistant	12/2006	1	03/2007	Recruiting	$18,251	$44,371	$62,622
00002313	6564	1.00	DEVELOPMENTAL CENTER	Direct Training Technician II	12/2006	1	03/2007	Assessing	$22,169	$54,045	$76,214
00002408	6754	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	12/2006	1	03/2007	Assessing	$18,933	$46,072	$65,005
00002380	6701	1.00	DEVELOPMENTAL CENTER	Direct Training Technician	12/2006	1	03/2007	Recruiting	$21,186	$51,659	$72,845
00010304	6681	0.20	DEVELOPMENTAL CENTER	Direct Training Technician	08/2005	17	03/2007	Recruiting	$3,086	$7,201	$10,287
00010203	6053	0.30	DEVELOPMENTAL CENTER	Direct Training Technician	10/2005	15	03/2007	Recruiting	$4,408	$10,427	$14,835
00002355	6665	0.50	DEVELOPMENTAL CENTER	Speech Path II (PRC to DTT)	08/2006	5	03/2007	Recruiting	$22,762	$55,142	$77,904
00002245	6438	0.50	DEVELOPMENTAL CENTER	Direct Training Technician	09/2006	4	03/2007	Recruiting	$12,146	$29,530	$41,676
	Total	97.01							$4,701,197	$4,869,710	$9,570,907

Additional narrative explanations, if necessary:

Position 00003300 - Deputy Director position will not be filled as Carol Olson has established a Cabinet structure.

Position 00004122 - NCHSC - due to difficulty in finding a psychiatrist, we have been forced to use the funding to contract instead.

(4)

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 8, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Brenda M. Weisz, Chief Financial Officer, for the Department of Human Services. I am here today to provide you with an overview of the Administration / Support area.

Programs

This area of the budget includes the Executive Office, Legal Advisory Unit, Human Resources, and Fiscal Administration. Each of these areas provides the needed support for the divisions within the Department to carry out their programs. This budget area includes centralized costs for department-wide expenditures such as program appeals, audit fees charged by the State Auditor's Office, and legal work provided by the Attorney General's Office. Also included are the centralized costs for the Central Office divisions such as motor pool expenses, postage for routine mailings such as federally required client TANF notices, along with the telephone services provided by the Information Technology Department.

Major Program Changes

During the current biennium the Department restructured to a centralized billing and receivable effort for Human Service Center services in order to capture the same efficiencies realized by private industry. The benefits of this move have been the progress made toward the consistent application

of billing practices across all Centers and the expectation that this change will make a difference in our Human Service Center collections into the future.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salary and Wages	7,088,313	7,766,329	678,016
Operating	4,028,466	4,213,158	184,692
Total	11,116,779	11,979,487	862,708
General Funds	5,570,708	5,978,575	407,867
Federal Funds	5,334,884	5,215,981	(118,903)
Other Funds	211,187	784,931	573,744
Total	11,116,779	11,979,487	862,708

FTE	70.10	70.10	-

The Salary and Wages line item increased by $678,016 and can be attributed to the following:

- $556,826 in total funds of which $377,595 is general fund is to fund the Governor's salary package for state employees.
- $88,608 to provide for the annual and sick leave lump sum payouts for four FTE expected to retire.
- The remaining $32,582 is a combination of increases and decreases needed to sustain the salary of the 70.10 FTE in this area of the budget.

The Operating line item increased by $184,692 (4.6%) and is a combination of the increases expected next biennium which are offset by decreases as follows:

- An increase in the postage budget to provide for the centralized Human Service Center billings that are now issued from the centralized office rather than the eight Human Service Centers along with an overall anticipated increase in the postal rates for our general client related mailings.
- Rate increases passed on to state agencies by the Central Service Agencies such as:
    - State Fleet increase of $.08 per mile for the motor pool rate offset by a decrease in our estimated usage;
    - IT phone increases; and
    - Office of Administrative hearings hourly rate.
- Decrease in the rate charged by the Attorney General's office for legal services, decreased copier costs due to state-wide copier contracts negotiated by OMB; along with a reduction of anticipated contract dollars needed in this area of the budget.

The general fund request increased by $407,867 with 93% of that increase ($377,595) related to the Governor's salary package for state employees. The remaining increase of $30,272 is associated with the increase in the operating changes described above.

The net change of the federal and other funds is a result of the increases above and the approved cost allocation plan which is the basis for the majority of the funding in this area of the budget.

This concludes my testimony on the 2007 – 2009 budget request for Administration / Support area of the Department. I would be happy to answer any questions.

Testimony
Senate Bill 2012 – Department Of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 23, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Brenda M. Weisz, Chief Financial Officer, for the Department of Human Services. I am here today to provide you with an overview of the Administration / Support area.

Programs

This area of the budget includes the Executive Office, Legal Advisory Unit, Human Resources, and Fiscal Administration. Each of these areas provides the needed support for the divisions within the Department to carry out their programs. This budget area includes centralized costs for department-wide expenditures such as program appeals, audit fees charged by the State Auditor's Office, and legal work provided by the Attorney General's Office. Also included are the centralized costs for the Central Office divisions such as motor pool expenses, postage for routine mailings such as federally required client TANF notices, along with the telephone services provided by the Information Technology Department.

Major Program Changes

During the current biennium the Department restructured to a centralized billing and receivable effort for Human Service Center services in order to capture the same efficiencies realized by private

industry. The benefits of this move have been the progress made toward the consistent application of billing practices across all Centers and the expectation that this change will make a difference in our Human Service Center collections into the future.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salary and Wages	7,088,313	678,016	7,766,329	0	7,766,329
Operating	4,028,466	184,692	4,213,158	0	4,213,158
Total	11,116,779	862,708	11,979,487	0	11,979,487
General Funds	5,570,708	407,867	5,978,575	0	5,978,575
Federal Funds	5,334,884	(118,903)	5,215,981	0	5,215,981
Other Funds	211,187	573,744	784,931	0	784,931
Total	11,116,779	862,708	11,979,487	0	11,979,487
FTE	70.10	-	70.10	-	70.10

Budget Changes from Current Budget to Executive Budget:

The Salary and Wages line item increased by $678,016 and can be attributed to the following:

- $556,826 in total funds of which $377,595 is general fund is to fund the Governor's salary package for state employees.
- $88,608 to provide for the annual and sick leave lump sum payouts for four FTE expected to retire.

- The remaining $32,582 is a combination of increases and decreases needed to sustain the salary of the 70.10 FTE in this area of the budget.

The Operating line item increased by $184,692 (4.6%) and is a combination of the increases expected next biennium which are offset by decreases as follows:

- An increase in the postage budget to provide for the centralized Human Service Center billings that are now issued from the centralized office rather than the eight Human Service Centers along with an overall anticipated increase in the postal rates for our general client related mailings.
- Rate increases passed on to state agencies by the Central Service Agencies such as:
  - State Fleet increase of $.05 per mile for the motor pool rate;
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  - Office of Administrative hearings hourly rate.
- Decrease in the rate charged by the Attorney General's office for legal services, decreased copier costs due to state-wide copier contracts negotiated by OMB; along with a reduction of anticipated contract dollars needed in this area of the budget.

The general fund request increased by $407,867 with 93% of that increase ($377,595) related to the Governor's salary package for state employees. The remaining increase of $30,272 is associated with the increase in the operating changes described above.

The net change of the federal and other funds is a result of the increases above and the addition of collection dollars to fund a portion of the centralized billing and receivable costs.

Senate Changes:

The Senate made no changes to this area of the budget.

This concludes my testimony on the 2007 – 2009 budget request for Administration / Support area of the Department. I would be happy to answer any questions.

Division Name
Administration & Support

Detail of Various Budget Account Codes

Budget Account Code 582000 - Rental/Leases - Bldg/Land	Amount	General	Federal/Other
Capitol Complex	134,828		134,828
Prairie Hills Plaza staff	10,360	4,869	5,491
Provider Audit (Century Center)	43,450	22,160	21,290
ROAP staff located outside of Bismarck (NW,NC,BL)	37,221	9,305	27,916
Denny's Storage	2,950	2,183	767
Total Rent/Leases - Bldg/Land Budget Account Code	228,809	38,517	190,292

Budget Account Code 623000 - Fees - Professional Services	Amount	General	Federal/Other
Attorney General	183,080	88,898	94,182
Office of Administrative Hearings	350,999	154,440	196,559
Office of the State Auditor	162,240	106,266	55,974
Interpreter Fees	150	123	27
Total Fees - Professional Services Budget Account Code	696,469	260,829	346,742

Division Name

Administration & Support

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General	Federal/Other
Indirect Cost Reimbursement	125,000		125,000
Freight & Express	28,913	11,425	17,488
Training contracts	10,000	7,322	2,678
Years of Service Awards	8,442	5,440	3,002
County Administration reviews	5,600	4,154	1,446
SBAND & CPA License Fees	2,392	1,340	1,052
Other Miscellaneous Fees & Services	3,060	2,063	997
Total Operating Fees & Services Budget Account Code	183,407	31,744	151,663

North Dakota Department of Human Services
Information Technology Services

- Carol K. Olson, Executive Director
  - 0917 0262/3390 17 — B. Weisz, CFO
    - 0177 0270/3398 16 — J. Witham, Director, ITS
      - 0042 0842/3881 7 — J. Hamre, Admin Assistant II
      - 0190 0114/3245 14 — K. Klein, IT Manager
        - 0174 0843/3882 11 — B. Sather, C/N Spec II
        - 0174 2996/4382 11 — W. Sickler, C/N Spec II
        - 0153 01123244 12 — T. Freidt, DP Coord III
          - 0122 0268/3396 7 — J. Leftwich, Data Input Supv II
            - 0032 0273/3401 4 — M. Elhard, Office Asst II
            - 0032 0279/3407 4 — D. Brendel, Office Asst II
            - 0032 0271/3399 4 — J. Brunner, Office Asst II
            - 0032 1107/4430 4 — W. Labor, TEMP Office Asst II
            - 0032 1108/4430 4 — B. Baumstarck, TEMP Office Asst II
            - 0032 1111/4430 4 — J. Mandigo, TEMP Office Asst II
            - 0032 1110/4430 4 — J. Rohrich, TEMP Office Asst II
            - 0032 1109/4430 4 — D. Weber, TEMP Office Asst II
        - 0175 0338/3513 13 — M. Durgin, C/N Spec III
          - 0174 2280/4241 11 — J. Toso, C/N Spec II
          - 0174 2087/4105 11 — E. Ova, C/N Spec II
            - 0174 2287/4248 11 — K. Dockter, C/N Spec II
          - 0174 2281/4242 11 — D. Kvamme, C/N Spec II
          - 0102 1081/4432 7 — TEMP Vacant, Computer Equip Operator II
        - 0174 0835/3874 11 — S. Denn, C/N Spec II
          - 0102 1013 7 — TEMP Vacant, Comp Equip Operator II
        - 0174 0269/3397 11 — S. Kubas, C/N Spec II
          - 0174 2285/4246 11 — B. Moch, C/N Spec II
          - 0174 0221/3349 11 — T. Bodvig, C/N Spec II
      - 0143 2998/4384 13 — K. Janes, Programmer/Analyst III
        - 0153 0253/3381 12 — D. Emerson, DP Coord III
      - 0154 2286/4247 13 — S. Ovind, DP Coord IV
        - 0152 2284/4245 10 — D. Rude, DP Coord II
      - 0153 0230/3358 12 — T. Pelletier, DP Coord III
      - 0153 0282/3410 12 — M. Kennedy, DP Coord III
      - 0153 0238/3366 12 — K. Cossette, DP Coord III
      - 0142 0746/3799 12 — Vacant, Prog/Analyst II
      - 0172 0837/3876 15 — D. McCrory, Info Sys Admin II
        - 0144 2443/3881 14 — K. Adam, Sr Prog/Analyst
      - 0144 0577/3673 14 — P. Anderson, Sr. Prog/Analyst
        - 0142 0248/3376 12 — Vacant, Prog/Analyst II
        - 0174 2349/4296 11 — J. Belcourt, C/N Spec II
        - 1020 — M. Havelka, TEMP

Revised 3/2/07

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 8, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Jennifer Witham, Director of the Information Technology Services Division of the Department of Human Services. I am here today to provide you with an overview of the Information Technology Services budget.

Programs

The Department's Information Technology Services Division staff is responsible for information technology strategic planning and budgeting, business analysis, project management, procurement, software development and maintenance, technology standards and policy enforcement and data entry services.

Customer Base

The Department's Information Technology Services Division (ITS) provides technology services to support the business needs of the central office divisions, the eight Human Service Centers, the State Hospital, the Developmental Center, and to the county social service boards across North Dakota, including regional child support enforcement offices.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salary and Wages	3,564,529	3,957,554	393,025
Operating	56,934,343	59,233,505	2,299,162
Capital Assets	2,756	285	(2,471)
Total	60,501,628	63,191,344	2,689,716
General Funds	14,173,042	18,677,583	4,504,541
Federal Funds	41,127,277	42,879,987	1,752,710
Other Funds	5,201,309	1,633,774	(3,567,535)
Total	60,501,628	63,191,344	2,689,716

FTE	32.00	32.00	-

- The Salary and Wages line item increased by $393,025 and can be attributed to the following:
    - $266,056 in total funds of which $209,719 is general fund is to fund the Governor's salary package for state employees.
    - $92,047 to provide for 5 temporary data entry staff that were previously engaged through a temporary employment agency.
    - $16,172 to provide for the annual and sick leave lump sum payout for one FTE expected to retire.
    - The remaining $18,750 is a combination of increases and decreases needed to sustain the salary of the 32 FTE in this area of the budget.

- The Operating line item increased by $2,299,162 and can be attributed to the following:

- $1,883,782 related to the Medicaid Systems Project. The 2007-2009 budget request is $31,072,641 in total funds of which $3,643,133 is general fund. The 2005-2007 budget for this project is $29,188,859 in total funds of which $3,667,820 are other funds. As described in the detailed testimony provided last week on SB 2024, the total project request for the 2007-2009 biennium is a combination of the current request of $31,072,641 and the anticipated unexpended funds from the 2005 appropriation of $21,456,730 for a total of $52,529,371.
- $1,000,000 in total funds of which $423,800 is general fund for the Client Information Sharing System project.
- $500,000 in total funds of which $250,000 is general fund to provide for the equipment required for the Food Stamps Electronic Benefit Transfer contract reprocurement.
- The above increases are offset by a decrease in ITD services of $1,136,235.
- The remaining balance of $51,615 is a combination of miscellaneous increases related to equipment and various technology service agreements.

- Capital Assets changed due to the bond payment being paid in full at the Southeast Human Service Center which houses one ITS central office staff member.

The Department of Human Services had three 2007-2009 projects ranked by the State Information Technology Committee process in September 2006. The Medicaid Systems Project and the Client Information Sharing System project (CISS) were ranked first and second respectively by the

Committee. The third project, the development a new user interface for the Children and Family Services child welfare data system, was ranked ninth out of the fourteen projects prioritized. The following is a brief description of the CISS and child welfare projects.

The Client Information Sharing System (CISS) project will provide a means to create a single client view across DHS services and programs. A key component of this project will be the creation of a single Master Client Identifier (MCI). With the MCI, our ability to analyze trends across our systems will be greatly enhanced as well as provide a more accurate means for monitoring data quality. Although this system will initially be utilized to enable the sharing of eligibility information with the new Medicaid Management Information System, it will be extendable to all DHS programs and prepare the Department for emerging e-Health initiatives.

The current Children and Family Service child welfare data system is comprised of three primary, disparate applications developed for safety, permanency and well-being. This project would create a new combined user interface to these three underlying systems allowing for streamlined workflow processes and reduced data entry requirements.

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

Senate Bill 2012 – Department of Human Services
Senate Appropriations Subcommittee Request
Information Technology Division
January 25, 2007

1. Contracts affected by MMIS system replacement

2. Overview of information systems currently operated by the Department

3. Information regarding cost of planning project for replacement of the following four eligibility determination systems:

    - Vision – TANF and Medicaid for pregnant women and children
    - TECS – Food Stamps and Medicaid for aged, blind and disabled
    - LIHEAP – Low Income Heating Assistance
    - Child Care Assistance

January 25, 2007
Jennifer Witham, IT Services Division
Department of Human Services

Contracts affected by MMIS system replacement

Noridian Services Administration ($120,000)

- This contract represents the "pass-thru" of Medicaid electronic claims to DHS Medical Services at a rate of 35 cents per claim. Currently Noridian provides medical service providers with a proprietary product named PC Ace. PC Ace provides a high level validation check and converts the claim into a HIPAA compliant format.
- **Use of this product is a choice of the provider.** If the provider chooses to submit Medicaid claims through this mechanism, Noridian has agreed to receive them and pass them through to Medicaid.
- Medical Services currently receives electronic claim submissions directly from providers without the use of PC Ace.
- With the new MMIS providers will be able to submit claims to Medicaid in a fashion similar to the process used by PC Ace.
- Although this option will be available to providers, and Medical Services will encourage the use of the Medicaid electronic claims web site, some providers may choose to still use PC Ace.
- **Medical Services will continue to receive claims passed thru by Noridian after the implementation of the MMIS to accommodate these providers. It is anticipated that the claim volume will be greatly reduced.**

January 25, 2007
Jennifer Witham, IT Services Division
Department of Human Services

Health Information Designs ($376,542)

- This contract is made up of four components:
  - Academic detail ($91,497)
  - Retrospective drug use review ($109,930)
  - Rebate services ($142,766)
  - Drug look-up ($32,348)
- The new MMIS system will provide for two of the four services, i.e. rebate services and drug look-up.
- Based on the current contract with HID, the anticipated reduction in 2009-2011 will be approximately $175,115.
- Remaining contract functions will be academic detailing and retrospective drug use review at approximately $201,427.
- This contract is reimbursed at a 75/25 match rate. The $201,427 in total funds would require $50,357 in general funds.

Estimated cost for Economic Assistance planning project:

Salary:

2 temporary positions for DHS:	$100,000
6 county staff members:	$ 85,000
Contractor costs:	$500,000

	$685,000
General fund:	$342,500
Federal funds:	$342,500

January 25, 2007
Jennifer Witham, IT Services Division
Department of Human Services

Software Development Division Budget Estimate

To: Karen Cossette	Date Issued: 5/31/2006	Prior Est. Date:
	From: Doran Eberle	
	Prepared By: Leroy Jacobs	
Project Description: Moving TECS into the VISION system		
WMS Work Order Number:	WMS Service Request:	

ITD is recommending your agency budget **$8,322,246** for this project. This amount includes an estimated **$7,236,735** based on requirements we received during the interview process plus an additional **$1,081,511** for scope changes. The additional **15%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed. These figures represent the entire project. Should you decide to break it into phases, the approximate costs per phase are:

System	Pct	Est Cost
Buy-In	0.04	$332,890
Medicaid	0.34	$2,829,564
Food Stamps	0.28	$2,330,229
CheckWrite	0.12	$998,670
Interfaces	0.22	$1,830,893
TOTAL	1.00	$8,322,246

Should you decide to proceed with this project, please approve the cost estimate via the online Work Management System. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

ITD estimates this project to take **33 months**. This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and Software Development maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

ITD Request Number: Project:

Assumptions

- DHS will have sufficient staff to support the development and testing of the FS/ME project and the Checkwrite/Interfaces projects concurrently.
- Rates were calculated using 10 ITD developers and 18 contractors at its peak.
- Estimated months is 32 months.
- There my be economies of scale by doing ME & FS together.

Project Description

For integrating Food Stamps into VISION:

- The existing Vision security will be used to allow Food Stamp workers access to the Vision application. New profiles will not be expected to be needed for the additional system users.
- The Vision Main Menu and Caseload Selection processes will be modified to allow for the identification of Food Stamp cases and to allow for the new Food Stamp windows.
- The registration/intake/address processes will be reviewed with no expected changes.
- The collection of non-financial information by the Vision application will be reviewed with several additions expected. The Food Stamp application dates will be collected and maintained for the program and for the clients. In addition, the ability to register and maintain work registration sanctions and Abawds will be added.
- The collection of financial information will be reviewed with several additions expected. The Food Stamp program will be added to the collection of assets, incomes and expenses. Assets will require the addition of the program type and also the addition of a total/partial exemption. Incomes and expenses will require the addition of the Food Stamp program type.
- The ability to maintain recertification dates will be required.
- Vision will need to collect information pertaining to payment of the benefit to an assigned representative, similar to the collection of a protective payee for TANF.
- Vision will collect and process information pertaining to parental control, work registration and the BEST program.

- The authorization process, including authorization, unauthorization, closure, denial and authorize through will be enhanced to include Food Stamps.
- The Vision inquiry processes will be enhanced to display Food Stamp information. This will include the display of Food Stamp benefit information and participation data.
- The Vision Help Desk routines will be enhanced to allow for the deletion of Food Stamp benefit months and applications.
- The Vision maintenance processes will be enhanced to allow for the maintaining of the Food Stamp program. This will include the addition of the Food Stamp program to existing cases, the maintaining of Food Stamp overpayments, Food Stamp participation codes, reverting to open/close, and unauthorization of the Food Stamp program by either client or case.
- The Vision system will be enhanced to allow for Federal Tax Intercept, Emergency Food Stamps, Expedited Food Stamps, identification for immediate issuance and recoupment of claims at the client level.
- The Vision knowledge base (BLAZE) will be enhanced to allow for Food Stamps processing. Blaze will be enhanced to identify database attributes, determine and process Food Stamp participation codes, eligibility criteria, asset units/tests and budget calculations.
- Alerts will be added to Vision as needed for the Food Stamp program. For this estimate a total of 10 alerts were allowed.
- Within the TECS application, a total of 138 open notices currently exist. The Vision system will be enhanced to allow for these 138 notices.
- The Vision system will be enhanced to allow for the maintaining and distribution of Change Report forms and Monthly reports.
- Various batch processes within Vision will be modified or created to allow for auto-closure, auto-denial and rollover of the Food Stamp program. In addition, quality control will be enhanced to sample and select positive and negative actions concerning the Food Stamp applications.
- The EBT process that currently exists in TECS will be converted into the Vision application. This includes the sending and receiving of various files from Citibank. The entire Food Stamp benefit payment process will be added to the Vision system.
- The Vision system will be enhanced to produce reports pertaining to the Food Stamp program. This estimate will allow for the generation of 30 reports.
- This estimate will not include the posting of any Food Stamp information to the TECS system.

For integrating remaining TECS State and Federal Interfaces into VISION:

- The batch IEVS processing will be developed in Vision. This processing currently includes the IEVS tracking report and processing of the incoming Bendex Earnings, Job Service UIB, Job Service Wage and UFO Resource files. This process also includes the sending of DIFSLA (UFO) tape to Baltimore.
- The online IEVS processing will be developed in Vision. This processing currently includes the IEVS Outstanding Interfaces, IEVS Overpayment Adjustments, SDX Inquiry and Bendex Inquiry options on TECS. A total of 8 new processes were estimated to be needed in this area.
- The Third Party Query and State Online Query processes will be developed in Vision. The Third Party Query will require the ability to have an online option of requesting and viewing information from the Social Security Administration and will require a batch process for sending and receiving this information. The State Online Query process will require an online function to directly access the Social Security Administration information and view this information in Vision.
- The SDX and Bendex processes will be developed in Vision. The SDX process includes the processing of files from Baltimore. One set of files are processed at the first of the month and the remaining set of files are processed mid-month. In addition, a single SDX BRI file is processed yearly. The Bendex process also includes the processing of files from Baltimore. A monthly Bendex process is run twice at the beginning of every month. The Bendex COLA file is processed yearly. In addition, an annual Bendex process is run to remove "CP" information. The Bendex process also

include the generation and transfer of files to Baltimore. This process will also be developed in Vision.

- Additional interfaces with the Social Security Administration will be developed in Vision. This includes Prisoner Match, 40 Quarter, Death Date Reporting, Numident, and Xprein.
- The NDM process is used to transfer and receive files between State and Federal agencies. These processes will be updated to use Vision files.
- The State Hospital interface will be reviewed with no expected changes.
- Several HC programs access information that is stored on the Interface file on TECS. These programs will be changed to access the information from Vision.
- The interface between Child Support and TECS/Vision will be reviewed for the purpose of removing any unneeded processing. Various information is posted and maintained between the TECS and Vision system for the purpose of sending this information to Child Support. This processing will no longer be needed.
- The interface between TECS/Vision will be reviewed for the purpose of removing any unneeded processing.
- The Quality Control process will be developed in Vision. This will require the need for converting both batch and online processing. The batch process currently is responsible for building a QC universe and selecting a sample from that universe. Reporting is required during this entire process. This process currently reads both TECS and Vision information but stores all result on TECS. This process will need to be converted to store the information on Vision files. A process will also be needed in Vision to randomly selected numbers that are used in building the QC files. The online process currently is used to work and report on the QC samples. The online process will need to allow for the maintenance of the random numbers, review of the QC samples, entry of the findings/results from the sample, and moving of reviews from under-sampling to the active main sample.
- Various jobs/programs/reports are used or generated for these interface processes. This estimate will allow for a total of 50 programs and their related documentation to be transferred to Vision.

For integrating QMB, SLMB, QI1, and Spousal Impoverishment:

- The existing Vision security will be used to allow Medicaid workers access to the Vision application. New profiles will not be expected to be needed for the additional system users.
- The Vision Main Menu and Caseload Selection processes will be modified to allow for the identification of QMB/SLMB cases and to allow for any new windows.
- The registration/intake/address processes will be reviewed with no expected changes.
- The collection of non-financial information by the Vision application will be reviewed with several additions expected. The QMB/SLMB application dates will be collected and maintained for the program and for the clients. The Living Arrangement process will be enhanced to collect "anticipated to stay 30 day" information. Spousal Impoverishment will require the collection of information relating to individuals living together.
- The collection of financial information will be reviewed with several additions expected. The QMB/SLMB coverages will be added to the collection of assets, incomes and expenses. In addition, the collection of asset information will be enhanced to include changes to the burial provision for Spousal Impoverishment. Spousal Impoverishment will also require the collection of asset and income level overrides.
- The ability to perform redeterminations and maintain redetermination dates for QMB/SLMB and for QI1 will be required.
- The authorization process, including authorization, unauthorization, closure, denial and authorize through will be enhanced to include the QMB/SLMB/QI1coverages. QI1 will also require the allocation of funds in relation to a cap limitation requirement.

- The Vision maintenance processes will be enhanced to allow for the maintaining of the QMB/SLMB coverages. This will include the addition of the QMB/SLMB coverages to existing cases, the maintaining of participation codes, reverting to open/close, and unauthorization by either client or case.
- The ability to create three month prior eligibility for the QMB/SLMB coverages will be required.
- The Vision inquiry processes will be enhanced to display QMB/SLMB information. This will include the display of additional budget tests, eligibility information and participation data.
- The Vision Help Desk routines will be enhanced to allow for the deletion of QMB/SLMB benefit months and applications.
- The Vision knowledge base (BLAZE) will be enhanced to allow for QMB, SLMB, QI1, and Spousal Impoverishment processing. Blaze will be changed to
  - identify database attributes
  - enhance existing Medicaid rules for determining participation codes due to Spousal Impoverishment
  - determine participation codes for QMB, SLMB, QI1
  - determine eligibility criteria for QMB, SLMB, QI1
  - determine asset units and perform asset tests for QMB, SLMB, QI1
  - determine asset units and perform asset tests for Spousal Impoverishment
  - determine budget units and perform budget tests for QMB, SLMB, QI1
  - determine budget units and perform budget tests for Spousal Impoverishment
  - determine coverage groups and coverage types for Spousal Impoverishment and QMB, SLMB, QI1
- Various batch processes within Vision will be modified or created to allow for auto-closure, auto-denial and rollover of the new Medicaid coverages. Quality control will be enhanced to sample and select positive and negative actions concerning QMB/SLMB in relation to other Medicaid coverages. In addition, the QMB/SLMB eligibility file will be updated with Vision information.
- Vision will be changed to include various new table items including asset exemptions, asset limits, denial/closure reasons, expense exemptions, income exemptions, spousal asset/income levels/limits, yearly QI1 cap amounts, Buy-In Part B premium amounts, home health service amounts, additional income level tables.
- Alerts will be added to Vision as needed for the new Medicaid coverages. For this estimate a total of 14 alerts were allowed.
- The Vision system will be enhanced to produce reports pertaining to the addition of the Medicaid coverages. This estimate will allow for the generation of 14 reports.
- Within the TECS application, a total of 112 open notices currently exist for the Medicaid program. This estimate will allow for the modification or generation of 66 notice/subforms relating to the new Medicaid coverages.
- The addition of the new Medicaid coverages will require changes to Verify and Medifax.
- The addition of the new Medicaid coverages will require creating the Buy-In Part A and Buy-In Part B processes in Vision.
- The MMIS and TECS systems will need changes to use the QMB/SLMB information that will be stored on Vision.
- The Vision system will be enhanced to determine Spousal Impoverishment situations, handle combined asset test month processing, handle three month window provision processing and handle limitation of deemed income processing
- The Vision system will be enhanced to prevent dual eligibility for various Medicaid coverages in relation to QI1, collect information relating to repayment of funds for QI1, redetermination for Buy-In Part B premium amounts and providing a cap limitation on funds paid under QI1.

- This estimate does not include any interfaces related to Medicaid except for Buy-in. Other interfaces are included in a separate cost estimate that is related to this work request.
- This estimate does not include the posting of new information or changes to the existing posting of Medicaid details to TECS.

For integrating TANF checkwrite:

- The Warrant Reissue process will be created in Vision.
- The Capture Vendor Payments process will be created in Vision.
- The Direct Recoupments process will be created in Vision.
- The Return/Redirect Benefits process will be created in Vision.
- The Spoiled Warrants process will be created in Vision.
- The Warrant Adjustment process will be created in Vision.
- The batch process to issue TANF benefits will be converted to use only Vision information. This process includes selection of benefits for issuance, creation of the check register, creation of the warrant images, printing of the warrants, creation of the recoupment register, creation of the reconciliation report, creation of the transaction/stop payment register and processing of the suspended benefits.
- The batch process to redeem the TANF benefits through a file from the Bank of North Dakota will be converted to Vision. This process includes the extraction of the TANF information and the updating of the TANF files.
- The TANF Job Service processes will be developed in Vision. JOBS component information is sent and received by Job Service. Vision will need to generate a file to send to Job Service and process the return file. A process will also be needed to process a JTPA file that is received from Job Service.
- The interface with Child Support and the Child Support system will be changed to only access Vision information for Vision cases. Many different data elements are currently posted to TECS from Vision. Child Support then access this information from the TECS files. The Child Support system will be changed to access the new Vision items. This will include the old and new Child Support systems and will include data elements from the Benefits-DBF file and Case-Basic-DBF file.
- The Vision system will be enhanced to build and retain the data elements from Benefits-DBF and Case-Basic-DBF that relate to Child Support.
- Approximately 11 reports are generated on TECS pertaining to the TANF program. These reports use information from the Vision system but are still part of the TECS system. These jobs, programs and reports will be converted to Vision.

FR007	AFDC Payment Summary	Microfiche	HESFE700	ES2J030
FE710	Vendor Payment Summary	Microfiche	HESFE710	ES2J030
FR008	AFDC Statistical Recap	Microfiche	HESFE800	ES2J030
FR040	AFDC/TEEM Recoupment Report	Microfiche	HESFE910	ES2J030
MR013	Caseload and Issuance Report by Program	Microfiche only	HESMF200	ES2J040
MR014	Caseload and Issuance Report by Race	Microfiche	HESMF310	ES2J040
FR069	AFDC/TEEM Expired Warrants	Microfiche	HESFE310	ES2J100
FR038	AFDC/TEEM Outstanding Warrant Report	Microfiche	HESFE400	ES2J100
FR009	AFDC/TEEM Cancelled Warrant Report	Microfiche	HESFE510	ES2J100
FR033	AFDC/TEEM Warrants Re-Issued Due to Loss or Theft Report	Microfiche	HESFE600	ES2J100

	Open AFDC Cases Labels	Form F102	HESMI410	ES3J120

For Integrating Buy-in:

1. The following is a list of some of the changes that will need to be made to the Human Service systems.

   - Various batch processes within Vision will be modified to allow for auto-closure, auto-denial and rollover of the new Medicaid coverages.
   - The addition of the new Medicaid coverages will require creating the Buy-In Part A and Buy-In Part B processes in Vision.
   - Vision will be changed to include a table item for Buy-In Part B premium amounts.
   - Alerts will be added to Vision as needed for Buy-in Part A and Buy-in Part B. For this estimate, a total of 6 alerts were allowed.
   - The Vision system will be enhanced to produce reports pertaining to the addition of Buy-in Part A and Buy-in Part B to Vision. This estimate will allow for the generation of 19 reports.
   - Review the notices in TECS to determine if any notices need to be created in Vision that pertain to Buy-in.
   - The Vision system will be enhanced for the redetermination of Buy-In Part B premium amounts.
   - This estimate does not include the posting of new information or changes to TECS.
   - Allow State Office Personnel the capability to inquire and update Buy-in information on Vision and on TECS until TECS is obsolete.

One-Time Cost for System Development

The cost for development is estimated to be $8,322,246. This amount includes an estimated $7,236,735 based on requirements and an additional $1,085,735 for scope changes. The additional 15% is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

On-Going Monthly Costs

On-going monthly costs are estimated as follows:

ITD Systems/Programming	$ 0 hours per month – used as necessary
Application Server	$ 0
Total	$ 0

Application Server costs cover the hosting of the application as well as monitoring the servers and applications for availability.

Software Development Division
Budget Estimate

To: Karen Cossette

Date Issued: 5/11/2006 Prior Est Date:
From: Doran Eberle
Prepared By: Leroy Jacobs

Project Description: Integrating TECS into VISION
WMS Work Order Number:
WMS Service Request:

ITD is recommending your agency budget **$8,322,246** for this project. This amount includes an estimated **$7,236,735** based on requirements we received during the interview process plus an additional **$1,085,511** for scope changes. The additional **15%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

Should you decide to proceed with this project, please approve the cost estimate via the online work management system. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

ITD estimates this project to take **33 Months** . This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

'ITD - Software that works'

(3)

Software Development Division Budget Estimate

To: Karen Cossette; Kevin Janes	Date Issued: 6/2/2006	Prior Est. Date:
	From: Doran Eberle	
	Prepared By: Leroy Jacobs	
Project Description: Writing the Child Care Assistance Eligibility into VISION		
WMS Work Order Number: 29839	WMS Service Request: 1068611	

ITD is recommending your agency budget **$327,789** for this project. This amount includes an estimated **$297,990** based on requirements we received during the interview process plus an additional **$29,799** for scope changes. The additional **10%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

Should you decide to proceed with this project, please approve the cost estimate via the online Work Management System. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

ITD estimates this project to take **5 months**. This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and Software Development maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

'ITD - Software that works'

ITD Request Number: **Project:**

Project Description

This cost estimate is for integrating eligibility of the Child Care Assistance program into the VISION system.

Assumptions

The following is a list of some of the changes that will need to be made to the Human Service systems:

Child Care Assistance

- Currently the Child Care Assistance system is an online/batch Natural system whose main function is to record and issue payments to a provider or family. The data elements are stored on two VSAM files that are defined to Adabas. The system also serves to collect various items of information for reporting purposes and mail notices to families; however, a lot of the work is done by the worker without the use of the system.
- The addition of the Child Care Assistance program eligibility into the VISION system will be accomplished by creating a new knowledge base. This knowledge base will determine the eligibility for a family for services provided under the Child Care Assistance program. Whenever possible, existing VISION windows will be utilized: however, several new windows will be needed to provide additional functions that are related only to the Child Care Assistance program. Additional changes will also be necessary to provide the ability to create notices and in the VISION system.
- The VISION Main Menu will be enhanced to allow Child Care to be added as a new knowledge base. The Child Care option will be added to the existing Household Comp and Eligibility knowledge base. When Child Care is selected, the flow of windows to determine eligibility under the Child Care Assistance program will be displayed in either an initial or ongoing mode. Once eligibility has been determined, authorization of the Child Care payment to the provider/family will be allowed. The Main Menu will be changed to allow the edit of a given Child Care window in the same way the worker can edit a window for Household Comp and Eligibility. With the changes to the VISION Main Menu, security will also need to be enhanced to disable/enable the Child Care options based on the worker's level of access. New security functions will be needed that will restrict access to the windows belonging to the Child Care knowledge base.
- The knowledge base (created with Blaze) will be used to control the windows and processing rules that make up Child Care on the VISION system. The sequence of windows will need to be arranged in a sequence that will allow the knowledge base to determine eligibility based on the entered information.
- The current VISION case intake will be used to register the Child Care Assistance application. Case intake populates various VISION DB2 tables based on a TANF application. The process will need to be modified to allow for a Child Care or Child Care/TANF application.
- The current Case and Client maintenance will be used to alter information belonging to the client/case. The process will need to be modified to allow for Child Care information, namely Child Care start and stop dates for individual clients and a new request for benefits. Other information that will be collected includes the client's name, SSN, ethnic class, ethnicity, gender and date of birth.

- The relationship window (based on the same window used for HH Comp for TANF eligibility) will be used to collect the relationship of each family member towards every other family member.
- The request for benefits window will be used to collect the start date for the Child Care program. When accessing this window through the Child Care knowledge base, only Child Care will display as a valid program type.
- The education window will be used to collect the education level of each client. This will aid in determining the number of children currently in pre-kindergarten.
- The demographic window will be used to update the SSN and date of birth of a client.
- The income window will be used to create, update or delete income information for clients contained within the case. The types of income that must be allowed for include employment, self-employment, case assistance, housing assistance, food stamps, and unearned income.
- The Health Tracks window will be used to collect health information for each child in the case.
- After the necessary information has been collected, the knowledge base will display a new window showing the pass, pend or fail of the Child Care program.
- The knowledge base will calculate the household size based on a predefined set of rules. The household size is needed to determine the level of benefits for which a family may be eligible. Once the household size is established, the countable income the family received during the payment month must be determined. Based on the income entered, the countable income will be calculated using only the income that is not exempt. No deductions are allowed from the countable income. After the countable income has been determined, the payment amount for each child can be determined based on a sliding fee schedule and a provider type cap. Using the household size and countable income, a percentage can be obtained from the sliding fee schedule. That percentage is then multiplied by the amount billed for the child or by the payment cap assigned to that type of provider, whichever is less. The result is the amount of the payment to the provider on behalf of the child. Certain provider types have a payment cap based on the age of the child. If the amount billed is above that cap amount, the amount billed will be reduced to equal the cap amount. For example a child between the ages of 0 through the month in which the child turns two will have a payment cap of 440 dollars per month.
- When working a case, only prior benefit months are eligible for authorization. An enhancement to allow a case to be authorized through was requested. This enhancement will allow a case to be authorized for a given month and also allow an authorized through month to be entered. As each month passes, up to and including the authorized through month, the case will automatically be authorized for that month and no worker intervention will be required. To accomplish this, benefit authorization will need to collect the authorized through month. Also, a new batch process will be needed to copy a case's Child Care details into the next month and automatically authorize that months benefits.
- A method will be needed to adjust Child Care benefits.
- The ability to send notices for the Child Care Assistance program will be included in the enhancement. The addition of Child Care notices to the existing process in VISION will require changes to the VISION routines and also to Lotus Notes and API's. The notices being requested involve pending, approval, denial, suspending, closure, correspondence, provider notice of renewal and notice of certificate to provider and family.
- The existing CCA system contains two VSAM files defined to Adabas. These two files store all of the information created from the Child Care system. Part of this estimate will be to convert these files into DB2 tables. The DB2 tables will store the information that is currently on the two files and will also store the new information that will be generated as a result of the enhancements. The two VSAM files will then be eliminated. New DB2 tables will be needed to store the sliding fee schedule and payment cap information.

One-Time Cost for System Development

The cost for development is estimated to be $327,789. This amount includes an estimated $297,990 based on requirements and an additional $29,799 for scope changes. The additional 10% is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

On-Going Monthly Costs

On-going monthly costs are estimated as follows:

ITD Systems/Programming	$ 0 hours per month
Application Server	$ 0
Total	$ 0

Application Server costs cover the hosting of the application as well as monitoring the servers and applications for availability.

Software Development Division Budget Estimate

To: Karen Cossette; Kevin Janes	Date Issued: 6/2/2006	Prior Est. Date:
	From: Doran Eberle	
	Prepared By: Leroy Jacobs	
Project Description: Rewrite the Child Care Assistance		
WMS Work Order Number: 29839	WMS Service Request: 1068611	

ITD is recommending your agency budget **$241,303** for this project. This amount includes an estimated **$219,366** based on requirements we received during the interview process plus an additional **$21,937** for scope changes. The additional **10%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

Should you decide to proceed with this project, please approve the cost estimate via the online Work Management System. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

ITD estimates this project to take **14 months**. This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and Software Development maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

TD Request Number: **Project:**

Project Description

This cost estimate is for rewriting the Child Care Assistance program.

Assumptions

This cost estimate is for the conversion and replacement of the Day Care and Child Care System. Both systems will be contained within this application.

Day Care System
A provider contacts the County Social Service Board (CSSB) to begin the process of licensing or self-certification. Once the application and other procedures are completed, the county licensor will enter the provider into the system and turn the data over to the regional Human Service Center for approval. The HSC will perform necessary work in approving the provider, once completed, HSC will update the provider information, assigning a provider id and notifying CSSB of the approved/denied status of the provider.

An alternate flow of this process is the approval/licensing of approved relatives, out-of-state, Tribal, and air base providers. These entities submit their application directly to CCA staff, which will be the administrators of this system.

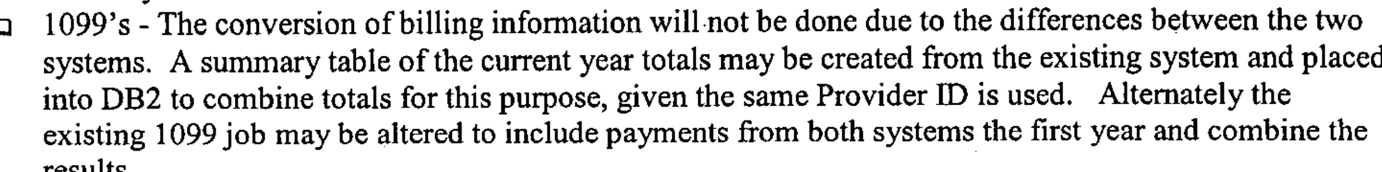
ild Care Assistance:
A family applies for Child Care Assistance with their local CSSB. CSSB determines eligibility and enrolls them in CCA by creating a case and entering the client and dependents into the ES100000 system and this application. The client will select their provider at this time, where CSSB can determine if the provider has a W9 on file and will request one if not. A W9 is required for payment. The provider mails a Child Care Billing Report at the end of each month to CSSB and the client mails all proof of income as well. The CSSB case worker then enters this information into the system which determines reimbursement amounts. After approving the payment, this system will send the billing information through OMB's check writer and generate a remittance notice. It should be noted that a provider can designate that the client receives the payment due to the fact that the provider is collecting the payment from the client.

Existing System

Cobol and Natural programs that exist today in processing the payment, federal reporting, processing 1099s and transferring 1099s to the feds will remain as part of this new system and be altered to retrieve data from DB2.

Data Conversion

- Clients and children will be created manually into new cases by the case worker since there are data accuracy issues with SSN.



- 1099's - The conversion of billing information will not be done due to the differences between the two systems. A summary table of the current year totals may be created from the existing system and placed into DB2 to combine totals for this purpose, given the same Provider ID is used. Alternately the existing 1099 job may be altered to include payments from both systems the first year and combine the results.

- Convert All licensed day cares and providers into the new system

Assumptions

The one-time costs (development) of the application are based on the following assumptions:

- Providers will be authenticated using State of North Dakota Login IDs stored in ITD's Active Directory server. This application will not authenticate against Secureway LDAP and therefore must be run inside the state firewall or through a vpn connection.
- The application will be developed using Sybase PowerDesigner as the data modeling tool, WebSphere application server as the J2EE/GUI development tools and DB2 as the Relational Database Management System.
- This application will not contain any eligibility determination processes.
- Department of Human Services staff will produce any necessary Help documents, implementing the documents as HTML web page available from Human Service's web site.
- Department of Human Services staff will provide any necessary training for the DHS and CSSB users.
- ES100000: This application will create Clients and their children in the ES100000 tables. DHS will need to work with the ES100000 Committee on getting this approved

Determining Costs

The cost estimate includes the following processes:

Process	Description
Java Objects	
Main Interface	
Login and Authentication	**Login page and Active Directory groups**
Main Page	**Main Page to display users open cases and navigation to the application**
Licensed Day Care Provider	
Create Day Care Provider	**Page and objects to create a day care center**
Maintain Day Care Provider	
Delete Day Care Provider	**Confirmation and Validation of deletion**
Email notifications	**Automatic emails generated to users of the system on status changes.**
Address validation	**Call to validate address**
CCA Case	
Case Search	**Users can search cases by client, status, parent, provider, county**
[illegible]se Create	**Pages and process to search/add es100000 and create the case in the system**
Case Maintenance	**Pages and processes to maintain case information and add client dependents**

Process	Description
Case Delete	Confirmation Page and process to validate the deletion
Case Close	
ase Transfer	Pages and objects to validate, search agencies and users
Client/Dependent	
ES100000 Search	ES100000 search for client and dependents
Client/Dependent Add Process	Create clients and dependents into application tables and ES100000 system
Client/Dependent maintenance	Maintain clients and dependents details in the application and ES100000
ES10000 Interface calls	Calls to DB2 stored procedures
Address Validation	Call to validate address
Payment	
Payment Search	
Payment Report	Listing of Payments by provider
Payment Details	View the details of a past payment
Payment Create	Process of creating the payment
Payment Calculation Page(s)	Page(s) used to calculate a payment
Sliding Fee Schedule	Sliding Fee Schedule Object used by payment calculation
Notices	Notices are generated from cobol and natural programs while generating payment, online processes or online pages for manual creation of a notice. Notices are printed by the SS1J800 which also creates payment files.
Notices Search	Page to search notices
Update / Delete Notices	Page to update comments or delete notices that have not been processed
Add notices	Object to add notices
Add Correspondence Notice	Page to create a manual correspondence notice
Security	This Security System will mimic SPOC, perhaps not as complex but structurally similar.
Design security structure and classes for application to validate privileges	
DHS Security Administration interface for creating and maintaining authorized users and roles	

Cobol Objects

Process	Description
Checkwrite jobs/ Notice Create	(SS1J800) Program to extract monthly billing information and send through PeopleSoft (Samis replacement). Program will generate remittance notices to providers and clients
Federal Report File Transfer	Alter SS1J860 Cobol to read information from DB2 and transfer data to the Feds
Natural Objects	
ES10000 Interface	Interface to ES100000 to create, search clients and their children
Address Validation	Provide interface to validate addresses in the system
Natural Broker Routine to Read Billing and Notice history	Natural Program and Broker interface to read Adabase file SS121010-CCA for displaying past payment history and notices
1099 Generation	Change Program (SS1J899) that generates 1099's and notices to individuals not receiving 1099's < $600 to DB2
1099 first year generation	During processing of 1099's the first year - the job that runs must combine the existing system and the new systems payments
Conversion of existing providers	Convert the existing licensed day cares and providers into the new system
Reports	
ss1800cc	Part of the ssj1800 billing conversion
ss1j805	
Transaction Summary	Part of the ssj1800 billing conversion

One-Time Cost for System Development

The cost for development is estimated to be $241,303,689. This amount includes an estimated $219,366 based on requirements and an additional $21,937 for scope changes. The additional 10% is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility

to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

On-Going Monthly Costs

On-going monthly costs are estimated as follows:

Systems/Programming	$	5,040 (as necessary)
J2EE Application Server*	$	810
TOTAL	$	5,850

Application Server costs cover the hosting of the application as well as monitoring the servers and applications for availability.

Software Development Division
Budget Estimate

To: Karen Cossette; Kevin Janes	Date Issued: 5/31/2006	Prior Est. Date:
	From: Doran Eberle	
	Prepared By: Leroy Jacobs	
Project Description: Integrate LIHEAP into VISION		
WMS Work Order Number:	WMS Service Request:	

ITD is recommending your agency budget **$382,675** for this project. This amount includes an estimated **$347,886** based on requirements we received during the interview process plus an additional **$34,789** for scope changes. The additional **10%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

hould you decide to proceed with this project, please approve the cost estimate via the online Work Management System. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

ITD estimates this project to take **4 months**. This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and Software Development maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

Project Description

- Currently the LIHEAP system is an online/batch Natural system whose main function is to record and issue payments to a provider or family. The system also serves to collect various items of information for reporting purposes and mail notices to families.
- The addition of the LIHEAP program into the VISION system will be accomplished by creating a new knowledge base. This knowledge base will determine the eligibility for a family for services provided under LIHEAP. Whenever possible, existing VISION windows will be utilized: however, several new windows will be needed to provide additional functions that are related only to LIHEAP. Additional changes will also be necessary to provide the ability to create notices and add LIHEAP providers to the VISION system.
- The VISION Main Menu will be enhanced to allow LIHEAP to be added as a new knowledge base. When LIHEAP is selected, the flow of windows to determine eligibility will be displayed in either an initial or ongoing mode. Once eligibility has been determined, authorization of the LIHEAP payment to the provider/family will be allowed.
- The knowledge base (created with BLAZE) will be used to control the windows and processing rules that make up LIHEAP on the VISION system. The sequence of windows will need to be arranged in a sequence that will allow the knowledge base to determine eligibility based on the entered information.
  - The current VISION case intake will be used to register the LIHEAP application. Case intake populates various VISION DB2 tables based on a TANF application. The process will need to be modified to allow for a LIHEAP application.
  - The current Case and Client maintenance will be used to alter information belonging to the client/case. The process will need to be modified to allow for LIHEAP information.
  - The request for benefits window will be used to collect the start date for LIHEAP.
  - The income window will be used to create, update or delete income information for clients contained within the case. The types of income that must be allowed for include employment, self-employment, case assistance, housing assistance, food stamps, and unearned income.
  - After the necessary information has been collected, the knowledge base will display a new window showing the pass/fail of the LIHEAP program.
- Once the payment amount has been established, a benefit authorization will be required to authorize the payment to the provider or family. This window will also allow for the closing or revert to open of the LIHEAP program. Each payment must include information that is retained for reporting purposes.
- The benefit history window will be used to display the LIHEAP payments made on behalf of the case. The TANF benefits will continue to display on this window. All benefits will be grouped in benefit month descending order.
- When a provider/family is underpaid, an adjustment can be paid to the provider/family. Based on a change for that benefit month, the LIHEAP program will need to be able to recalculate the appropriate benefit amount for a particular benefit month and create an underpayment.
- When a provider/family is overpaid, the VISION system will need to be enhanced to allow the system to calculate the overpayment based on the change in the household for that benefit month. Once the overpayment has been created, the family will need to repay the overpayment or make a minimum payment each month before that month's benefits will be authorized and paid. The VISION system will need to record the collection of the overpayment or minimum payment and ensure that a payment is not made on behalf of the family until the overpayment or a minimum

payment has been collected by the Department of Human Services. A recoupment process will not be built to automatically recoup from future months benefits; however, the VISION windows that currently allow for the authorization and manual payment of an overpayment will be used.

- The Provider Maintenance system used with VISION will need to be enhanced to store information for LIHEAP providers.
- The ability to send notices for the LIHEAP program will be included in the enhancement. The addition of LIHEAP notices to the existing process in VISION will require changed to the IEF routines and also to Lotus Notes programs. The notices being requested involve pending, approval, denial, suspending, closure, correspondence, provider notice of renewal and notice of certificate to provider and family.
- Reporting requirements will require the addition of several batch processes. These batch processes will allow for the ACF 800 and ACF 801 reports/files, 1099's, research and statistic reports, abstract and transaction reports by provider, open – pending – suspended cases by county report and financial reports.

One-Time Cost for System Development

The cost for development is estimated to be $382,675. This amount includes an estimated $347,886 based on requirements and an additional $34,789 for scope changes. The additional 10% is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

On-Going Monthly Costs

On-going monthly costs are estimated as follows:

ITD Systems/Programming	$ 0 hours per month – used as necessary
Application Server	$ 0
Total	$ 0

Application Server costs cover the hosting of the application as well as monitoring the servers and applications for availability.

Software Development Division Budget Estimate

To: Kevin Janes; Karen Cossette

Date Issued: 5/22/2006 Prior Est Date:
From: Doran Eberle
Prepared By: Leroy Jacobs

Project Description: Integrate LIHEAP into VISION
WMS Work Order Number:
WMS Service Request:

ITD is recommending your agency budget **$382,675** for this project. This amount includes an estimated **$347,886** based on requirements we received during the interview process plus an additional **$34,789** for scope changes. The additional **10%** is based on ITD's experience with scope changes in projects this size. Including this additional amount will give your agency the flexibility to cover typical scope changes, and remain within your budgeted amount. A more accurate estimate will be prepared once this project has started and the analysis phase is completed.

Should you decide to proceed with this project, please approve the cost estimate via the online work management system. Upon your approval, you will be prompted to submit a service request under the existing work order. All ITD services relating to this project will be billed to your department monthly at actual cost.

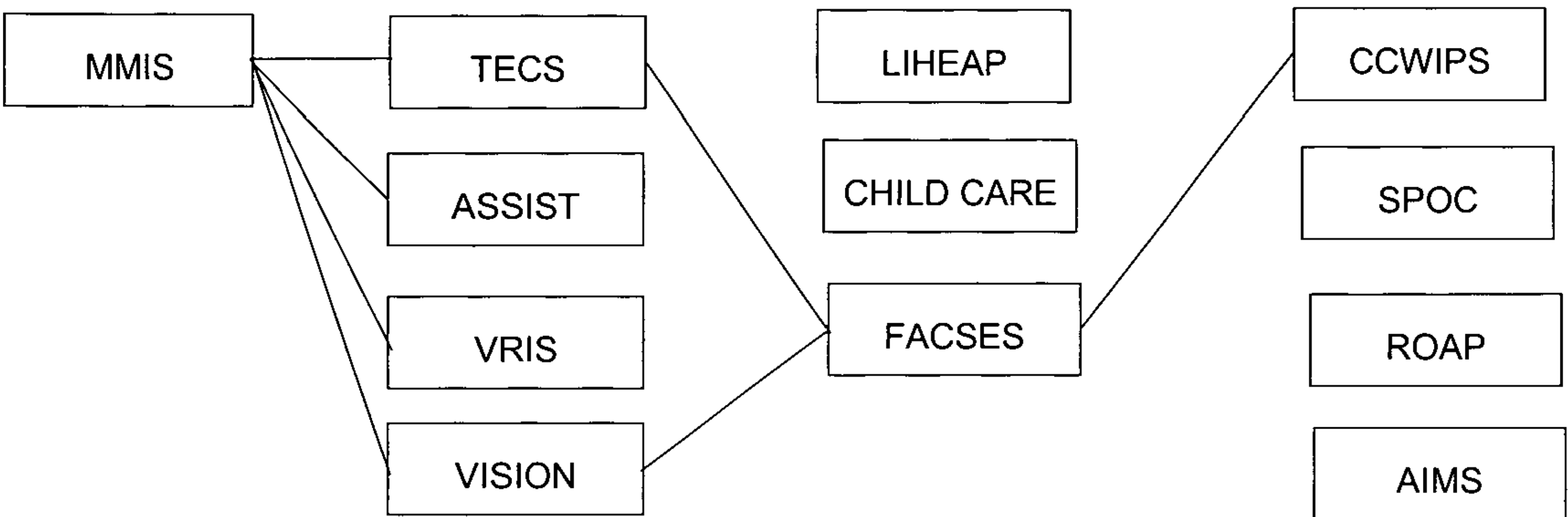
ITD estimates this project to take **4 Months**. This timeframe is a projected timeframe based on typical project staffing levels. The actual timeframe will be determined during the Planning Phase and will be based on the availability of customer and ITD resources at that time.

ITD suggests you budget **$0** per month for the on-going cost of running the application. This amount includes the hosting charges, estimated storage and maintenance costs. All ITD services will be billed to your department monthly at actual cost.

At the start of the project ITD will review any estimate over 90 days old. If necessary a revised estimate will be issued.

'ITD - Software that works'

Department of Human Services
Primary Information Systems



Jennifer Witham
Division of Information Technology Services
January 25, 2007

System Vision

This system determines eligibility and benefit levels for the Temporary Assistance for Needy Families (TANF) program and determines eligibility for Medicaid for all children and family coverage types (including the de-linked TANF caseload). Vision interfaces with MMIS,.FACSES, internally to provide eligibility information for claims payment and referrals to CSE. External interfaces with Job Service ND to accomplish referrals to work programs, income verification of UI and wage information, the SSA to validate information and provide income verification of SSA benefits, the State Hospital for admission data, and the TECS system to provide continuity of data for all eligibility cases.

Operational in 1996
Medicaid Children and Family eligibility operational in 2000

System Medicaid Management Information System (MMIS)

The Medicaid Management Information System (MMIS) is written in COBOL2, with several enhancements completed in NATURAL. The file structure is in VSAM and ADABAS. It is funded through Title XIX.

The system consists of various subsystems: claims processing, recipient, provider, reference (Pricing), management and administrative (MARS), surveillance and utilization review (SURS), and Case Mix (Nursing homes). Recent changes include the point of sale (Drugs) and capitated managed care. The payment function for the point of sale is incorporated into the MMIS system and the reporting function is run on a personal computer.

The above subsystems function as an integrated unit with the overall objective to process and pay each eligible provider for all valid claims for eligible Medicaid recipients. MARS and SURS are concerned with data consolidation and organization.

Medicaid eligible and potential eligible client information is transferred to MMIS from the TECS and TEEM applications. Recipient liability is exchanged with TECS for liability computations.

MMIS is also used to process non-Medicaid related medical claims for several other state government payers within and outside the Department, including Developmental Disabilities, Vocational Rehabilitation, Disability Determination Services, Children's Special Health Services, State Hospital, Regional Intervention Programs operated by the Human Service Centers.

Operational in 1978
HIPAA requirements added 2001-2003

System Technical Eligibility Computer (TECS)

Computer System for determining client and case eligibility for Medicaid and Food Stamps. The system includes benefit payment for Food Stamps and eligibility for some Medicaid cases.

Operational in 1984 for Food Stamps
Medicaid added in 1987

System Fully Automated Child Support (FACSES)

The Fully Automated Child Support Enforcement System (FACSES) is designed to be used by State Child Support, Regional Child Support and Clerks of Court to maintain and manage child support enforcement activities such as establish paternity, court order establishment and enforcement, locate, and new hire reporting. It also maintains all financial records pertaining to the accrual of support obligations, collection and receipting support, and it is designed to distribute all support collected according to existing distribution laws.

Operational in 1998

System Comprehensive Child Welfare (CCWIPS)

CCWIPS is a statewide "case management" system for the foster care and adoption programs in North Dakota. It automates the day-to-day functionality that foster care social workers and regional supervisors follow in working with foster children. The adoption module is used at the state office for all cases administered by the Licensed Child Placing Agencies (LCPA's). CCWIPS generates all payments for foster care and subsidized adoption.

Operational in 1995

System Regional Office Automation Program (ROAP)

ROAP is an accounts receivable system that tracks the staff providing services and basic demographic information and services received by clients. It bills clients and third party payers. Regular reports consist of accounts receivable information, statistical information, statistical data on clients and reports on individual staff time. In addition, ad hoc reports are designed to provide information beyond what the regular reports contain for center staff, central office staff, and departments and individuals outside the agency. This information can be for anything from federal reports to special needs of the individuals requesting data. (Note: Data for outside the agency is usually just tallies. If data is client specific there are always agreements.

System Vocational Rehabilitation (VRIS)

VRIS keeps track of clients who have applied for services from the Vocational Rehabilitation Division of the Department of Human Services (DHS). The data consists of client demographics, the clients' plan of employment, services provided, payments for those services, vendors who provide those services, the amount of authority for these services and the amount obligated. VRIS is tied in with other systems including ARIS and MMIS.

Operational in 1988

System Versa System

Versa System is a complete case processing system that allows staff to send medical request, other letters, sends reminder letters to follow-up with the request, and allows for input of any claim action under the database of an individual claimant. The final decision is written from this software, and the claim is closed by the Disabilities Determination Services (DDS) on this system. It downloads claim information from the Social Security Administration mainframe system and enters the information on the Versa system in DDS. The Social Security Administration provides this software.

Operational in 2002

System Low Income Home Energy (LIHEAP)

The LIHEAP data processing system is designed to keep track of client and vendor records and determine appropriate benefits for the Low Income Home Energy Assistance Program. It calculates benefit levels, tracks amounts paid to vendors, maintains statistical information on clients and provides reports and notices. Financial reports are generated weekly (during the heating season), and statistical reports are provided monthly.

Operational in 1980

System Child Abuse and Neglect

This system is used to collect data on Child Abuse and Neglect assessments, assessments terminated in progress, and administrative referrals and assessments. The data is used for program reporting to the federal government, legislature, management in the counties, etc. The data is also used to reimburse counties for work done on assessments and assessments terminated in progress.

The system is also checked when day care and foster care licenses are being considered to ensure that a license is not issued when there is history of child abuse/neglect.

Operational in 1986

System Child Care Assistance

The CCA system is designed to enter information for payments for child care recipients on a monthly basis. It does not calculate the payments. The eligibility workers do all calculations and the information entered into the system manually. Reports are generated from the system for statistics, and a monthly federal report.

Operational in 1993

System Older Blind

Track Visually Impaired Clients for the Regional Vision Specialists, and the services they receive.

Operational in 2002

System Alcohol & Drug

This system collects minimal admission demographic data concerning the clients who get alcohol and drug treatment services. In addition to the basic demographic data, there are specific data elements relating to addiction treatment collected. These include, but are not limited to, time waiting for treatment, specific drugs used by the client, route of admission, age at first use, etc. In the future the system will probably be used for collection of discharge information.

Operational in 1990

System Contracts System

The contract system is a mainframe application used Department-wide to track proposals to procure (PTPs). A proposal to procure is an electronic document that captures specific information surrounding proposed contracts that program administrators are planning on entering into. If the PTP is approved at all levels, a formal contract will result. The system is also used to track amendments related to approved contracts. The PTP carries the number assigned to the contract/amendment, however, the contract/amendment itself is actually drafted in a software program. The PTP system tracks information specific to the entities in which the department contracts with, the information necessary to approve and draft a contract/amendment, and the resulting payments on that contract. Monthly reports are generated to enable the liaison accountant and program administrative staff to monitor contract payments. Special ad hoc reports are generated to capture data for specific information requests.

Operational in 1995

System Achieving Support Systems (ASSIST)

ASSIST is the automation portion of DD Case Management that addresses supports coordinated through the Department of Human Services' Developmental Disabilities Division. ASSIST design and development efforts have focused on common service coordination of functions that demonstrate integrated case management. The basis of ASSIST was developed with the objective to meet a consumer driven, outcome oriented, accountable, and integrated business solution.

Operation in 1996

System Personnel Management

The Personnel Management Information System was developed to maintain a current database of the Department of Human Services' employees and positions. Information in PMIS includes an employee master record; a history of employees' salary changes and other employment actions with the Department; evaluation dates; education; languages (other than English); licensure/ certification; current accrual and usage of annual leave, sick leave, and compensatory time; and a history record of how each position has evolved.

Operational in 1984

System Day Care System

This system tracks daycares in the state of ND and tells us what type of certification that they have obtained, the number of children they can care for etc.

Operational in 1993

System Information and Assistance

This system provides information and assistance for senior citizens, federal agencies, state agencies, and to free numbers of service. An Internet site for service information is also available.

Operational in 1993

System Patient Care

This system provides patient care information for the patients at the state hospital and the residents at the Developmental Center. Functions include admission and discharge, clinical orders, pharmacy, assessments, accounts receivable and patient fund accounting. It also includes a time and attendance function, purchasing, requisitions and inventory system, and dietary software for meal planning, and a nurse scheduling function.

Operational in 1998

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations– Human Resources Division
Representative Pollert, Chairman
February 23, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Doug McCrory, Assistant Director of the Information Technology Services Division of the Department of Human Services. I am here today to provide you with an overview of the Information Technology Services budget.

Programs

The Department's Information Technology Services Division staff is responsible for information technology strategic planning and budgeting, business analysis, project management, procurement, software development and maintenance, technology standards and policy enforcement and data entry services.

Customer Base

The Department's Information Technology Services Division (ITS) provides technology services to support the business needs of the central office divisions, the eight Human Service Centers, the State Hospital, the Developmental Center, and to the county social service boards across North Dakota, including regional child support enforcement offices.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salary and Wages	3,564,529	393,025	3,957,554	-	3,957,554
Operating	56,934,343	2,299,162	59,233,505	-	59,233,505
Capital Assets	2,756	(2,471)	285	-	285
Total	60,501,628	2,689,716	63,191,344	-	63,191,344
General Funds	14,173,042	4,504,541	18,677,583	-	18,677,583
Federal Funds	41,127,277	1,752,710	42,879,987	-	42,879,987
Other Funds	5,201,309	(3,567,535)	1,633,774	-	1,633,774
Total	60,501,628	2,689,716	63,191,344	-	63,191,344

FTE	32.00	-	32.00	-	32.00

Budget Changes from Current Budget to Executive Budget

- The Salary and Wages line item increased by $393,025 and can be attributed to the following:
  - $266,056 in total funds of which $209,719 is general fund is to fund the Governor's salary package for state employees.
  - $92,047 to provide for 5 temporary data entry staff that were previously engaged through a temporary employment agency.
  - $16,172 to provide for the annual and sick leave lump sum payout for one FTE expected to retire.
  - The remaining $18,750 is a combination of increases and decreases needed to sustain the salary of the 32 FTE in this area of the budget.

- The Operating line item increased by $2,299,162 and can be attributed to the following:
    - $1,883,782 related to the Medicaid Systems Project. The 2007-2009 budget request is $31,072,641 in total funds of which $3,643,133 is general fund. The 2005-2007 budget for this project is $29,188,859 in total funds of which $3,667,820 are other funds. As described in the detailed testimony on SB 2024, the total project request for the 2007-2009 biennium is a combination of the current request of $31,072,641 and the anticipated unexpended funds from the 2005 appropriation of $21,456,730 for a total of $52,529,371.
    - $1,000,000 in total funds of which $423,800 is general fund for the Client Information Sharing System project.
    - $500,000 in total funds of which $250,000 is Food Stamps Incentive fund to provide for the equipment required for the Food Stamps Electronic Benefit Transfer contract reprocurement.
    - The above increases are offset by a decrease in ITD services of $1,136,235.
    - The remaining balance of $51,615 is a combination of miscellaneous increases related to equipment and various technology service agreements.

- Capital Assets changed due to the bond payment being paid in full at the Southeast Human Service Center which houses one ITS central office staff member.

The Department of Human Services had three 2007-2009 projects ranked by the State Information Technology Committee process in September 2006. The Medicaid Systems Project and the Client Information Sharing System project (CISS) were ranked first and second respectively by the Committee. The third project, the development of a new user interface for the Children and Family Services child welfare data system, was ranked ninth out of the fourteen projects prioritized. The following is a brief description of the CISS and child welfare projects.

The Client Information Sharing System (CISS) project will provide a means to create a single client view across DHS services and programs. A key component of this project will be the creation of a single Master Client Identifier (MCI). With the MCI, our ability to analyze trends across our systems will be greatly enhanced as well as provide a more accurate means for monitoring data quality. Although this system will initially be utilized to enable the sharing of eligibility information with the new Medicaid Management Information System, it will be extendable to all DHS programs and prepare the Department for emerging e-Health initiatives.

The current Children and Family Service child welfare data system is comprised of three primary, disparate applications developed for safety, permanency and well-being. This project would create a new combined user interface to these three underlying systems allowing for streamlined workflow processes and reduced data entry requirements.

Senate Changes

There were no changes made by the Senate to the requested budget.

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

Information Technology Services

Temporary Salaries - Includes Fringe Benefits

Positions	# of Temps	Amount	General Funds	Federal/Other Funds
Data Entry - Claims Processing	5	194,436	143,552	50,884
Computer Technician NWHSC	1	24,024	17,737	6,287
Computer Technician LRHSC	1	25,159	18,575	6,584
Total Temporary Salaries	7	243,619	179,864	63,755

2005-2007

Positions	# of Temps	Amount	General Funds	Federal/Other Funds
Computer Programmer	1	98,138	71,572	26,566
Computer Technician NWHSC	1	26,717	19,485	7,232
Computer Technician LRHSC	1	26,717	19,485	7,232
Total Temporary Salaries	3	151,572	110,542	41,030
Difference	4	92,047	69,322	22,725

Information Technology Services

Detail of Budget Account Code 582000 - Rental/Leases - Bldg/Land

Rental/Leases - Bldg/Land	Amount	General Funds	Federal/Other Funds
Century Center	9,735	7,169	2,566
Northwest Human Service Center	13,728	10,109	3,619
Badlands Human Service Center	4,332	3,190	1,142
Northcentral Human Service Center	5,880	4,330	1,550
Westcentral Human Service Center	7,568	5,573	1,995
Prairie Hills Plaza	29,703	21,873	7,830
South Central Human Service Center	20,743	15,276	5,467
Northeast Human Service Center	12,288	9,049	3,239
Lake Region Human Service Center	8,023	5,908	2,115
Total Rental/Leases - Bldg/Land	112,000	82,477	29,523

Information Technology Services

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General Funds	Federal/Other Funds
Licenses and Taxes - SEHSC CT	74	54	20
Newspaper Association -	5,000	3,682	1,318
Service Awards	1,500	1,105	395
Noridan Services Administration (electronic claim pass-through)	120,000	88,368	31,632
Freight and Express	2,255	1,661	594
Other Miscellaneous Fees & Services	100	74	26
Temps staff for testing new MMIS system	569,254	66,717	502,537
MMIS Project - contingency Fund	5,680,000	665,696	5,014,304
Total Operating Fees & Services Budget Account Code	6,378,183	827,357	5,550,826

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SYSTEM STATUS ALERT

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Billing & Rates

Telecommunications Rates

For 2005-2007 Biennium

Detailed Service Description

Billing Code	Description	Current Rate	Report ID	2007-2009 Budget Rate
010	Telephone Systems Analyst	54.00/hr.	CD7-040-HH	58.00/hr.
020	Network Analyst	54.00/hr.	CD7-040-HH	58.00/hr.
030	Wiring Technician	51.00/hr.	CD7-040-HH	55.00/hr.
100	Phone-Basic Service (per circuit)	21.00/mo.	CD7-040-GG	24.00/mo.
110	Analog Port	19.00/mo.	CD7-040-GG	20.00/mo.
130	Phone Extension	8.00/mo.	CD7-040-GG	8.00/mo.
152	Enhanced Display Phone	2.00/mo.	CD7-040-GG	3.00/mo.
154	Professional Display Phone	4.00/mo.	CD7-040-GG	5.00/mo.
158	Voice Mail	3.00/mo.	CD7-040-GG	5.00/mo.
162	Desktop Messaging	New	CD7-040-AA	3.00/mo.
164	Symposium	5.00/mo.	CD7-040-AA	5.00/mo.
TBD	Blackberry Service	New		17.00/mo.
TBD	Mobile Suite Service	New		32.00/mo.

210	In-State Directory Assistance	1.60/call	CD7-040-BB	1.60/call
211	Out-of-State Directory Assistance	1.60/call	CD7-040-BB	1.60/call
250	Calling Card Calls	Actual Cost	CD7-040-LL	Actual Cost
300	Long Distance	0.05/min.	CD7-040-BB	0.09/min.
340	International Long Distance	0.50/min.	CD7-040-BB	0.50/min.
360	800 Service	0.07/min.	CD7-040-MM	0.07/min.
400	Interactive Voice Response (IVR)	100.00/port	CD7-040-NN	110.00/port
950	Miscellaneous	Actual Cost	CD7-040-DD	Actual Cost
One-time Telephone Installation Charges:			**Upgrade Charges**	
	Symposium	500.00/agent		
	Telephone Sets	No Charge for New Stations	Cost of Phone	
	Add-on Module	175.00		
	Desktop Messaging	50.00/desktop		
	Blackberry Fee	150.00/phone number		
	Mobile Suite Fee	250.00/phone number		

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Phone: 701.328.3190 · Email: itd@nd.gov

Department of Human Services
Increase in IT Phone Charges
2005 - 2007 to 2007 - 2009

Decrease	Total Increase	General	Federal	Other
Central Office	116,529	47,777	61,760	6,992
Northwest HSC	11,767	7,401	4,017	348
North Central HSC	35,493	20,036	13,157	2,300
Lake Region HSC	25,976	15,913	9,193	870
Northeast HSC	10,933	5,627	5,077	228
Southeast HSC	37,869	19,143	17,681	1,045
South Central HSC	20,033	12,016	7,286	731
West Central HSC	26,591	13,944	11,623	1,024
Badlands HSC	25,656	15,486	8,415	1,755
State Hospital - Traditional	35,906	10,061	-	25,845
State Hospital - Secure Services	10,798	10,660	-	138
Developmental Center	35,259	9,160	23,962	2,137
Departmentwide Total	$ 392,810	$ 187,224	$ 162,172	$ 43,414

Testimony
SB 2012 - Department of Human Services
Senate Appropriations Committee

Chairman Holmberg, members of the Committee, my name is Kathy Hogan. I am the Director of Cass County Social Services and I am here today representing the ND County Social Service Director's Association.

Counties have been a pillar in the overall public human service system since North Dakota became a state. All aspects of the human service budget, impact the citizens of our counties, therefore, we attempt to look at the needs of the whole system. Today, we are commenting on the four service areas that are directly administered through the counties: Children and Family Services; Home and Community Based Services for low income elderly/disabled; Economic Assistance (Medicaid, Food Stamps, Child Care Assistance, TANF, Energy Assistance); and Child Support.

The ND Social Service County Director's Association has reviewed a range of issues and has prepared a list that establishes reimbursement needs in each of the four program areas. (Appendix A) We would ask the Appropriation Committee to continue to work with the ND Department of Human Services to support the provision of high quality services as cost effectively as possible including county based human services. Efforts at improving efficiency are evident in many program areas at the county level. One of the most significant is the establishment of two full multi-county social service units in 2006. Six small rural counties fully merged into two multi-county social service agencies in an effort to improve efficiency and effectiveness. In addition, cross-county collaboration including shared staff and shared supervision, continues to grow throughout the state.

The Children and Family Services, which is the public child welfare system in North Dakota, is facing a number of challenges. The families impacted by methamphetamine use and other substance abuse, families with serious psychiatric problems continue to require significant resources for the child welfare system. In addition to the increased complexity of cases, counties are concerned about the numerous federal standards (mandates) that are

not fully funded. Reporting requirements have significantly increased and several complex computer systems have decreased availability of staff time for direct client services. Over the last two biennium's, counties have received few reimbursement increases at the same time that county responsibilities for program cost have risen over 60%. We are please that in this year's budget, there are inflationary adjustments for child abuse neglect and child care licensing activities. Child welfare service costs are one of the direct causes of increased property taxes for social services at the local levels. (Appendix B)

Home and Community Based Services are a critical piece of the overall long-term care continuum. Philosophically, the majority of policy makers strongly support the concept of a comprehensive and balanced continuum of care for persons who are elderly or have a physical disability. The challenge has been building a comprehensive structure that supports the actual needs of low or moderate income individuals while meeting various state and federal program requirements. Over the past two years, there has been a reduction in the number of clients served through Home and Community Based Services in the community because of various program policy changes. The Governor's proposed budget, reinstated non-medical transportation as an allowable service and increased respite for adult foster care but the budgets in SPED, Expanded SPED, and for case management for the counties were reduced. Some of those service costs were transferred to Personal Care.

Attached is a summary statement from the ND County Social Service Director's Association regarding the three major areas of concern regarding Home and Community Based Services: Policy structures; Qualified Service Provider (accessibility, availability and pay); Case Management reimbursements. (Appendix C and D)

With the significant increases anticipated in the numbers of elderly individuals who will need services over the next 15 to 20 years, we urge the legislature to invest in Home and Community Based Services as the more cost effective and client centered model for long term care services for elderly and physically disabled.

The third program area that county social services works directly with is eligibility determination for various state and federal economic assistance programs: Medicaid, Food Stamps, Child Care Assistance, TANF, Energy Assistance that serve low income individuals. There are two major areas of concern with Economic Assistance programs.

Over the last 10 years, program requirements have become increasingly complex, primarily because of federal regulations. Currently there are four different computer systems for economic assistance programs. This requires that the same data is frequently entered into numerous systems which is very labor intensive and increases opportunities for errors. The ND County Social Service Director's Association and the ND Association of Counties have requested that a unified information system be established. Initial efforts in this area were begun in the mid to late 1990's with the implementation of the VISION system but full implementation has never been realized. We recognized that the MMIS system has been the technology priority for the ND Department of Human Services but we believe the legislature needs to understand the current technology systems in economic assistance create major challenges at the county level which requires additional staff at the expense of property taxpayers.

The second area of concern regarding Economic Assistance is in the area of Medicaid coverage for the medically needy population. To be eligible for medical assistance through the medically needy individual's program category (primarily elderly and physically disabled) an individual or family is allowed 60% of the current poverty level or $500 per month for a single person for expenses. Any income over $500 is applied to medical costs through recipient liability. Often low income vulnerable elderly people choose not to access medical care because of this cost. We would invite each of you to live for three months on $500/month - each day is a struggle.

In the ND Department of Human Services Optional Adjustment Requests, it was proposed that North Dakota move to a medically needy level of 85% of the poverty level which would allow a single elderly/disabled individual to have living expenses of $678/month. The

overall general fund cost of this Optional Adjustment Request was $2.5 million dollars and would generate almost $4.5 million in additional federal reimbursements.

The final program area that county social service agencies have program responsibility for is the operations of the regional child support units. During the interim session, a task force on child support administration developed a bill draft that would transfer all child support duties from the counties to the state and establish a state administered and state funded system. Both the ND County Social Service Director's Association and the ND Association of Counties have supported this concept.

Enclosed in your packets are specifics on each of the programs that have been outlined and if we can provide any additional information, we are more than willing to work with you.

Thank you for your time. I am willing to answer any questions.

APPENDIX A

ND County Social Service Director's Association
Budget position statement December 2006

Background: County Social Service agencies provide three core public human service functions: economic assistance; child welfare services; and home and community based services for the elderly and persons with physical disabilities. Financial responsibility for the administration of economic assistance programs is a full county responsibility. Funding for core social service programs – child welfare and home and community based services has been shared between federal, state and county sources. Over the last four to six years, the county financial responsibility for social service programs has been increasing because of additional program responsibilities and increased county program costs. From the 2003-2005 biennium to the 2007-2009 biennium budget there has been an 69% increase in county share of program costs for child welfare services. With higher program standards and expectations, there have not been reimbursement increases and there have been actual decreases in reimbursements, particularly from federal resources. County based social services programs have become more and more dependent on property taxes. **We strongly urge the ND Legislature to consider increasing reimbursements for county based programs to more appropriately fund state/federal mandated services.**

Child Welfare Funding (listed by priority)

Child Abuse Neglect Funding: We urge the Legislature to return to funding the actual cost of child abuse/neglect assessments. This funding was begun in the late 1980. Currently child abuse neglect is reimbursed between 55% and 65% of cost. Total cost $3,530,720
General fund cost $3,530,720

Child Care Licensing Funding: We urge the Legislature to return to funding 50% of the actual cost of child licensing activities. This funding began in the late 1990 and reduced in 2004. Currently child care licensing is reimbursed at approximately 35% of cost. Total cost is $195,480

Family Preservation/Support Services: We urge the Legislature to expand funding for county based family preservation services through both an inflationary adjustment and through program enhancement, including permanency funds. Estimated cost: $1,500,000

Children in Department of Human Service Custody: We urge the Legislature to fund case management services for children in the legal custody of the Department Total cost $396,000
General fund cost $301,198

Family Preservation/Support Services – private agencies: We urge the Legislature to expand funding for private agencies that provide specialized services for high risk families. Total cost $1,009,668
General fund cost $1,009,668

Child Welfare legal services: We urge the Legislature to expand funding for specialized child welfare legal services both through county state's attorney's contracts and through the ND Attorney generals office.
Total cost $191,642
General fund cost $191,642

Increase Adoption pay points: We urge the Legislature to increase reimbursement for child welfare adoption service providers Total cost $499,951
General Fund cost $319,469

Child Support

We urge the North Dakota Legislature to implement state administration of the child support program if 100% of costs are secured. Estimated cost $8,500,000

Home and Community Based Services for Elderly and Disabled (Listed by priority)

HCBS Case management reimbursement: We urge the Legislature to reimburse counties actual cost of HCBS case management services. Estimated cost still being researched

Maintain or expand community based services for elderly/physically disabled low income individuals.

1. We urge the legislature to reinstate SPED eligibility criteria to current levels for activities of daily living. Estimated cost $1,500,000

2. Increase payment rate for Qualified Service Providers. Total cost $5,646,191
   General Fund cost $4,011,990

3. Lower ADL/IADL eligibility levels for HCBS services allowing individuals to receive more preventative level of services. Estimated cost $3,000,000

4. Expand availability for non-medical transportation Total cost $348,648
   General Fund cost $335,922

5. Expand Respite availability Total cost $229,390
   General fund cost $132,262

6. Expand guardianship services for Elderly/disabled (non-DD)
   Total cost $100,000
   General fund cost $100,000

7. Expand QSP training options Total cost $10,000
   General fund cost $10,000

Economic Assistance

Increase medically needy income level for Medical Assistance from 60% of the poverty level to 83% of the poverty level Total cost $7,023,015
General fund cost $2,529,690

Estimated costs have been prepared by the county social service staff.
Other costs are included in the DHS budget or Optional Adjustment Requests (OAR)

12/18/06

CHILDREN AND FAMILY SERVICES

Summary by Major Division and BOC with Funding Sources

For the 2007 - 2009 Biennium Budget

APPENDIX B

Class FB	Budget Account Code	Prior Biennium Expenditures	Current Biennium Budget	Total Budget Changes	Request to OMB	Optional Adjustment Requests	Executive Budget Recomm	Salary and Health	Request to the Senate
Major Division:	300 PROGRAM AND POLICY								
S101	FULL-TIME EQUIVALENTS (FTEs)	17.000	18.000	0.000	18.000	0.000	0.000	0.000	18.000
	Report Budget Total:	100,283,863	113,047,022	2,940,861	115,987,883	0	2,991,118	161,410	119,140,411
	General Funds:	14,887,054	17,211,750	988,189	18,199,939	0	1,032,090	90,245	19,322,274
	Federal Funds:	72,321,143	79,663,548	989,389	80,652,937	0	1,921,528	71,165	82,645,630
	Other Funds:	4,988,245	6,315,682	(525,662)	5,790,020	0	0	0	5,790,020
	SWAP Funds:	217,416	164,373	(45,190)	119,183	0	0	0	119,183
	County Funds:	7,870,005	9,478,262	1,747,542	11,225,804	0	37,500	0	11,263,304
	IGT Funds:	0	213,407	(213,407)	0	0	0	0	0
	Report Funding Total:	100,283,863	113,047,022	2,940,861	115,987,883	0	2,991,118	161,410	119,140,411

Department of Human Services
Summary of Selected Child Welfare Programs and County Administration Reimbursement with Funding Sources
2007-2009 Budget

Program	Fund	Current Budget 2005-2007	Total Budget Changes	Request to OMB 2007-2009	Changes made by OMB - 3% Inflation	2007-2009 Budget "To Senate"	Optional Adjustment Request *Expansion / Enhancement*	Optional Adjustment Request *Provider Requested Enhancements*
Child Protection Services	**Budget**	**$4,798,174**	($231,757)	**$4,566,417**	**$159,500**	**$4,725,917**		**$3,530,726**
	General	$50,000		$50,000	$159,500	$209,500		$3,530,726
Includes expenditures for Child Abuse and Neglect Assessments and grants.	Special	$4,748,174	($231,757)	$4,516,417		$4,516,417		
Family Preservation Services	**Budget**	**$6,996,397**	**$1,735,072**	**$8,731,469**	**$472,723**	**$9,204,192**	**$1,009,668**	
Includes expenditures for Wraparound Case Management, Prime Time Daycare,	General	$471,483	($26,612)	$444,871	$279,830	$724,701	$1,009,668	
Parent Aid, and Intensive In-home Services	Special	$6,524,914	**$1,761,684**	$8,286,598	$192,893	$8,479,491		
County Reimbursement	**Budget**	**$11,518,672**	**($765,505)**	**$10,753,167**		**$10,753,167**	**$120,000**	**$396,000**
Reimbursement for count administration costs including Safety Permanency	General	$36,436	($3,323)	$33,113		$33,113	$103,242	$301,198
funds.	Special	$11,482,236	($762,182)	$10,720,054		$10,720,054	$16,758	$94,802
Child Care Licensing	**Budget**	**$630,000**	**$0**	**$630,000**	**$28,841**	**$658,841**		**$195,480**
	General				$28,841	$28,841		$195,480
Includes expenditures for child care licensing done by the counties	Special	$630,000	$0	$630,000		$630,000		
Total	**Budget**	**$23,943,243**	**$737,810**	**$24,681,053**	**$661,064**	**$25,342,117**	**$1,129,668**	**$4,122,206**
	General	$557,919	($29,935)	$527,984	$468,171	$996,155	$1,112,910	$4,027,404
	Special	$23,385,324	$767,745	$24,153,069	$192,893	$24,345,962	$16,758	$94,802

***The OAR for $120,000 in County Reimbursement consists of $50,000 for increased Safety Permanency Funds and $70,000 for Foster Care Court costs.*

***The OAR for $1,009,668 in Family Preservation Services consists of $469,758 for Intensive In-home Services, 3 additional staff, and $539,910 for Family Group Decision Making.*

APPENDIX C

2007-2009 Home and Community Based Services
ND County Director's Association
Public Policy Concerns

Over the last four years, the basic infrastructure of publicly funded Home and Community Based Services for the elderly and persons with physically disabled have gradually been weakened by low levels of reimbursements and policy changes that limit HCBS services accessibility. At a time when many public policy makers recognize the need to strengthen and expand HCBS services, there continues to be a significant imbalance between institutional care and community based options.

North Dakota was an early leader in HCBS services but because of funding limitations and efforts to increase federal funds, the current HCBS structure has become vulnerable and complicated. HCBS programming has become more dependent on county property tax to maintain the basic infrastructure. There are three specific areas of concerns that the ND County Social Service Directors have identified that have led to the current challenges in the system.

POLICY CHANGES

Requiring Medicaid for Personal Care Services Persons requiring personal care services must apply for Medicaid if their resources are within the Medicaid guidelines. They must then pay their monthly recipient liability amount before Medicaid will pay for the services. Example: A woman has only $200 in assets but has an income of $800 a month. If she requires Personal Care Services, Medicaid guidelines would require her to pay the first $280 a month before additional services would be covered. If she was not required to apply for Medicaid for Personal Care Services, her cost based on the fee scale for SPED would be zero.

Case Example 1: Case Example: Client is Native American woman whose medical needs are covered by Indian Services. She was receiving SPED funded Personal Cares at no fee but was required to apply for Medicaid when the Medicaid State Plan was established. While on Medicaid she was not eligible for Indian Medical Services. She had a $350.00 recipient liability for $900.00 worth of Personal Cares. After three months of trying to pay the recipient liability and not being able to afford it, she discontinued the service. She spent most of her days crying and worrying about how she was going to meet her bills, she had a payee trying to help her. The family decided it was better that she not have the Personal Cares because her mental health was suffering and she was becoming more depressed. She has intermittent help from the county homemakers. It is only a matter of time before client will require placement in a nursing home due to her inability to pay for home care.

Case Example 2: A female under the age of 60 who is permanently restricted to a wheelchair because of serious medical problems was discharged from a nursing facility with Personal Care services under the Medicaid State Plan. Her recipient liability is approximately $400 per month. She was unable to pay the $400 to her provider on top of paying for her rent and other bills, so the private provider terminated her from services. At that point the client chose to drastically reduce the amount of Personal Care services provided to her in order to eliminate her ability to "meet" the need for Medicaid. She requested that her Medicaid case be closed. The client went on the SPED program, receiving far less services than she actually needs. The result is that the client has been in and out of the hospital since this time due to illnesses, falls and basically becoming ill from lack of care. The county social worker received a call in September that the local fire department is called an average of once a week, every week, to assist this client with getting picked up off the floor or from sliding down in her wheelchair and needing assistance. The client recently was taken to the hospital and then to a nursing home where she is getting an adequate

amount of care. Without being able to afford an appropriate amount of in-home care this client does poorly in the community. It is this client's desire to remain in her own residence in the community rather than be in a nursing home. This cycle has been on-going. Estimated monthly cost of adequate home based service is $1,000/month. Nursing home average monthly cost is $4,569/month

Case Example 3: A female in her upper 80's residing in senior housing, needed assistance with housekeeping and personal care. Since her resources were within the Medicaid guidelines she was eligible for the Medicaid State Plan and was required to apply for Medical Assistance. While she was waiting for a Medicaid determination, she was receiving her services under the SPED program with no fee. Ultimately, she was determined eligible for Medical Assistance with a $111.00 recipient liability. At that point she became eligible for the state plan and had to meet her $111 recipient liability each month in order to receive services. She was unable to pay the liability and requested that her case be closed. She is now living in Minnesota where her services are covered.

Solution - Increased poverty levels for Medicaid medically needy program for 60% to 83%.

Limitation of Supervision - Supervision is not a reimbursable task under the Medicaid State Plan, meaning that a caregiver cannot be paid to be with a client while their primary caregiver is at work, unless they are performing an authorized task such as bathing or dressing. When the authorized tasks are done the caregiver must leave. Under the Respite Care program a person can be paid for supervision but Respite Care cannot be provided to a client while a caregiver is at work.

Case Example 1: A female in her late 70's with moderate to severe dementia, requiring 24 hour supervision, lives with her spouse. Her spouse works part time and needs someone to be with her while he is working. She was eligible for the Medicaid State Plan and Medicaid Waiver. The original plan was to provide personal care in the morning under the Medicaid State Plan so that she could get assistance with bathing and dressing. The provider then would have transported her to Villa Maria for adult day care for the remainder of the day. The non-medical transportation and adult day care would have been reimbursed under Medicaid Waiver. Later this woman would have been returned home and to the care and supervision of her spouse. The adult day care environment was too stimulating and created other problems. Adult Day Care was discontinued. In the end all we could cover under our services would have been two hours of personal care. What this individual needed was to be supervised in her own home. We could not provide that under our current mix of services. Ultimately she was placed in a nursing facility.

Case Example 2: A 75 year old woman lives with her daughter in the daughter's home. The daughter works part time. While the daughter works, a caregiver from an agency comes in to help the mother with Personal Care tasks under the Medicaid State Plan. As the QSP cannot be paid for supervision, the daughter has left the mother alone for periods of time while she is at work. The daughter is not comfortable having to do this as her mother is at "nursing home level of care". The daughter would like to continue to provide a home and care to her mother but is looking for a different option such as a nursing home. Safety is a real concern for this woman. Estimated cost to maintain this client at home is 2,800 and the average monthly cost for nursing home care is $4,569.

Solution – to allow supervision activities to be covered through various HCBS funding streams.

Service Caps - The current Service Caps for certain HCBS Programs do not meet the needs of all recipients of Home and Community Based Services. There is no allowance for flexibility for the

uniqueness of HCBS recipient's needs. As the QSP rates continue to increase so does the need to raise the service caps or the client actually loses hours of service.

<u>Case example 1</u>: An 83 yr old male receiving Adult Family Foster Care services in a private home. His Foster Care providers had been licensed for a number of years and had provided care for at least three different persons. Foster Care providers requested 8 days Respite Care time to attend a family reunion out of state. They had not used all the vacation time all of the previous years. The request was denied as monies would exceed monthly Respite Care cap. Arrangements were made for Mr. C. to stay in a Nursing Home while Adult Family Foster Care providers went to reunion. Mr. C. had dementia and was very confused and angry about staying in a nursing home. The relationship with the provider was destroyed as Mr. C. no longer trusted his care provider and was only able to go back to his foster home for a short period of time before he required permanent placement in a nursing home. The Adult Family Foster Care provider was so frustrated with the Respite Care policy that he relinquished his license and no longer provides Adult Family Foster Care.

<u>Case example 2:</u> 85 yr old female(Ms. A.) who is totally bed bound and non verbal due to stroke is being cared for by daughter in daughter's home at a cost of approx $2400/mo. Daughter requests Respite Care for 10 days to attend her child's wedding in California. Request denied as monies would exceed monthly Respite Care cap. Care provider does not go to her daughter's wedding but is forced to place her mother in a nursing home one month later (at a cost of $5000+/month) due to exhaustion and inability to get an extended break from caring for her mother. The cost of granting the Respite Care exception would have been a one time cost of approx $2000.

<u>Case example 3:</u> A young man with quadriplegia, living independently in his own apartment.. He has limited use of his extremities and requires assistance with bathing, dressing, toileting, transferring, medication assistance and all environmental, household tasks. He is able to get around in a motorized wheelchair and can feed himself using a brace and adaptive utensils. He receives homemaker service and an emergency response service funded by the Medicaid Waiver. He also receives 960 units of personal care service under the Medicaid State Plan. His actual care needs exceed the 960 unit limit by 221 units. His care provider does not live with him but spends the night when the client is experiencing medical complications such as pressure sores or bowel impaction. He is not reimbursed for any cares he provides through the night

Solution – Establish procedures to allow for flexibility to allow for client needs. Increase the number of allowable Personal Care hours from 960/month to a comparable nursing level care cost, allowing the client to chose living situation

<u>QUALIFIED SERVICE PROVIDERS</u>

The accessibility and availability of Qualified Service Providers continues to be a challenge throughout the state. Because of the reimbursement levels, many individuals who want to work with vulnerable individuals have better salary/benefits at institutions (state hospital, Developmental Center, nursing homes or DD programs). In many counties, the county social service agency is the only option. Although some QSP agencies state that they are available to provide services in a rural area, that service is contingent on the agency's ability to find an employee and often that is not happening. QSP's are not reimbursed for travel time, so individual and agency providers are reluctant to travel any distance to provide services. January through November 2006, 1518 payments were made to QSP's. The majority 114(75%) only served one person. Of the 370 QSP's that served more than 1 person, 63 were agency providers. Accessibility is an issue.

Case example 1: A 54-year old man with a traumatic brain injury returned to his home in a small rural town. His wife is in need of Respite Care so she can go shopping, etc. since there is no grocery store where they live. Although there appears to be an adequate number of QSP's who provide Respite Care on the State's QSP list for that county, no QSP's can be found to provide service since it would entail the closest QSP to travel 46-50 miles round trip.

Solution - Either an adequate increase in QSP's hourly wages so they feel mileage can be included; and/or the ability for QSP's to be reimbursed for mileage.

Collection of fluctuating recipient liabilities is a major challenge for qualified service providers.

Case example 1: QSP billing completed and submitted for payment. Client had a recipient liability of $610 for June 2006. The Medicaid Payment System did not withhold the RL from the QSP payment. The client did not receive and RL Notice for payment for the month of June 2006. Client continued on services and billing s to Medicaid continued. QSP billing submitted for October Services to Medicaid. The QSP received a remittance advice stating that the $610 RL for June 2006 was being withheld from his October Payment as well as part of the RL for the Month of October. The service amount billed for the month of October did not meet the total of the June and October RL amounts therefore the balance of the October's RL would be withheld from the QSP's November payment.

Case Example 2: QSP billing submitted to Medicaid for July Service Provision. Billing error occurred. Partial payment received per remittance advice of August 8, 2006. On August 9, 2006, provider requested for adjustment submitted. Three weeks later, the HCBS/CM contacted Medical Services provider relations regarding status of the Adjustment claim. Case manager was informed that it could take 3 to 4 weeks from the date of the adjustment claim received for the claim to be processed and payment made to the qsp. Case management continued to check the MMIS system on a weekly basis on the claim status. On 11/6/2006, case manager was informed that no such claim existed in the system and to resubmit the provider request for adjustment form again. The form was resubmitted on 11/6/06 and to date no payment has been received by the QSP. Delays in payment are a serious hardship for many QSP's.

Solution - New MMIS system should address these issues but by the time it is implemented, there will be major erosion in the availability of QSPs.

HCBS CASE MANAGEMENT REIMBURSEMENTS

Counties have provided HCBS case management for low income elderly/disabled since the 1970's. Over the last four years, the program expectations have increased significantly and reimbursements have been flat or decreasing. Even though several changes may occur at different times during a month, case management may only be billed once that month regardless of the amount of service provided. The reimbursement rate does not reflect actual costs. The county property tax has been used to supplement the costs of HCBS case management. The ND Department of Human Services in collaboration with the ND County Social Service Director's Association modified cost reporting procedures in July 2006 to separate out HCBS Case Management costs to allow for more accurate statewide comparison of costs and reimbursements.

In Cass County in 2005, HCBS case management cost $519,268 and the county was reimbursed $193,215 or 37% of actual cost.
Solution – Fund HCBS case management at actual cost.

Department of H[illegible]Services

APPENDIX

Summary of the Long Term Care Co[illegible]inumn with Funding Sources
2007-2009 Budget

Program	Fund	2003-2005 Expenditures	Current Budget 2005-2007	Total Budget Changes	Request to OMB 2007-2009	Changes Made by OMB: 3% Inflation	Changes Made by OMB: $0.60 Hourly Increase/ and Nursing Home Bldg Limits	2007-2009 Budget "To Senate"	Optional Adjustment Request *Expansion / Enhancement***	Optional Adjustment Request *Provider Requested Enhancements****
Nursing Homes	Budget	$308,262,033	$343,013,040	$25,246,293	$368,259,333	$9,652,045	$543,998	$378,455,376		
	General	$94,300,780	$120,807,641	$11,877,528	$132,685,169	$3,479,535	$195,948	$136,360,652		
	Special	$213,961,253	$222,205,399	$13,368,765	$235,574,164	$6,172,510	$348,050	$242,094,724	$0	$0
Basic Care	Budget	$10,892,535	$13,301,971	$777,848	$14,079,819	$321,427		$14,401,246		
	General	$2,482,192	$5,374,918	$721,551	$6,096,469	$226,903		$6,323,372		
Includes Personal Care & Room & Board Portions	Special	$8,410,343	$7,927,053	$56,297	$7,983,350	$94,524	$0	$8,077,874	$0	$0
SPED	Budget	$11,665,339	$13,021,263	($4,308,171)	$8,713,092	$388,426		$9,101,518	$433,508	$2,978,231
	General	$10,856,366	$12,015,332	($3,737,896)	$8,277,436	$369,009		$8,646,445	$416,539	$2,829,321
	Special	$808,973	$1,005,931	($570,275)	$435,656	$19,417	$0	$455,073	$16,969	$148,910
Expanded SPED	Budget	$1,041,091	$838,037	($199,061)	$638,976	$29,016		$667,992		$329,184
	General	$1,041,091	$823,837	($184,861)	$638,976	$29,016		$667,992		$329,184
	Special	$0	$14,200	($14,200)	$0	$0	$0	$0	$0	$0
Waiver - TBI	Budget	$1,633,486	$2,865,642	($1,167,698)	$1,697,944	$50,937		$1,748,881		
	General	$499,081	$1,008,021	($396,203)	$611,818	$18,349		$630,167		
	Special	$1,134,405	$1,857,621	($771,495)	$1,086,126	$32,588	$0	$1,118,714	$0	$0
Waiver - Aged & Disabled	Budget	$11,150,411	$3,399,903	$1,461,442	$4,861,345	$145,834		$5,007,179	$144,530	$1,984,797
	General	$3,400,182	$1,161,726	$589,958	$1,751,684	$5,391		$1,757,075	$51,645	$724,324
	Special	$7,750,229	$2,238,177	$871,484	$3,109,661	$140,443	$0	$3,250,104	$92,885	$1,260,473
Targeted Case Management	Budget	$604,516	$2,064,693	($1,198,128)	$866,565	$26,037		$892,602		
	General	$188,405	$725,191	($412,950)	$312,241	$9,391		$321,632		
	Special	$416,111	$1,339,502	($785,178)	$554,324	$16,646	$0	$570,970	$0	$0
Personal Care Services	Budget	$367,651	$15,508,384	$3,285,251	$18,793,635	$563,733		$19,357,368		$353,979
	General	$119,523	$5,446,358	$1,325,202	$6,771,560	$203,116		$6,974,676		$129,161
	Special	$248,128	$10,062,026	$1,960,049	$12,022,075	$360,617	$0	$12,382,692	$0	$224,818
Developmental Disabilities	Budget	$188,350,744	$211,379,320	$33,873,777	$245,253,097	$11,185,877	$10,689,403	$267,128,377		$29,376,554
	General	$58,282,865	$74,552,161	$14,318,341	$88,870,502	$4,057,735	$3,884,529	$96,812,766		$10,650,802
Inlcudes $50,000 Developmental Center Transition Funds for 05-07	Special	$130,067,879	$136,827,159	$19,555,436	$156,382,595	$7,128,142	$6,804,874	$170,315,611	$0	$18,725,752
Total	Budget	$533,967,806	$605,392,253	$57,771,553	$663,163,806	$22,363,332	$11,233,401	$696,760,539	$578,038	$35,022,745
	General	$171,170,485	$221,915,185	$24,100,670	$246,015,855	$8,398,445	$4,080,477	$258,494,777	$468,184	$14,662,792
	Special	$362,797,321	$383,477,068	$33,670,883	$417,147,951	$13,964,887	$7,152,924	$438,265,762	$109,854	$20,359,953

Expansion/Enhancement

** Non-Medical Transportation	348,648
Respite Care Vacation	229,390
	578,038

Provider Requests

*** QSP Rate Increase	5,646,191
Staff Enhance, ISLA & IHS Undermet	5,030,688
$1.50 Hourly Wage Inc. DD - (remaining $.90)	16,034,080
Inc. Fringe Benefit multiplier - DD	5,003,955
Severely Medically Fragile Children	986,794
Behaviorally Challenging Children	2,321,037
	35,022,745

Testimony
SB 2012 - Department of Human Services
House Appropriations Committee

Chairman Pollert, members of the Human Resources Division, my name is Larry Bernhardt. I am the Director of Stark County Social Services and the President of the N.D. County Social Service Directors Association. I am here today, representing the County Directors Association.

Counties have been a pillar in the overall public human service system since North Dakota became a state. All aspects of the human service budget impact the citizens of our counties, therefore, we attempt to look at the needs of the whole system. Today, we are commenting on the four service areas that are directly administered through the counties: Children and Family Services; Home and Community Based Services for low-income elderly/disabled; Economic Assistance (Medicaid, Food Stamps, Child Care Assistance, TANF, Energy Assistance); and Child Support.

We would ask the Appropriation Committee to continue to work with the ND Department of Human Services to support the provision of high quality services as cost effectively as possible including county based human services. Efforts at improving efficiency are evident in many program areas at the county level. One of the most significant is the establishment of two full multi-county social service units in 2006. Six small rural counties fully merged into two multi-county social service agencies in an effort to improve efficiency and effectiveness. In addition, cross-county collaboration including shared staff and shared supervision, continues to grow throughout the state.

The Children and Family Services, which is the public child welfare system in North Dakota, is facing a number of challenges. The families impacted by methamphetamine use and other substance abuse and families with serious psychiatric problems continue to require significant resources from the child welfare system. In addition to the increased complexity of cases, counties are concerned about the numerous federal standards

(mandates) that are not fully funded. Reporting requirements have significantly increased and several complex computer systems have decreased availability of staff time for direct client services. Over the last two biennium's, counties have received few reimbursement increases at the same time that county responsibilities for program cost have risen over 60%. We are pleased that in this year's budget, there are inflationary adjustments for child abuse neglect and childcare licensing activities. Child welfare service costs are one of the direct causes of increased property taxes for social services at the local levels.

Home and Community Based Services are a critical piece of the overall long-term care continuum. Philosophically, the majority of policy makers strongly support the concept of a comprehensive and balanced continuum of care for persons who are elderly or have a physical disability. The challenge has been building a comprehensive structure that supports the actual needs of low or moderate-income individuals while meeting various state and federal program requirements. Over the past two years, there has been a reduction in the number of clients served through Home and Community Based Services in the community because of various program policy changes. The Governor's proposed budget, reinstated non-medical transportation as an allowable service and increased respite for adult foster care but the budgets in SPED, Expanded SPED, and for case management for the counties were reduced. Some of those service costs were transferred to Personal Care.

With the significant increases anticipated in the numbers of elderly individuals who will need services over the next 15 to 20 years, we urge the legislature to invest in Home and Community Based Services as the more cost effective and client centered model for long term care services for elderly and physically disabled.

The third program area that county social services works directly with is eligibility determination for various state and federal economic assistance programs: Medicaid, Food Stamps, Child Care Assistance, TANF, and Energy Assistance that serves low income individuals. There are two major areas of concern with Economic Assistance programs.

Over the last 10 years, program requirements have become increasingly complex, primarily because of federal regulations. Currently there are four different computer systems for economic assistance programs. This requires that the same data be frequently entered into numerous systems, which is very labor intensive and increases opportunities for errors. The ND County Social Service Director's Association and the ND Association of Counties have requested that a unified information system be established. Initial efforts in this area were begun in the mid to late 1990's with the implementation of the VISION system but full implementation has never been realized. We recognized that the MMIS system has been the technology priority for the ND Department of Human Services but we believe the legislature needs to understand the current technology systems in economic assistance creates major challenges at the county level, which requires additional staff at the expense of property taxpayers.

The second area of concern regarding Economic Assistance is in the area of Medicaid coverage for the medically needy population. To be eligible for medical assistance through the medically needy individual's program category (primarily elderly and physically disabled) an individual or family is allowed 60% of the current poverty level or $500 per month for a single person for expenses. Any income over $500 is applied to medical costs through recipient liability. Often low-income vulnerable elderly people choose not to access medical care because of this cost. We all know that when you try to live on $500/month - each day is a struggle.

In the ND Department of Human Services Optional Adjustment Requests, it was proposed that North Dakota move to a medically needy level of 85% of the poverty level, which would allow a single elderly/disabled individual to have living expenses of $678/month. The overall general fund cost of this Optional Adjustment Request was $2.5 million dollars and would generate almost $4.5 million in additional federal reimbursements. The Senate has added this OAR to fund this change for the Medically Needy and we urge the House to also support this needed change.

The last area is that of Child Support. Currently County Social Service agencies administer the Child Support Program, however Senate Bill 2205 would transfer that administration to the DHS and we support that concept and SB 2205.

In summary, we, the ND County Social Service Directors Association ask that you add the following items to SB2012:

1.) Add funding for grants – Medical Assistance to continue the same service payments for elderly and disabled (SPED) eligibility criteria as the 2005-2007 biennium

General Fund	*Estimated Income*	*Total*
$ 1,537,030	*$ 80,896*	*$ 1,617,926*

2.) Add funding for grants – Child and Family Services - to reimburse counties for the actual cost of child abuse and neglect assessments beginning January 1, 2008

General Fund	*Estimated Income*	*Total*
$ 2,648,045	*-0-*	*$ 2,648,045*

3.) Add funding for grants – Child and Family Services – to reimburse counties for 50% of the cost of child care licensing activities beginning January 1, 2008

General Fund	*Estimated Income*	*Total*
$ 146,610	*-0-*	*$ 146,610*

4.) Add funding for case management services for children in the legal custody of the Department of Human Services and services provided by the Counties

General Fund	*Estimated Income*	*Total*
$ 225,899	*$ 71,101*	*$ 297,000*

5.) Add funding for grants for expanding county-based family preservation services beginning January 1, 2008

General Fund	*Estimated Income*	*Total*
$ 750,000	*-0-*	*$ 750,000*

6.) *Add operating expense funding in DHS to expand guardianship services for the elderly and disabled that are not receiving developmental disabilities related services(vulnerable adults)*

General Fund	*Estimated Income*	*Total*
$ 100,000	*-0-*	*$ 100,000*

Thank you for your time. I am willing to try to answer any questions.

(4)

Testimony

Senate Bill 2012 – Department Of Human Services

Senate Appropriations Committee

Senator Holmberg, Chairman

January 9, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Nancy McKenzie, Director of the Regional Human Service Centers (HSCs) for the Department of Human Services (DHS). I am here today to provide you with an overview of statewide service trends and programmatic direction in the (8) regional centers. The subcommittee will receive specific testimony from each of the center directors.

Human Service Centers

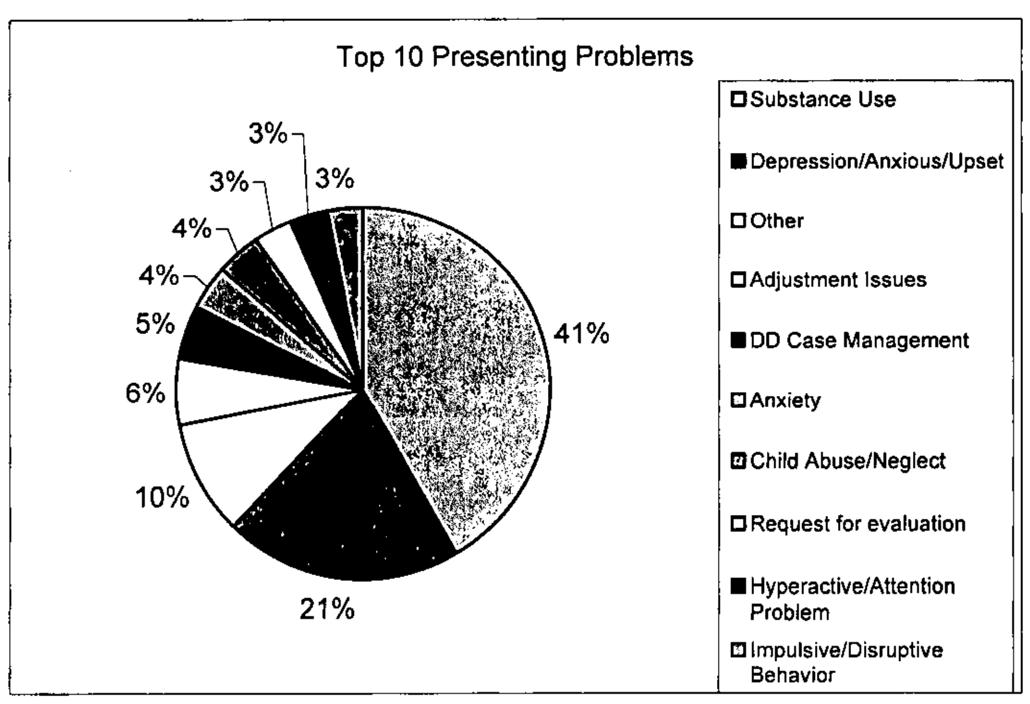
- Each of the Human Service Centers provides identified core services in the community for individuals whose illness, addiction, disability or conditions place them at risk of harm or institutional placement. They provide a safety net function for our most vulnerable citizens and insure that required services can be accessed.
- In addition to direct evaluation and treatment services, the HSCs are responsible for program supervision and regulatory oversight of the child welfare services provided by county social services and oversight of the Aging Services programs in their regions.
- The centers function as a network of clinics providing community based services. It is the Department's goal to continually improve alignment across the regions, implement common quality measures, and assess/share resources.

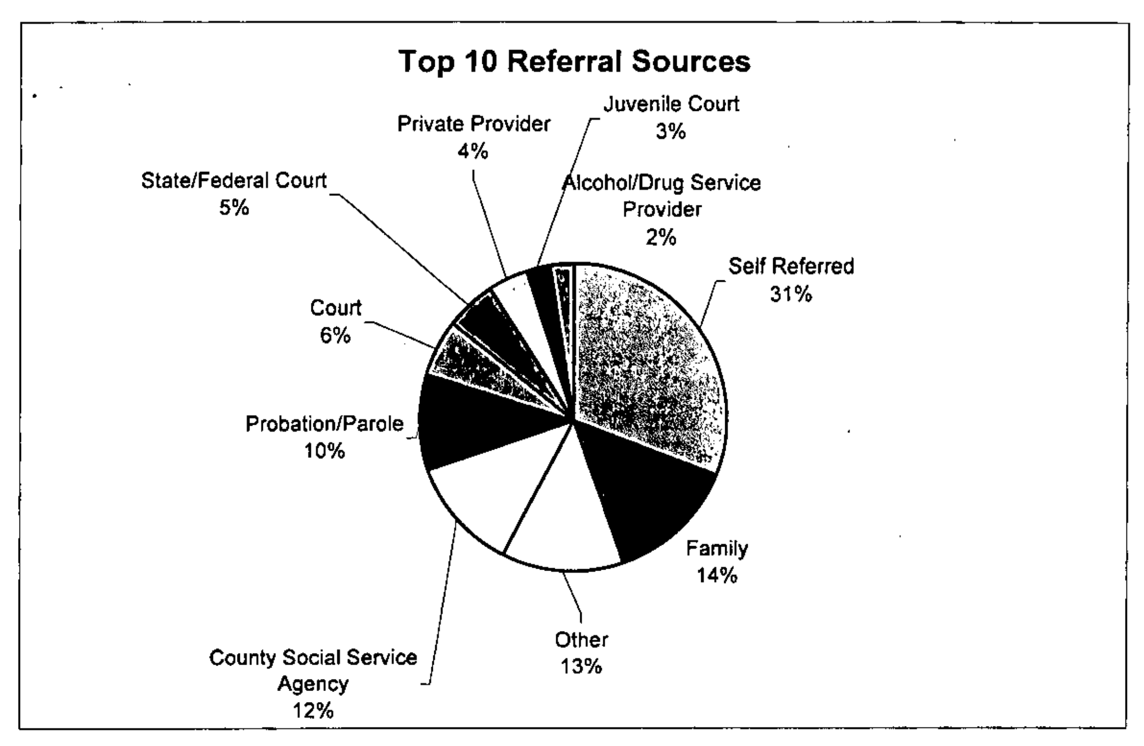
Clients Served

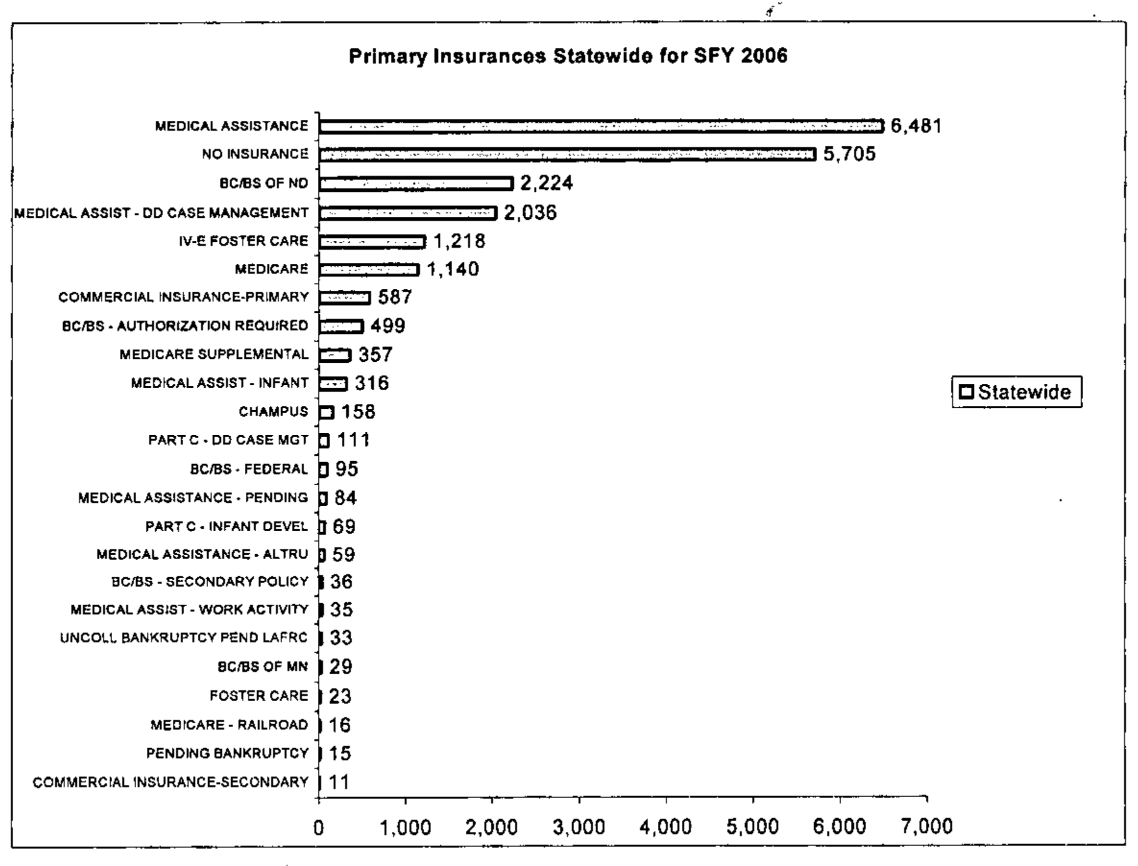
Demographics of those served in State Fiscal Year 2006 include:

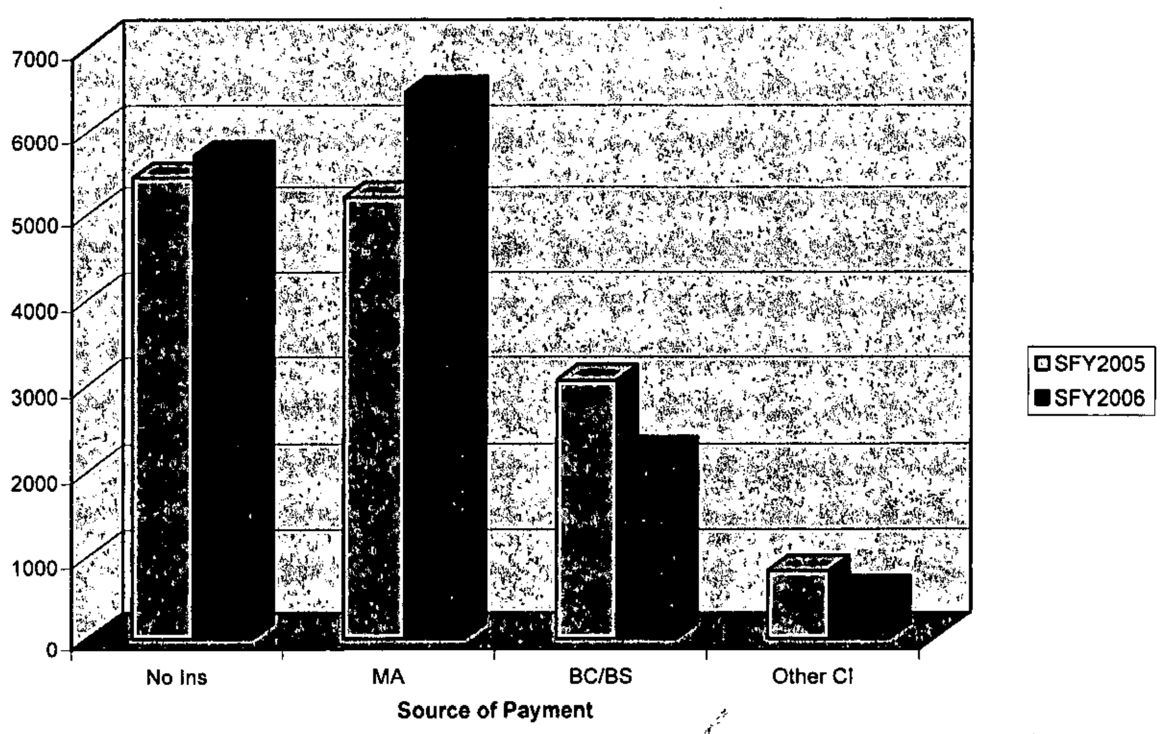
- Over 24,000 individuals were served (excluding Vocational Rehabilitation (VR)); this represents nearly 4% of the state's population.
- The total number served is consistent with SFY 2005; this was an increase of just under 4% (890) individuals over SFY 2004.
- During the same period, VR served 7,939 clients, many of whom also received other HSC services.
- 68% of HSC clients qualify for no fee on the sliding fee scale; of those, 13% have no 3rd party payment source.

The HSCs truly perform a safety net function in the communities. The following charts further show the demographics of statewide HSC clients.




Top 10 Referral Sources
Juvenile Court 3%
Private Provider 4%
State/Federal Court 5%
Alcohol/Drug Service Provider 2%
Self Referred 31%
Court 6%
Probation/Parole 10%
Family 14%
Other 13%
County Social Service Agency 12%


Primary Insurances Statewide for SFY 2006
MEDICAL ASSISTANCE 6,481
NO INSURANCE 5,705
BC/BS OF ND 2,224
MEDICAL ASSIST - DD CASE MANAGEMENT 2,036
IV-E FOSTER CARE 1,218
MEDICARE 1,140
COMMERCIAL INSURANCE-PRIMARY 587
BC/BS - AUTHORIZATION REQUIRED 499
MEDICARE SUPPLEMENTAL 357
MEDICAL ASSIST - INFANT 316
CHAMPUS 158
PART C - DD CASE MGT 111
BC/BS - FEDERAL 95
MEDICAL ASSISTANCE - PENDING 84
PART C - INFANT DEVEL 69
MEDICAL ASSISTANCE - ALTRU 59
BC/BS - SECONDARY POLICY 36
MEDICAL ASSIST - WORK ACTIVITY 35
UNCOLL BANKRUPTCY PEND LAFRC 33
BC/BS OF MN 29
FOSTER CARE 23
MEDICARE - RAILROAD 16
PENDING BANKRUPTCY 15
COMMERCIAL INSURANCE-SECONDARY 11
0
1,000
2,000
3,000
4,000
5,000
6,000
7,000
Statewide



A composite client representing the most common attributes of an individual served in SFY 2006 would be male, approximately 32 years old, at 100% or below of poverty level, based on income and household size. He would qualify for 100% discount on the sliding scale fee, would likely have no insurance at all, and is probably not Medicaid eligible. Primary diagnosis would be in the substance abuse category, with strong possibility of co-occurring psychiatric problems such as depression. The most likely services provided would be nursing services, addiction evaluation and treatment, medication review and case management.

Statewide Trends

- Demand for services tends to exceed current capacity. For example, with State Hospital occupancy frequently exceeding

100%, local hospitals under contract with the HSCs experience longer lengths of stay, placing additional burden on those facilities and causing disruption to client flow. Local crisis bed and residential program capacity are limited.

- Referrals from the correctional system continue to increase, as the Department of Correction and Rehabilitation (DOCR) and the Parole Board work to establish appropriate alternatives to incarceration, or follow-up treatment services for individuals under their supervision. The HSCs do serve this population; however, capacity issues have resulted in limitations.
- Providing treatment for the HSC population continues to be very complex, with approximately 15% of clients diagnosed with <u>both</u> mental illness and substance abuse. In addition, many substance abuse clients use multiple substances. These individuals need services wrapped around them in the community, to support their stability, minimize symptoms, and decrease potential for hospitalization.
- Growth has continued in referrals for infants/children with special needs. During the current biennium, the Department contracted with a private provider for Infant Development services in order to better meet growth needs in this area.
- The HSCs have fallen behind in their ability to compete for professional staff in the marketplace. Staff vacancies in hard-to-fill positions result in longer client wait times.

Accomplishments

I am pleased to report progress in several initiatives undertaken by the Human Service Centers:

- Evidence-based practices are being implemented/piloted in all of the centers, including Matrix Model for individuals with met amphetamine abuse problems, Recovery Model for individuals with serious mental illness, and Integrated Dual Disorders Treatment for individuals with co-occurring substance abuse and mental illness.
- Expanded residential bed capacity in the Jamestown region will allow for transition of 21 additional State Hospital patients to the community by summer 2007.
- The Department is regularly meeting with DOCR staff to assess service needs of common clients and determine priorities. This closer collaboration will result in better joint strategic planning, reduced program duplication, and improved treatment services.
- Likewise, DHS is working more closely with the ND Long Term Care Association to determine possible partnerships that would utilize available basic care beds to meet residential needs of some of our clients, with ongoing psychiatric consultation and support from the HSCs. This, too, would be a mutually beneficial arrangement for both systems.
- New models of service delivery such as telemedicine are being piloted and explored for potential expansion. This can have very positive outcomes for our rural state and for individuals who have difficulty accessing needed treatment.
- Electronic data systems are producing service reports with increasing accuracy and usefulness for managerial planning/decision-making. For example, all centers are using common measures to insure maximum use of resources; this data can be used to identify resource needs and determine potential shifts/savings.

Overview of Budget Changes – Human Service Centers Combined

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
HSCs / Institutions	115,075,502	127,918,652	12,843,150
General	53,817,232	64,270,778	10,453,546
Federal	55,098,428	57,417,000	2,318,572
Other	6,159,842	6,230,874	71,032
FTEs	829.48	838.73	9.25

The major increases can be explained as follows:

- The Governor's salary package recommendation requires $6.5 million total funds (50% of the overall increase) with $4.3 million being from the general fund.
- Increased FTEs to meet capacity needs in treatment services, drug court efforts, and sex offender services. $0.9 million total funds with $0.6 from the general fund.
- Other salary changes have been required to meet critical market shortages or to provide temporary staff to meet increased demand and to fund the current biennium year two increase for 24 months - $1.7 million, approx. $1.1 million from the general fund.
- Operating increases in rent, utilities, IT telephone services and motor pool costs have increased the budget by just over $650,000 due to increased rates as well as need for additional space for growing programs. (approx. $400,000 is general fund)
- In order to better provide more appropriate levels of care and reduce dependence on inpatient treatment locally and at the State Hospital, the budget includes funding for additional crisis beds in the Fargo region, transitional living beds in the Grand Forks region, short-term residential beds in the Bismarck region, and long term

residential beds in the Jamestown region - $3.0 million total funds with $2.4 million from the general fund.

- Funding for a 3% inflationary increase each year of the biennium for contract services - $0.9 million total funds with $0.8 million from the general fund.
- The above increases are offset by the bond issue for the Southeast HSC being paid in full December 2008 resulting in a $0.5 reduction in bond costs (approx. $300,000 general funds) and reductions in overall operating costs of about $275,000 in total funds (approx. $175,000 from the general fund).
- The remaining increase in general fund is the result of the decrease in the Social Services Block Grant (SSBG) as mentioned by Brenda Weisz on Monday during her overview testimony.

In summary, while increased demand and client complexity have presented challenges, the HSCs have taken a number of positive steps to meet needs in a cost-effective manner. The proposed 2007-2009 budget will allow us to continue and improve those efforts. This concludes my overview testimony for the Human Service Centers; I would be happy to answer any questions.

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Wait Times for Initial Non-Emergency Appointments as of March 2006

NOTE: All centers provide emergency on-call services 24 hours a day, 7 days a week

	NW	NC	LR	NE	SE /2	SC	WC	BL
Acute Clinical	3-5 days	10 days	1 day	5 weeks	SE/2=CFS	1 day	9 days	5 Days
Psychologic Eval	4-7 weeks	10 days	7 days	8 weeks	19--11	same day	14 days	3 Days
Psychiatric Eval	1 week	30 days	7 days	2 days	8--10	1 day	15 days	1 - 2 Weeks
Addiction Eval	NA	14 days	11 days	9 days	11--19	6 days	Adult 11 days	10 Days
					20--8		Adol. 1 day	
Case Mgt. SMI	2-5 days	3	same day	3 days		same day	7 days	1 Day
Case Mgt. DD		1	same day	3 days	15 --4	same day	5 days	
Vocational Rehab		3	same day	3 days	3	same day	16 days	
Title XIX Assessment	2 weeks	5	same day	3 days	1	same day	same day	Same Day as Intake
					11			

Wait Times for Treatment / On-Going Services Appointment as of

	NW	NC	LR	NE		SC	WC	BL
Acute Clinical	1 week	0	1 day	7 days	SE	same day	1 week	5 Days
Addiction Adult	NA	0	7 days	7 days	5	same day	1 week	No Wait Time
Addiction Adolescent	NA	0	8 days	5 days	5	6 days	1 week	No Wait Time
Psychiatric/Medical	1 week	0	2 days	7 days	3	same day	1 week	1 Week
Case Mgt. SMI	1 week	0	same day	7days	10	same day	1 week	1 Day
					5 -- 3			
Case Mgt. DD	DD Service: After the initial contact, services are begun as soon as the necessary medical and referral information is received, but not to exceed 45 days from the time of initial contact							
Vocational Rehab	VR Service: After the initial contact, services are begun as soon as the necessary medical and referral information is received, but not to exceed 60 days from the time of initial contact							

/1 Weekly emergency slot for pregnant women, IV drug users, and court commitments

/2 Walk in clients and emergencies are seen by the Regional Intervention Service staff immediately.
All requests for services are triaged by RIS, and individuals that present with situations that cannot wait the given wait time are followed by RIS staff until sthe appropriate service within the agency can be arranged.

2-2-07
Sub
(1)

Department of Human Services
2007-2009 Budget
Optional Adjustment Requests - Directly Affecting HSCs

Cabinet Category / Priority	Description	FTE	Total	General	Federal	Other
CAPACITY						
02	Add FTE to convert temporary staff person - LR	1.00	20,782	20,782		
02	SMI Residential Beds - NE	1.00	730,028	540,002	190,026	
02	Addiction Counselor for Off Main Program -SE	1.00	95,631	86,067		9,564
02	Convert Temp. MI Case Manager to permanent - SE	3.00	247,632	74,292	173,340	
02	CD Short Term Residential Services - WC		95,800	95,800		
02	2 Pilot Special Care Units for SMI Population - various	2.00	2,477,436	2,377,518	99,918	
		8.00	3,667,309	3,194,461	463,284	9,564
INFLATION						
03	Provider Inflation - NW		77,424	77,424		
03	Provider Inflation - NC		173,169	173,169		
03	Provider Inflation - LR		113,067	113,067		
03	Provider Inflation - NE		143,870	128,173	15,636	61
03	Provider Inflation - SE		233,018	233,018		
03	Provider Inflation - SC		150,204	111,265	38,939	
03	Provider Inflation - WC		173,920	111,398	60,634	1,888
03	Provider Inflation - BL		53,406	53,042	364	
		0.00	1,118,078	1,000,556	115,573	1,949
TRANSITION						
04	Developmental Center Resident Transition - included addition of one DD Case Manager at the HSC level.	14.50	8,146,353	3,698,744	4,447,609	
EXPANSION / ENHANCEMENT						
05	Medical Services HS Aide II - NE	1.00	64,804	64,804		
05	Psychology Internship APEC Site - NE		62,576	31,746	30,830	
05	Medication Monitoring Aide - WC	1.00	69,644	69,644		
05	Inc. Treatment Capacity for Addiction Treatment Needs (DOCR) - various	30.00	4,986,280	4,485,580	500,700	
05	SEHSC Inpatient Contract with MeritCare		200,000	200,000		
		32.00	5,383,304	4,851,774	531,530	0
STAFF EQUITY						
06	Staff Equity Issues - HSC - various		253,635	135,010	94,859	23,766
		0.00	253,635	135,010	94,859	23,766
DRUG COURT EFFORTS						
09	Drug Court - NC	1.00	86,660	62,361	24,299	
09	Matrix Treatment & Drug Court Impleme - NE	1.00	94,448	56,670	37,778	
09	Addiction Counselor for Drug Court - SE	1.00	95,630	91,574	4,056	
09	Drug Court Addiction Counselor - WC	1.00	100,769	82,268	18,501	
		4.00	377,507	292,873	84,634	0
SEX OFFENDER GROWTH						
10	Sexual Abuse Therapist - SE	1.00	97,282	87,552		9,730
		1.00	97,282	87,552	0	9,730
	Total Department Optional Adjustment Requests	59.50	19,043,468.00	13,260,970.00	5,737,489.00	45,009.00

Fully funded in Governor's budget.

Partially funded in Governor's budget.
The Governor's budget provided for 3% inflation for each year of the biennium instead of the 3.8% per year included in the OAR.
The Governor's budget provided for a $0.60 per hour increase for DD Providers instead of the $1.50 per hour included in the OAR.

with the exception of the page same testimony given to House and Senate

Testimony
Senate Bill 2012 – Department Of Human Services
House Appropriations Human Resources Division
Representative Pollert, Chairman
February 23, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Nancy McKenzie, Director of the Regional Human Service Centers (HSCs) for the Department of Human Services (DHS). I am here today to provide you with an overview of statewide service trends and programmatic direction in the (8) regional centers. Your committee will receive specific testimony from each of the center directors.

Human Service Centers

- Each of the Human Service Centers provides identified core services in the community for individuals whose illness, addiction, disability or conditions place them at risk of harm or institutional placement. They provide a safety net function for our most vulnerable citizens and insure that required services can be accessed.
- In addition to direct evaluation and treatment services, the HSCs are responsible for program supervision and regulatory oversight of the child welfare services provided by county social services and oversight of the Aging Services programs in their regions.
- The centers function as a network of clinics providing community based services. It is the Department's goal to continually improve alignment across the regions, implement common quality measures, and assess/share resources.

Overview of Budget Changes – Human Service Centers Combined

Description	2005 - 2007 Current Budget	Changes	2007 - 2009 Executive Budget	Senate Changes	Request to House
HSCs / Institutions	115,075,502	12,843,150	127,918,652	294,232	128,212,884
General Funds	53,817,232	10,453,546	64,270,778	263,173	64,533,951
Federal Funds	55,098,428	2,318,572	57,417,000	31,059	57,448,059
Other Funds	6,159,842	71,032	6,230,874	0	6,230,874
Total	115,075,502	12,843,150	127,918,652	294,232	128,212,884
FTE	829.48	9.25	838.73	-	838.73

Budget Changes from Current Budget to the Executive Budget:

The major increases can be explained as follows:

- The Governor's salary package recommendation requires $6.5 million total funds (50% of the overall increase) with $4.3 million being from the general fund.
- Increased FTEs to meet capacity needs in treatment services, drug court efforts, and sex offender services. $0.9 million total funds with $0.6 from the general fund.
- Other salary changes have been required to meet critical market shortages or to provide temporary staff to meet increased demand and to fund the current biennium year two increase for 24 months - $1.7 million, approximately $1.1 million from the general fund.
- Operating increases in rent, utilities, IT telephone services and motor pool costs have increased the budget by just over $650,000 due to increased rates as well as need for additional space for growing programs (approximately $400,000 is general fund).
- In order to better provide more appropriate levels of care and reduce dependence on inpatient treatment locally and at the State

Hospital, the budget includes funding for additional crisis beds in the Fargo region, transitional living beds in the Grand Forks region, short-term residential beds in the Bismarck region, and long term residential beds in the Jamestown region - $3.0 million total funds with $2.4 million from the general fund.

- Funding for a 3% inflationary increase each year of the biennium for contract services - $0.9 million total funds with $0.8 million from the general fund.
- The above increases are offset by the bond issue for the Southeast HSC being paid in full December 2008 resulting in a $0.5 reduction in bond costs (approximately $300,000 general funds) and reductions in overall operating costs of about $275,000 in total funds (approximately $175,000 from the general fund).
- The remaining increase in general fund is the result of the decrease in the Social Services Block Grant (SSBG).

Senate Changes:

- The changes made by the Senate are related to increasing the inflation to providers from 3% in the Executive Budget to 4% each year of the biennium.

In summary, while increased demand and client complexity have presented challenges, the HSCs have taken a number of positive steps to meet needs in a cost-effective manner. The 2007-2009 budget before the House will allow us to continue and improve those efforts. This concludes my overview testimony for the Human Service Centers. I would be happy to answer any questions.

HSC CASELOAD AVERAGES
MARCH 2007

HSC	SMI Case Managers	Licensed Addiction Counselors*
NWHSC/Williston	28	N/A (Contract service with Mercy Recovery)
NCHSC/Minot	30	19
LRHSC/Devils Lake	31	30
NEHSC/Grand Forks	40	29
SEHSC/Fargo	35	44
SCHSC/Jamestown	35	40
WCHSC/Bismarck	34	50
BHSC/Dickinson	35	35

*Explanation of variation in caseloads:

- One agency may have a higher amount of outpatient aftercare groups (resulting in higher caseload numbers), while another may have more day treatment services (resulting in lower caseload numbers).
- This is driven by factors such as: total availability of treatment services in the community, priority client needs, etc.

Psychosocial Rehabilitation Centers

REGION	DIRECTOR NAME	PHONE	MEMBERSHIP
REGION I			
The Club 212 2nd Street West Williston, ND 58801	Bill Rudolph	577-0267	50
REGION II			
Harmony Center 212 East Central Avenue Minot, ND 58701	Jennifer Barsch	852-3263	100
REGION III			
Lake Region Drop In Center 833 2nd Avenue Devils Lake, ND 58301	Tracey Hager	662-8424	44
REGION IV			
Mountainbrooke 112 North 3rd Street Grand Forks, ND 58201	Charlotte Gregorson	746-4530	167
REGION V			
Myrt Armstrong Center 1419 1st Avenue South Fargo, ND 58102	Karen Braaten	293-7716	281
REGION VI			
Progress Community Center 217 2nd Ave SW Jamestown, ND 58402	Allen Falk	251-2964	286
REGION VII			
Dakotah Learning Center 522 West Arbor Avenue Bismarck, ND 58501	Betty Martin	255-6402	201
REGION VIII			
Prairie Rose Center 202 East Villard Dickinson, ND 58601	Geri Hausauer	227-0135	40
		Total	**1,169**

*** as of March 6, 2007**

Psychosocial Rehabilitation Centers
Monthly Statistical Report

Month/Year: 02/07

Name of PSR Center: Mental Health Association

Person Completing Report: Karen Braaten

Membership and Attendance:	
Total Membership	274
Total New Members	5
Total Daily Guest Attendance (Not Volunteers)	38
Total Daily Volunteer Attendance	0
Total Member Daily Attendance	584
Average Member Daily Attendance:	21
Weekdays:	29
Weekends:	14
Total Daily Attendance (Members, Guests, Volunteers)	622
Number of Volunteer Hours	0

Activities:	
Number of Organized Social Activities In the Center	29
Number of Organized Social Activities Out of Center	6
Number of Hours Performed for Pay	0
Number of Hours Members Provided Skill-Related or Goal-Orientated Tasks	432
Number of Members Assisted in Securing Temporary Living Arrangements/Information/Referrals	6
Number of Members Provided Meals	294
Number of Members Provided Food Bank Products	34

Community Contacts:	
Formal Presentation to Promote PSR Center	1
Number of Media Contacts	0

Referrals:	
Number of Referrals from Human Service Center	1
Number of Referrals from Local Hospitals	0
Number of Referrals from Other Agencies	0
Number of Referrals from Other Sources	4
Total Number of Referrals	5

Post-it Fax Note 7671 | Date 3/7/07 | # of pages 1
To Nancy M[illegible] | From C. Englestad
Co./Dept. DHS | Co. SEHSC
Phone # | Phone #
Fax # 701-328-1545 | Fax # 701-298-4400

Invoice

Progress Enterprises, Inc.

1601 Hwy. 20 North
P. O. Box 2015
Jamestown, ND 58402-2015

Date	Invoice #
1/31/2007	9387

Bill To	Ship To
South Central Human Services Center P. O. Box 2055 Jamestown, ND 58402-2055	

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
960-05967	Due on receipt		1/31/2007			

Quantity	Item Code	Description	Price Each	Amount
	Progress Communit...	January Services	7,945.00	7,945.00

Invoice Received 2/5/07
Invoice Entered 2/5/07
Voucher ID 00002732
Check Received 2/8/07
Check Sent 2/8/07

* The total contract amount with Progress Enterprises for the period from July 1, 2006 through June 30, 2007 is for $95,340. They are billing us in equal monthly installments of $7,945 at the end of each month.

	Total	$7,945.00

Progress Enterprises, Inc. Profit & Loss
Community Center
January 31, 2007

	Jan 07	Jul '06 - Jan 07
Income		
4200 · Community Center	7,945.00	55,615.00
4201 · Community Ctr Member Dues	28.00	49.00
4500 · Donations/Memorials	40.00	1,040.00
Total Income	8,013.00	56,704.00
Expense		
6022 · Food/Beverage	151.25	3,122.70
6040 · Supplies - WAC Wood Shop	396.00	396.00
6042 · Program Supplies	65.25	238.93
6099 · Salary Expense		
6100 · Salaries	5,019.17	32,724.83
Total 6099 · Salary Expense	5,019.17	32,724.83
6102 · Payroll Expenses		
6103 · FICA/Medicare Expense	383.96	2,485.69
6105 · State Unemployment Insurance	45.18	187.15
Total 6102 · Payroll Expenses	429.14	2,672.84
6104 · Dental Insurance	25.00	175.00
6106 · Retirement Expense	100.00	700.00
6111 · Health Care Insurance	902.50	5,595.50
6112 · Life Insurance	5.50	38.50
6132 · Staff Travel	310.00	710.28
6142 · Special Events/Activities	15.00	156.00
6172 · Recognition/Awards	20.00	126.00
6182 · Program Activities	24.00	143.00
6212 · Equipment Repair/Maintenance	208.89	531.45
6221 · Cable Tv/Internet Services	0.00	122.96
6250 · Equipment Purchase	231.87	1,302.71
6310 · Office Supplies	0.00	149.53
6311 · Postage/Box Rental	0.00	117.00
6430 · Equipment Depreciation	96.05	672.35
6440 · Vehicle Depreciation	0.00	366.66
6450 · Building Depreciation	357.68	2,503.76
6460 · Building Fixtures Depreciation	10.44	73.08
6470 · Building Improv Depreciation	129.99	909.93
6500 · Insurance		
6501 · Building Insurance	0.00	1,475.00
6503 · Professional Liability Ins	0.00	1,357.00
6504 · Vehicle Insurance	0.00	45.00
Total 6500 · Insurance	0.00	2,877.00
6522 · Vehicle Maintenance	443.99	605.19
6572 · Vehicle Gas & Oil	114.03	1,549.78
6602 · Building Repair & Maintenance	0.00	605.10
6612 · Telephone/Cell Phone	107.43	703.41
6621 · Cable/Internet Services	30.74	92.22
6631 · Lawn/Grounds Services	0.00	155.00
6651 · Electricity	477.34	4,447.30
6661 · Natural Gas/Heating Fuel	1,359.00	3,429.84
6671 · Water/Garbage Services	242.64	1,035.52
6690 · Janitorial Supplies	0.00	1,633.69
6742 · Dues/Memberships/Subscriptions	0.00	132.00
6800 · Administrative Expense	3,907.16	11,651.93
Total Expense	15,180.06	82,466.99
Net Income	-7,167.06	-25,762.99

Department of Human Services
Substance Abuse Service Reimbursement
Regional Human Service Centers
Blue Cross Blue Shield of North Dakota-Primary Payer
2006 Data

Service	Average Billed	Average Paid
A&D Family Therapy	187.50	150.00
A&D Group Therapy	103.22	100.10
A&D Aftercare Group	45.00	44.99
Individual Therapy	87.44	57.70

The information depicts the average computed fee for substance abuse services in which a payment was received and Blue Cross Blue Shield was the primary payer for the service.

Department of Corrections & Rehabilitation Referrals and Treatment Costs at DHS Regional Human Service Centers
2-5-2007

Department of Human Services (DHS) and the Department of Corrections & Rehabilitation (DOCR) have worked together this past year to illustrate unmet substance abuse treatment service needs identified by DOCR. The unmet needs were calculated by analyzing the needs of individuals under the control of Parole and Probation and those anticipated to be released from the ND State Penitentiary.

DHS already serves a portion of the individuals involved with DOCR but DOCR has identified additional offenders needing substance abuse services. These additional individuals exceed current capacity at the regional human service centers. Based on the data DHS is able to extract from our electronic record, ROAP, 1,241 individuals involved with DOCR were identified as receiving substance abuse treatment services at the Human Service Centers in SFY 2006.

DHS does not track costs of services provided to those under the custody or control of DOCR separately. Given this, we started with the work done to establish Optional Adjustment Request (OAR), Section 5 - Expansion/Enhancement, entitled, "Increase Treatment Capacity for Addiction Treatment Needs (DOCR)" which totals $4,986,280. This OAR was developed to reflect additional DOCR referrals expected in 2007 – 2009. DOCR estimated that an additional 1,423 individuals need substance abuse treatment services.

In the OAR, it is estimated that DHS staff costs would be approximately $2,825,480 to provide substance abuse treatment at a medium or high

intensity level. This is an average cost of $1,986 per client without considering the costs for residential beds. The estimate of current cost of treatment uses the average cost as calculated in the OAR and applies that number to the 1,241 treated currently multiplied by 2 years for a biennial cost. The average cost in the current biennium is approximately $4.9 million across all Centers and does not include any costs attributed to residential beds.

These costs are expected to continue into the 2007 - 2009 biennium. This OAR does not include any mental health treatment for the same population group.

Testimony

Senate Bill 2012 – Department Of Human Services

Senate Appropriations Subcommittee

Senator Fischer, Chairman

February 5, 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am Richard Hoekstra, a Program Manager for the Division of Field Services of the Department of Corrections and Rehabilitation (DOCR). I am pleased to be here representing the DOCR to testify in support of SB2012.

The DOCR and the Department of Human Services (DHS) are collaborating to best serve the people of North Dakota. We are working together to continue building on partnerships and enhance the delivery of treatment programs in our institutions, in residential treatment facilities, and within our communities. To be most efficient we (DOCR & DHS) agree to assure that we follow Evidence-Based Practices, that we do not duplicate our efforts, and that we are finding common ground to manage offenders effectively. By these efforts together we will reduce risk and recidivism of the offender population in our communities to best serve the people of North Dakota.

Recent History

In the 05-07 biennium, the majority of the DOCR offender population growth in North Dakota is in our communities. As there continues to be growth, so does the need to access effective services and treatments.

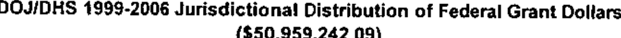
We (DHS and DOCR) are showing success in our collaboration:

In North Dakota, I believe that DHS is the backbone to accessing service needed to manage offenders under DOCR supervision in our communities. As a part of their role, DHS provides assessment and treatment services to those individuals living in the community who are under the supervision of DOCR Field Services on probation or parole status. Mental health and/or substance abuse services have been provided upon referral and are based on offender need.

However, the DOCR offender population has grown, at the same time that DHS budgets have remained relatively flat. In 05-07 biennium we (DHS and DOCR) have demonstrated working together to support the needs for both the DHS and DOCR to the best of our ability. But there remains much work to be done.

We are continuing this work together in 07-09. On behalf of the DOCR, I respectfully recommend the support of this committee for SB2012 to allow for the continuing work and collaboration of the DHS and DOCR.

Thank you for this opportunity to provide testimony; I will be happy to answer any questions.



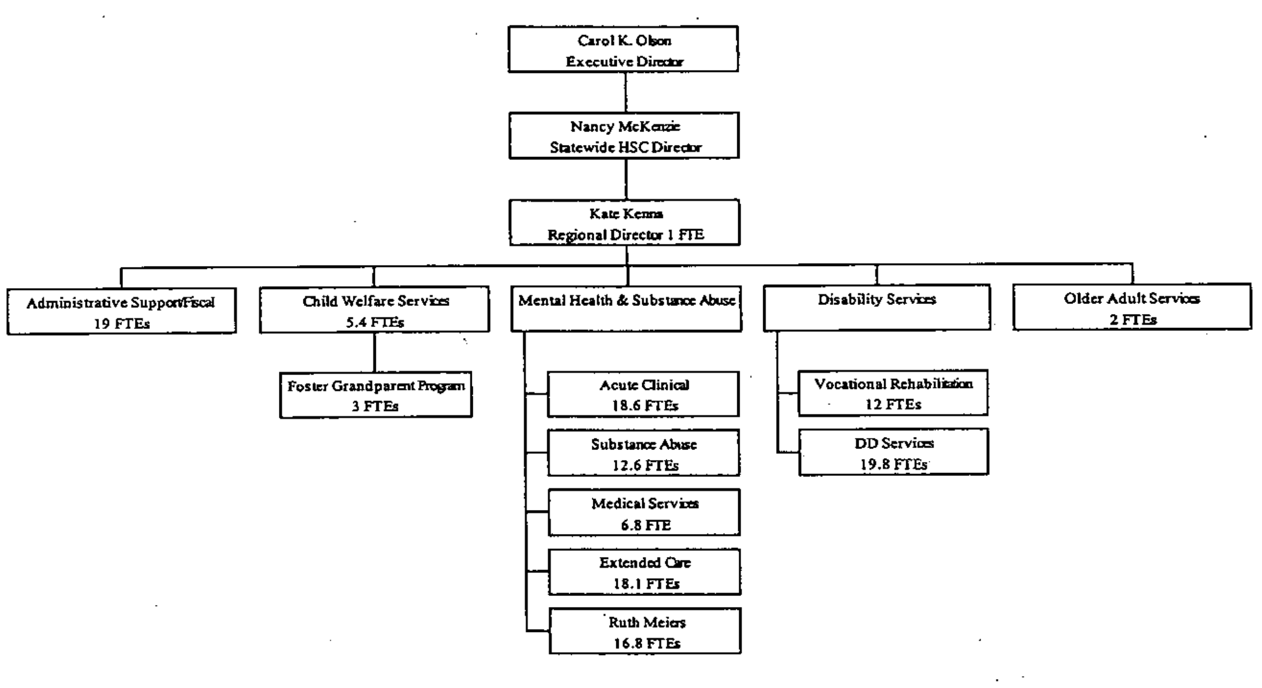
DOJ/DHS 1999-2006 Jurisdictional Distribution of Federal Grant Dollars
($50,959,242.09)

County	Total CBRNE Equipment Purchase	Total Interoperable Communication Purchase	Admin	Training	Planning	Exercise	Total 1999-2005	2006 CBRNE Equipment Allocation	2006 Interoperable Communication Allocation	2006 Admin Alctn	2006 Training Allocation	2006 Planning Allocation	2006 Exercise Allocation	Total 2006	Grand Total
Adams	$ 49,958.04	$ 99,884.40	$ 782.82	$ 5,385.00	$ 8,714.00	$ 1,018.00	$ 165,742.26	$ 46,531.40	$ 15,762.31	$ -	$ 3,359.30	$ 3,138.92	$ 178.15	$ 68,970.09	$ 234,712.35
Barnes	$ 220,258.01	$ 554,467.69	$ -	$ 46,138.00	$ 18,000.00	$ 13,678.39	$ 852,542.10	$ 60,063.28	$ 52,505.02	$ -	$ 24,019.00	$ 5,401.40	$ 3,117.58	$ 145,106.28	$ 997,648.38
Benson	$ 61,065.02	$ 140,473.27	$ -	$ 15,216.27	$ 14,230.34	$ 3,214.48	$ 234,199.37	$ 27,078.16	$ 135,815.65	$ -	$ 3,527.27	$ 3,230.34	$ 1,781.48	$ 171,432.89	$ 405,632.26
Billings	$ 84,311.00	$ 31,756.56	$ 1,077.00	$ 20,942.18	$ 17,826.36	$ 7,510.40	$ 163,423.49	$ 24,018.68	$ 24,333.13	$ -	$ 13,577.18	$ 2,718.81	$ 5,010.40	$ 69,658.19	$ 233,081.69
Bottineau	$ 131,671.29	$ 331,381.18	$ 13,828.65	$ 34,934.68	$ 20,201.53	$ 6,511.56	$ 538,528.89	$ 61,929.62	$ 14,574.13	$ -	$ 14,724.94	$ 4,261.53	$ 2,783.56	$ 98,273.78	$ 636,802.67
Bowman	$ 133,037.85	$ 37,991.14	$ -	$ 9,686.20	$ 13,298.84	$ 5,082.10	$ 199,096.13	$ 27,487.86	$ 83,659.88	$ -	$ 3,471.28	$ 3,298.84	$ 2,082.10	$ 119,999.95	$ 319,096.08
Burke	$ 127,783.35	$ 103,664.25	$ 5,925.18	$ 21,435.55	$ 15,420.44	$ 4,058.13	$ 278,286.90	$ 47,197.98	$ 5,809.66	$ -	$ 7,838.37	$ 3,052.44	$ 1,670.13	$ 65,568.58	$ 343,855.48
Burleigh	$ 4,080,725.43	$ 2,372,024.46	$ -	$ 111,542.22	$ 49,604.31	$ 42,359.00	$ 6,656,255.41	$ 334,823.06	$ 135,987.13	$ -	$ 17,132.44	$ 19,604.31	$ 12,359.00	$ 519,905.93	$ 7,176,161.34
Cass/Fargo	$ 1,408,513.46	$ 3,937,318.47	$ 20,763.00	$ 355,089.50	$ 176,141.57	$ 80,344.43	$ 5,978,170.43	$ 413,995.26	$ 154,463.52	$ -	$ 24,715.50	$ 32,841.57	$ 5,344.43	$ 631,360.27	$ 6,609,530.70
Cavalier	$ 215,298.86	$ 190,217.69	$ 8,741.08	$ 35,465.86	$ 21,899.37	$ 5,333.13	$ 476,956.00	$ 58,513.49	$ 38,768.59	$ -	$ 19,875.86	$ 3,690.37	$ 1,670.13	$ 122,518.46	$ 599,474.46
Dickey	$ 66,556.95	$ 151,400.65	$ 4,906.91	$ 16,909.86	$ 19,579.31	$ 3,519.75	$ 262,873.44	$ 51,194.31	$ 374.53	$ -	$ 7,670.40	$ 3,918.54	$ 578.98	$ 63,736.77	$ 326,610.21
Divide	$ 147,232.00	$ 158,418.00	$ 6,396.00	$ 22,394.04	$ 30,369.54	$ 4,028.37	$ 368,837.95	$ 47,258.41	$ 28,570.97	$ -	$ 10,450.04	$ 3,062.54	$ 445.37	$ 89,787.33	$ 458,625.27
Dunn	$ 69,116.93	$ 80,189.48	$ 3,040.00	$ 16,049.30	$ 13,130.94	$ 2,374.42	$ 183,901.07	$ 27,231.43	$ 20,972.10	$ -	$ 8,286.28	$ 3,255.96	$ 1,113.42	$ 60,859.19	$ 244,760.26
Eddy	$ 90,043.52	$ 99,718.27	$ 934.00	$ 13,660.37	$ 14,506.15	$ 2,118.74	$ 220,981.05	$ 26,132.02	$ 15,972.85	$ -	$ 7,838.37	$ 3,072.15	$ 890.74	$ 53,906.13	$ 274,887.17
Emmons	$ 73,132.49	$ 128,460.85	$ 4,284.74	$ 20,369.36	$ 13,805.17	$ 5,151.95	$ 245,204.56	$ 36,592.76	$ 13,257.65	$ -	$ 12,709.36	$ 3,567.17	$ 3,562.95	$ 69,689.89	$ 314,894.45
Foster	$ 137,311.00	$ 148,264.49	$ 5,557.00	$ 25,895.26	$ 20,691.23	$ 3,463.42	$ 341,182.40	$ 48,249.78	$ 43,474.38	$ -	$ 13,157.26	$ 3,426.23	$ 1,113.42	$ 109,421.08	$ 450,603.48
Golden Valley	$ 107,421.14	$ 53,142.84	$ 4,261.07	$ 19,091.52	$ 12,674.08	$ 2,191.42	$ 198,782.07	$ 25,545.47	$ 35,769.54	$ -	$ 10,777.76	$ 2,974.08	$ 1,113.42	$ 76,180.27	$ 274,962.34
Grand Forks	$ 3,187,000.93	$ 828,753.72	$ -	$ 249,706.24	$ 101,654.03	$ 61,915.98	$ 4,429,030.90	$ 329,949.40	$ 196,243.19	$ -	$ 84,894.02	$ 18,789.46	$ 19,253.31	$ 649,129.37	$ 5,078,160.27
Grant	$ 77,411.82	$ 120,828.16	$ 3,360.00	$ 22,550.91	$ 12,915.03	$ 4,454.27	$ 241,520.19	$ 26,896.89	$ 47,077.52	$ -	$ 14,836.91	$ 3,200.03	$ 3,340.27	$ 95,351.63	$ 336,871.82
Griggs	$ 91,685.15	$ 44,352.85	$ 3,838.00	$ 17,138.97	$ 14,737.11	$ 9,281.48	$ 181,033.56	$ 26,768.68	$ 13,625.00	$ -	$ 6,998.54	$ 3,178.59	$ 1,781.48	$ 52,352.29	$ 233,385.86
Hettinger	$ 88,748.46	$ 74,534.29	$ 4,577.93	$ 13,545.74	$ 17,700.98	$ 3,828.16	$ 202,935.57	$ 26,711.20	$ 22,920.27	$ -	$ 4,658.23	$ 3,168.98	$ 2,004.16	$ 59,462.85	$ 262,398.41
Kidder	$ 104,207.46	$ 67,051.47	$ 4,623.32	$ 20,793.44	$ 13,014.35	$ 3,444.16	$ 213,134.20	$ 34,267.20	$ 42,953.35	$ -	$ 11,477.61	$ 3,178.35	$ 2,004.16	$ 93,880.68	$ 307,014.88
LaMoure	$ 45,562.70	$ 208,191.42	$ 1,681.00	$ 16,833.60	$ 15,038.34	$ 3,688.13	$ 290,995.20	$ 37,138.05	$ 34,330.88	$ -	$ 6,718.60	$ 3,658.34	$ 1,670.13	$ 83,516.00	$ 374,511.21
Logan	$ 102,433.51	$ 65,923.68	$ 3,180.31	$ 19,031.31	$ 20,228.51	$ 5,206.93	$ 216,004.25	$ 26,111.39	$ 50,130.10	$ -	$ 9,797.96	$ 3,068.70	$ 2,004.16	$ 91,112.31	$ 307,116.56
McHenry	$ 5,700.00	$ 253,330.43	$ 4,959.38	$ 15,367.32	$ 15,759.21	$ 5,032.56	$ 300,148.90	$ 31,533.27	$ -	$ -	$ 8,062.32	$ 3,975.21	$ 2,783.56	$ 46,354.37	$ 346,503.27
McIntosh	$ 101,094.07	$ 98,462.40	$ 5,205.60	$ 24,720.45	$ 17,833.08	$ 4,197.66	$ 251,533.26	$ 35,205.97	$ 25,575.30	$ -	$ 17,356.39	$ 3,335.31	$ 2,004.16	$ 83,477.13	$ 335,010.39
McKenzie	$ 132,845.45	$ 167,226.63	$ 3,500.00	$ 24,125.45	$ 21,703.69	$ 4,758.13	$ 354,159.36	$ 37,058.46	$ 46,995.78	$ -	$ 8,398.25	$ 3,645.03	$ 1,670.13	$ 97,767.67	$ 451,927.03
McLean	$ 71,584.16	$ 286,667.43	$ -	$ 12,102.71	$ 14,566.63	$ 4,913.64	$ 389,834.57	$ 42,835.09	$ 78,036.64	$ -	$ 6,214.71	$ 4,577.42	$ 2,226.85	$ 133,890.71	$ 523,525.28
Mercer	$ 216,707.49	$ 148,498.43	$ -	$ 38,298.19	$ 18,846.82	$ 5,357.85	$ 427,708.78	$ 42,164.97	$ 77,274.34	$ -	$ 14,556.97	$ 4,498.82	$ 2,226.85	$ 140,721.95	$ 568,430.72
Morton	$ 328,824.03	$ 627,403.38	$ -	$ 46,885.74	$ 26,417.64	$ 8,040.42	$ 1,037,571.21	$ 80,000.01	$ 118,476.15	$ -	$ 15,676.74	$ 8,734.73	$ 1,113.42	$ 224,001.06	$ 1,261,572.28
Mountrail	$ 204,735.04	$ 55,297.94	$ 6,929.06	$ 15,158.59	$ 31,403.83	$ 2,821.05	$ 316,345.52	$ 35,736.52	$ 7,615.77	$ -	$ 3,359.30	$ 3,424.01	$ 668.05	$ 50,803.66	$ 367,149.17
Nelson	$ 95,134.99	$ 83,907.12	$ -	$ 23,197.80	$ 16,560.22	$ 3,499.16	$ 222,299.29	$ 28,184.94	$ 47,339.55	$ -	$ 16,331.80	$ 3,415.39	$ 2,004.16	$ 97,275.84	$ 319,575.13
Oliver	$ 48,914.00	$ 66,775.77	$ 3,136.43	$ 9,752.98	$ 25,381.82	$ 1,436.37	$ 155,397.37	$ 25,753.27	$ 26,641.89	$ -	$ 4,535.06	$ 3,008.82	$ 445.37	$ 60,384.41	$ 215,781.78
Pembina	$ 275,769.72	$ 345,610.67	$ 9,077.60	$ 31,072.25	$ 30,375.45	$ 9,844.69	$ 701,750.38	$ 76,545.91	$ 68,334.05	$ -	$ 13,213.25	$ 4,615.37	$ 4,453.69	$ 167,162.27	$ 868,912.65
Pierce	$ 133,432.28	$ 84,052.07	$ 3,790.03	$ 13,072.77	$ 21,134.47	$ 6,305.69	$ 261,787.31	$ 37,099.73	$ 49,692.07	$ -	$ 1,119.77	$ 3,651.93	$ 4,453.69	$ 96,017.20	$ 357,804.51
Ramsey	$ 442,306.46	$ 354,008.65	$ 3,614.00	$ 28,793.72	$ 27,038.10	$ 5,895.79	$ 859,656.72	$ 135,492.13	$ 148,257.35	$ -	$ 5,710.81	$ 5,473.10	$ 1,558.79	$ 296,492.18	$ 1,156,148.90
Ransom	$ 94,943.00	$ 189,457.32	$ 7,888.99	$ 27,962.90	$ 19,544.15	$ 6,014.16	$ 345,810.52	$ 38,890.32	$ 10,315.59	$ -	$ 14,892.90	$ 3,951.31	$ 2,004.16	$ 70,054.29	$ 415,864.81
Renville	$ 106,337.00	$ 147,359.54	$ 6,980.00	$ 19,020.65	$ 15,302.11	$ 3,534.77	$ 298,534.07	$ 47,740.32	$ 16,122.91	$ -	$ 6,494.65	$ 3,143.11	$ 1,224.77	$ 74,725.75	$ 373,259.82
Richland	$ 178,083.60	$ 644,748.11	$ -	$ 52,605.62	$ 33,620.76	$ 8,940.39	$ 917,998.48	$ 69,234.35	$ 53,160.87	$ -	$ 24,074.99	$ 6,934.76	$ 1,603.33	$ 155,008.30	$ 1,073,006.78
Rolette	$ 501,493.30	$ 233,495.54	$ 10,313.41	$ 24,617.39	$ 41,526.48	$ 8,454.56	$ 819,900.68	$ 62,975.97	$ 57,214.64	$ -	$ 2,911.39	$ 4,436.48	$ 2,783.56	$ 130,322.04	$ 950,222.73
Sargent	$ 85,606.05	$ 133,740.94	$ 5,110.52	$ 23,573.38	$ 17,891.37	$ 5,454.99	$ 271,377.25	$ 29,144.34	$ 40,060.00	$ -	$ 13,841.10	$ 3,575.80	$ 2,404.99	$ 89,126.23	$ 360,503.48

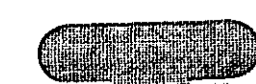
DOJ/DHS 1999-2006 Jurisdictional Distribution of Federal Grant Dollars
($50,959,242.09)

County	Total CBRNE Equipment Purchase	Total Interoperable Communication Purchase	Admin	Training	Planning	Exercise	Total 1999-2005	2006 CBRNE Equipment Allocation	2006 Interoperable Communication Allocation	2006 Admin Alctn	2006 Training Allocation	2006 Planning Allocation	2006 Exercise Allocation	Total 2006	Grand Total
Sheridan	$ 95,866.90	$ 44,082.78	$ 3,269.48	$ 20,503.79	$ 12,666.35	$ 7,584.06	$ 183,973.36	$ 25,230.09	$ 56,628.65	$ -	$ 14,461.79	$ 2,921.35	$ 4,899.06	$ 104,140.95	$ 288,114.31
Sioux	$ 132,855.75	$ 42,568.00	$ -	$ 17,055.54	$ 13,529.11	$ 1,822.40	$ 207,830.80	$ 24,199.95	$ 4,494.35	$ -	$ 6,998.54	$ 2,749.11	$ 779.40	$ 39,221.35	$ 247,052.15
Slope	$ 77,666.79	$ 20,708.00	$ 439.00	$ 4,836.36	$ 8,688.99	$ 983.50	$ 113,322.64	$ 23,840.36	$ 2,247.17	$ -	$ 3,079.36	$ 2,688.99	$ 456.50	$ 32,312.38	$ 145,635.03
Stark	$ 738,282.23	$ 479,551.00	$ 5,000.00	$ 127,691.08	$ 82,381.10	$ 13,281.69	$ 1,446,187.10	$ 151,069.55	$ 137,881.19	$ -	$ 9,238.08	$ 8,077.58	$ 4,453.69	$ 310,720.09	$ 1,756,907.19
Steele	$ 96,495.68	$ 56,290.32	$ 1,373.40	$ 11,462.07	$ 13,911.38	$ 1,961.74	$ 181,494.58	$ 26,037.70	$ 18,779.05	$ -	$ 4,479.07	$ 3,056.38	$ 890.74	$ 53,242.94	$ 234,737.52
Stutsman	$ 764,870.72	$ 454,960.62	$ 9,754.00	$ 58,111.03	$ 47,131.20	$ 11,525.95	$ 1,346,353.52	$ 149,996.67	$ 124,952.18	$ -	$ 19,092.03	$ 7,898.20	$ 3,562.95	$ 305,502.03	$ 1,651,855.54
Towner	$ 94,300.65	$ 195,677.67	$ -	$ 24,981.79	$ 16,761.65	$ 4,836.16	$ 336,557.92	$ 55,632.33	$ 17,525.18	$ -	$ 10,637.79	$ 3,208.65	$ 2,004.16	$ 89,008.11	$ 425,566.04
Traill	$ 194,826.61	$ 158,800.64	$ 2,400.00	$ 10,545.54	$ 18,479.76	$ 2,226.85	$ 387,279.40	$ 42,702.88	$ 134,167.72	$ -	$ 6,998.54	$ 4,588.76	$ 2,226.85	$ 190,684.76	$ 577,964.15
Walsh	$ 194,350.59	$ 390,141.39	$ 5,101.60	$ 45,687.53	$ 29,997.06	$ 8,239.68	$ 673,517.85	$ 60,968.15	$ 177,409.39	$ -	$ 25,362.72	$ 5,552.69	$ 2,226.85	$ 271,519.80	$ 945,037.65
Ward	$ 1,393,969.03	$ 1,923,214.03	$ 26,237.00	$ 414,236.22	$ 175,878.46	$ 19,830.69	$ 3,953,365.43	$ 319,170.48	$ 200,000.00	$ -	$ 40,199.08	$ 16,987.26	$ 4,453.69	$ 580,810.51	$ 4,534,175.94
Wells	$ 45,298.40	$ 159,890.31	$ 1,454.00	$ 17,358.08	$ 14,412.15	$ 2,747.08	$ 241,160.01	$ 37,729.02	$ 22,065.70	$ -	$ 9,238.08	$ 3,757.15	$ 1,002.08	$ 73,792.02	$ 314,952.03
Williams	$ 606,723.49	$ 375,258.86	$ 6,394.18	$ 35,008.50	$ 32,687.63	$ 7,416.11	$ 1,063,488.76	$ 146,832.55	$ 137,781.87	$ -	$ 8,958.14	$ 7,369.17	$ 1,336.11	$ 302,277.83	$ 1,365,766.60
Spirit Lake Si	$ 244,418.87	$ 84,999.20	$ 2,493.69	$ 17,457.55	$ 21,592.80	$ 12,004.16	$ 382,966.27	$ 29,246.03	$ 23,431.64	$ -	$ 11,757.55	$ 3,592.60	$ 2,004.16	$ 70,032.19	$ 452,998.46
Standing Roc	$ 150,667.93	$ 66,380.66	$ -	$ 11,757.55	$ 3,247.34	$ 1,113.42	$ 233,166.91	$ 27,179.85	$ -	$ -	$ 11,757.55	$ 3,247.34	$ 1,113.42	$ 43,298.17	$ 276,465.07
Three Affiliate	$ 178,504.92	$ 92,465.50	$ -	$ 12,757.55	$ 13,957.47	$ 2,004.16	$ 299,689.61	$ 31,427.17	$ 66,006.79	$ -	$ 11,757.55	$ 3,957.47	$ 2,004.16	$ 115,153.15	$ 414,842.76
Turtle Mounta	$ 74,264.13	$ 14,984.90	$ -	$ 8,398.25	$ 13,932.83	$ 4,453.69	$ 116,033.81	$ 31,279.79	$ 119,475.87	$ -	$ 8,398.25	$ 3,932.83	$ 4,453.69	$ 167,540.44	$ 283,574.25
Totals	$ 19,007,359.70	$ 18,508,445.52	$ 236,179.38	$ 2,415,981.72	$ 1,589,542.66	$ 480,310.05	$ 42,237,819.04	$ [illegible]3,909,623.98	$ [illegible]3,341,311.00	$ [illegible]	$ [illegible]721,777.00	$ [illegible]300,740.00	$ [illegible]150,370.00	$ [illegible]8,423,821.98	$ 50,661,641.02

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
NORTHEAST HUMAN SERVICE CENTER



2007-2009 Budget
Authorized: 135.1 FTEs



Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Subcommittee
Senator Fischer, Chairman
January 31st, 2007

Chairman Fischer, members of the Senate Appropriations Committee, I am Kate Kenna, Director of Northeast Human Service Center (NEHSC) of the Department of Human Services (DHS). I am here today to provide you with an overview of the programs and services provided by NEHSC.

Characteristics of the Region

- NEHSC serves the citizens of Grand Forks, Nelson, Walsh and Pembina Counties.
- The population in the Northeast region is approximately 91,000; this represents 14 percent of the state's population. Fifteen percent of the state's children, nearly 23,500, reside in our region.
- NEHSC is located in Grand Forks with a satellite office in Grafton and an outreach site in Cavalier. We serve children and their families with issues of abuse, neglect or emotional disturbance; adolescents and adults with alcohol and drug problems; children and adults with developmental disabilities; and adults with serious and persistent mental illness. An additional area of focus is Vocational Rehabilitation, assisting individuals with disabilities to secure employment.

Clients Served

- NEHSC provided clinical services to 3,072 individuals in SFY 2006. Approximately 30 percent of clients served are under the age of 18. Vocation Rehabilitation served 1,101 clients, and 140 clients were served through the Older Blind program.
- Other residents of our counties received indirect services through such programs as Aging Services, the Foster Grandparent Program, Child Welfare, and community education.
- Priority is placed on serving the region's most vulnerable individuals, including those who cannot otherwise access services.

Trends

- Rate of admissions to the State Hospital continue to be fairly low. We coordinate local services among our medical providers, Altru Hospital, and various local providers to maintain clients in their home communities wherever possible.
- Developmental Disabilities case management had 91 new cases in the Fiscal Year. Most were either very young children or 18-21 year olds who experience gaps in services as they leave the educational system. Many of these young adults have diagnoses such as Traumatic Brain Injury, Asperger's or Fetal Alcohol Syndrome and do not have a wide range of services available in local communities.
- There was a decrease in the number of Child Protective Assessments from 637 in SFY 2005 to 575 in SFY 2006. However, the number of "services required" cases has not decreased.
- There has been an increase in individuals needing substance abuse treatment, primarily for alcohol abuse, and an increase in the number of pregnant women needing treatment.

- Requests for services for individuals involved with the Department of Corrections and the Division of Juvenile Services have increased, as have the number of involuntary commitments for addiction treatment.
- Seventy-five percent of our psychological assessments are for the purpose of assessing parental capacity as requested by Child Protective Services. Forty-five percent of children receiving treatment at NEHSC have been abused or neglected and their treatment is in relation to the abuse/neglect.
- Hiring staff has become increasingly difficult. Low unemployment and market equity issues in high demand areas such as psychology, nursing, and addiction counseling have led to extended vacancies, impacting service capacity.

Accomplishments

- NEHSC, in cooperation with Northwood Clinic and the University of ND Medical School, completed a 1 1/2 year pilot project utilizing telemedicine in the delivery of mental health services to a rural site. We are now expanding this service to provide telemed psychiatric services to the Grand Forks Jail and to the NEHSC outreach site in Grafton.
- The Matrix Model, an evidence-based treatment for individuals with amphetamine abuse problems, has been implemented in the region.
- The Ruth Meiers Adolescent Center has received its first year of accreditation by the Council on Accreditation of Rehabilitation Facilities (CARF). This accreditation is required in order to continue to receive Medical Assistance funding for the program.

- NEHSC is partnering with the University of ND as a training site for the Association of Psychology Postdoctoral and Internship Centers (APPIC). This will increase psychology interns and hopefully improve future recruitment efforts.
- 30 new kinship providers and 10 new foster homes have been added in the NEHSC region in SFY 2006.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
HSCs / Institutions	20,468,060	22,192,605	1,724,545
General	8,332,165	9,936,283	1,604,118
Federal	11,251,266	11,475,195	223,929
Other	884,629	781,127	(103,502)
FTEs	136.25	137.10	0.85

The budget increase is due primarily to:

- The salary/benefits package in the Governor's budget which adds $1,028,874 in total funds. $631,502 of this amount is general funds.
- The Governor's budget adds 2.00 FTE, one for an additional SMI Case Manager and one for a Licensed Addiction Counselor for drug court services, totaling $172,344.
- Other salary changes included the reduction attributed to the contracting of the Infant Development program with a private provider, which is then offset by the funds needed for market equity increases in hard to fill positions and to sustain the year two

employee increase for 24 months vs. 12 months in the current budget. This results in a net decrease of $226,289.

- Also included in the Governor's budget is $730,028 to expand residential capacity for SMI clients. This will assist in lowering census at the State Hospital. $540,002 of this funding is general funds.
- Increased utility costs of $10,000 are factored into the 07-09 budget request for the Ruth Meiers Adolescent Treatment Center. In addition, we have included $8,893 in increased rent for our main office space, with increased utility costs the most significant cause.
- Northeast's budget request was increased by $10,993 as a result of telecommunication rate increases from ITD.
- Inflationary increases for our contracted providers of 3% for each year of the biennium have been included totaling $113,582.
- The above increases are offset by the following: reduction of Part C funded activity of $52,000; reduction of $19,107 for the Foster Grandparent program based on current utilization; and, reduction of $27,509 for the Family Caregiver support program due to moving direct service payments from the regional budget of the central office budget.

Initially 1.15 FTE were reduced as the result of contracting for Infant Development services through a private provider. This is offset by the increase of 2.00 FTE noted above, for a net increase of .85 FTE.

This concludes my testimony; I will be happy to answer any questions.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 5th, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Kate Kenna, Director of Northeast Human Service Center (NEHSC) of the Department of Human Services (DHS). I am here today to provide you with an overview of the programs and services provided by NEHSC.

Characteristics of the Region

- NEHSC serves the citizens of Grand Forks, Nelson, Walsh and Pembina Counties.
- The population in the Northeast region is approximately 91,000; this represents 14 percent of the state's population. Fifteen percent of the state's children, nearly 23,500, reside in our region.
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- Hiring staff has become increasingly difficult. Low unemployment and market equity issues in high demand areas such as psychology, nursing, and addiction counseling have led to extended vacancies, impacting service capacity.

Accomplishments

- NEHSC, in cooperation with Northwood Clinic and the University of ND Medical School, completed a 1 1/2 year pilot project utilizing telemedicine in the delivery of mental health services to a rural site. We are now expanding this service to provide telemed psychiatric services to the Grand Forks Jail and to the NEHSC outreach site in Grafton.
- The Matrix Model, an evidence-based treatment for individuals with amphetamine abuse problems, has been implemented in the region.
- The Ruth Meiers Adolescent Center has received its first year of accreditation by the Council on Accreditation of Rehabilitation Facilities (CARF). This accreditation is required in order to continue to receive Medical Assistance funding for the program.

- NEHSC is partnering with the University of ND as a training site for the Association of Psychology Postdoctoral and Internship Centers (APPIC). This will increase psychology interns and hopefully improve future recruitment efforts.
- 30 new kinship providers and 10 new foster homes have been added in the NEHSC region in SFY 2006.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs / Institutions	20,468,060	1,724,545	22,192,605	37,861	22,230,466
General Funds	8,332,165	1,604,118	9,936,283	33,696	9,969,979
Federal Funds	11,251,266	223,929	11,475,195	4,165	11,479,360
Other Funds	884,629	(103,502)	781,127	-	781,127
Total	20,468,060	1,724,545	22,192,605	37,861	22,230,466

FTE	136.25	0.85	137.1	-	137.1

Budget Changes from Current Budget to Executive Budget:

- The salary/benefits package in the Governor's budget which adds $1,028,874 in total funds. $631,502 of this amount is general funds.
- The Governor's budget adds 2.00 FTE, one for an additional SMI Case Manager and one for a Licensed Addiction Counselor for drug court services, totaling $172,344.
- Other salary changes included the reduction attributed to the contracting of the Infant Development program with a private provider, which is then offset by the funds needed for market equity increases in hard to fill positions and to sustain the year two

employee increase for 24 months vs. 12 months in the current budget. This results in a net decrease of $226,289.

- Also included in the Governor's budget is $730,028 to expand residential capacity for SMI clients. This will assist in lowering census at the State Hospital. $540,002 of this funding is general funds.
- Increased utility costs of $10,000 are factored into the 07-09 budget request for the Ruth Meiers Adolescent Treatment Center. In addition, we have included $8,893 in increased rent for our main office space, with increased utility costs the most significant cause.
- Northeast's budget request was increased by $10,993 as a result of telecommunication rate increases from ITD.
- Inflationary increases for our contracted providers of 3% for each year of the biennium have been included totaling $113,582.
- The above increases are offset by the following: reduction of Part C funded activity of $52,000; reduction of $19,107 for the Foster Grandparent program based on current utilization; and, reduction of $27,509 for the Family Caregiver support program due to moving direct service payments from the regional budget of the central office budget.

Initially 1.15 FTE were reduced as the result of contracting for Infant Development services through a private provider. This is offset by the increase of 2.00 FTE noted above, for a net increase of .85 FTE.

Senate Changes:

Senate action increased the Governor's planned 3% inflationary adjustment for contracted providers for each year of the biennium to 4% each year. The resulting budget increase for NEHSC is $37,861.

General funds increased by $ 33,696 and other funds increased by $4,165.

This concludes my testimony; I will be happy to answer any questions.

Grants Summary

Department of Human Services

NORTHEAST Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Adult Protective Services	General Funds	1,126		(1,126)
Grand Forks County Social Services	Federal Funds	40,700	41,826	1,126
		41,826	41,826	-
Care Coordination	General Funds	68,669	-	(68,669)
Tracking/Mentoring/Attendant Care LSS	Federal Funds	99,049	175,423	76,374
GF Public School Social Workers/Care Coord.	Special Funds	7,705		(7,705)
Nurturing Program (YMCA)		175,423	175,423	-
Crisis Care / Safe Beds	General Funds	154,633	185,155	30,522
Partnership Safe Beds--	Federal Funds	82,550	54,386	(28,164)
Crisis Beds-- Centre, Inc.	Special Funds	2,358		(2,358)
		239,541	239,541	-
DD Services	General Funds	4197	-	(4,197)
Interagency Coordination	Federal Funds	124,653	80,000	(44,653)
Experienced Parent		128,850	80,000	(48,850)
Detoxification	General Funds	21,074	-	(21,074)
Social Detox	Federal Funds	20,000	41,074	21,074
		41,074	41,074	-
Inpatient Hospitalization	General Funds	113,020	113,020	-
SMI-- Altru Hospital		113,020	113,020	-
Psych Social Club	General Funds	190,587	190,587	-
Mental Health Assn of ND		190,587	190,587	-

Grants Summary

Department of Human Services

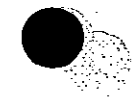
NORTHEAST Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Psychiatric / Psychological / Medical Services	General Funds	178,572	68,511	(110,061)
Psychiatric Services	Federal Funds	110,472	241,352	130,880
	Special Funds	51,664	30,845	(20,819)
		340,708	340,708	-
Residential Services	General Funds	1,439,367	1,316,595	(122,772)
CD Residential -- Centre, Inc Adult	Federal Funds	1,145,136	1,217,944	72,808
CD Residential -- Centre, Inc Adolescent	Special Funds	7,309	57,272	49,963
SMI Residential-- Prairie Harvest HSF		2,591,812	2,591,811	(1)
CD Residential Women & Children Specific				
Substance Abuse Treatment and Prevention	General Funds	19,646	36,574	16,928
Outpatient CD Services-Outreach - MAB Counseling	Federal Funds	102,382	105,819	3,437
	Special Funds	10,443	13,078	2,635
		132,471	155,471	23,000
SUBTOTAL GRANTS		**3,995,312**	**3,969,461**	**(25,851)**
Provider Inflationary Increase per Executive Budget Recommendation (3% & 3%)				**113,582**
	General Funds		**101,088**	
	Federal Funds		**12,494**	
	Special Funds	-		
SUBTOTAL GRANTS		**3,995,312**	**4,083,043**	**87,731**
Provider Inflationary Increase per Senate (Increase to 4% & 4%)				**37,861**
	General Funds		**33,696**	
	Federal Funds		**4,165**	
	Special Funds			
TOTAL GRANTS		**3,995,312**	**4,120,904**	**125,592**

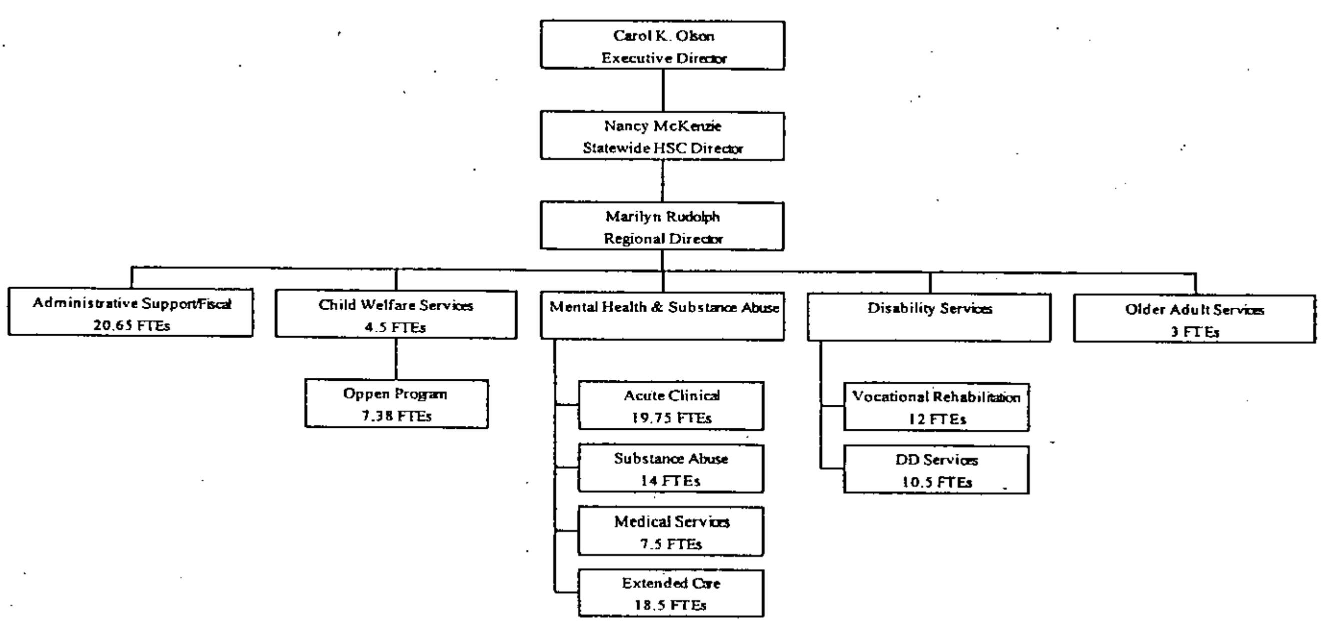
Grants Summary

Department of Human Services
NORTHEAST Human Service Center

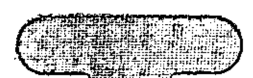
Description		Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
SMI Residential Beds (Transitional/Supported Living Level)					**650,000**
		General Funds		**480,804**	
		Federal Funds		**169,196**	
		Special Funds			
OPERATING BUDGET ADJUSTMENT that will be used as GRANT			**-**	**650,000**	**650,000**



NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
NORTH CENTRAL HUMAN SERVICE CENTER



2007-2009 Budget
Authorized: 117.78 FTEs



Grants Summary

Department of Human Services
__North Central Human Service Center

Description		Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes	$ Contracted	$ Not Contracted	Column E - Columns G&H should be zero
Adult Protective Services		Federal Funds			-			-
			-	-	-	-	-	-
Care Coordination		General Funds			-			-
		Federal Funds			-			-
		Special Funds			-			-
			-	-	-	-	-	-
Case Aide		General Funds	96,772	91,061	(5,711)	88492		2,569
SMI adult--xxx,xxx (amount of contract)		Federal Funds	32,513	53,142	20,629	53142		-
Partnership--		Special Funds	715		(715)			-
Provider Inflation--			130,000	144,203	14,203	141,634	-	2,569
Crisis Care / Safe Beds		General Funds	22,332	12,064	(10,268)	12064		-
Partnership Safe Beds--		Federal Funds	7,503	7,936	433	7936		-
Crisis Beds--		Special Funds	165		(165)			-
			30,000	20,000	(10,000)	20,000	-	-
DD Services		General Funds			-			-
Interagency Coordination--		Federal Funds	40,000	40,000	-	40000		-
Experienced Parent--		Special Funds			-			-
			40,000	40,000	-	40,000	-	-
Detoxification		General Funds			-			-
Social Detox.--		Federal Funds			-			-
Hospital Detox.--			-	-	-	-	-	-
Evaluation Services - VR		General Funds	1,065	1,369	304	1293		76
Medical Consultation--		Federal Funds	3,935	3,935	-	3935		-
Psychological Consultation--			5,000	5,304	304	5,228	-	76
Flex Funds - Partnership		General Funds	18,610	9,048	(9,562)	9048		-
		Federal Funds	6,253	5,952	(301)	5952		-

Grants Summary

Department of Human Services

__**North Central Human Service Center**

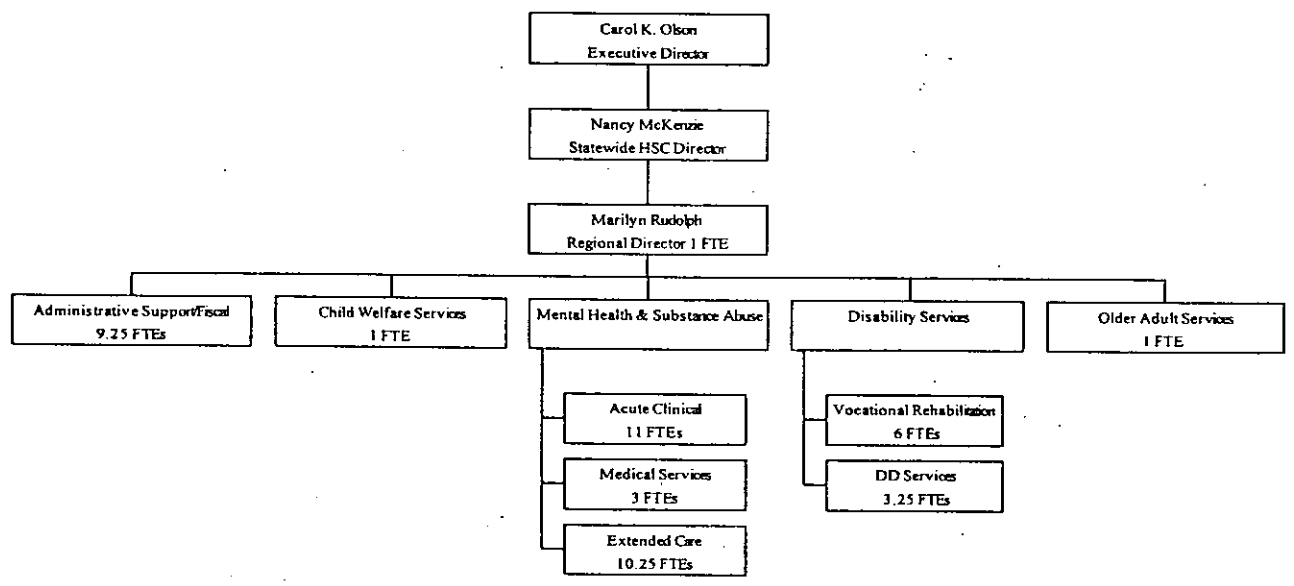
Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes	$ Contracted	$ Not Contracted	Column E - Columns G&H should be zero
	Special Funds	137	-	(137)			-
		25,000	15,000	(10,000)	15,000	-	-
Inpatient Hospitalization	General Funds	725,809	80,828	(644,981)	79669		1,159
SMI--	Federal Funds	436,168		(436,168)			-
Addiction--	Special Funds	38,023		(38,023)			-
		1,200,000	80,828	(1,119,172)	79,669	-	1,159
Psych Social Club	General Funds	150,000	163,933	13,933	161582		2,351
	Federal Funds			-			-
	Special Funds			-			-
		150,000	163,933	13,933	161,582	-	2,351
Psychiatric / Psychological / Medical Services	General Funds	224,005	364,250	140,245	348254		15,996
Psychiatric Services--	Federal Funds	173,965	319,468	145,503	319468		-
Medication Monitor--	Special Funds	62,546	83,711	21,165	83711		-
Case consult. & emergency assess.--		460,516	767,429	306,913	751,433	-	15,996
Title XIX evaluations--							
CD medical assessments--							
CD acupuncture--							
Residential Services	General Funds	440,849	628,778	187,929	605358		23,420
Social Detox--	Federal Funds	419,096	1,324,610	905,514	1324610		-
CD Residential --	Special Funds		28,200	28,200	28200		-
SMI Residential--		859,945	1,981,588	1,121,643	1,958,168	-	23,420
SMI Transitional Living--							
Respite Care	General Funds			-			-
		-	-	-	-	-	-
Substance Abuse Treatment and Prevention	Federal Funds			-			-
Native American Access--		-	-	-	-	-	-
CD Adolescent Recreational/Occupation Therapy--							

Grants Summary

Department of Human Services
__North Central Human Service Center

Description		Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes	$ Contracted	$ Not Contracted	Column E - Columns G&H should be zero
TOTAL GRANTS			**2,900,461**	**3,218,285**	**317,824**	**3,172,714**	**-**	**45,571**

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
NORTHWEST HUMAN SERVICE CENTER



2007-2009 Budget
Authorized: 45.75 FTEs

Grants Summary

Department of Human Services

__Northwest Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes	$ Contracted	$ Not Contracted	Column E - Columns G&H should be zero
Care Coordination	General Funds	17,211		(17,211)			-
	Federal Funds	51,445		(51,445)			-
	Special Funds			-			-
		68,656	-	(68,656)	-	-	-
Crisis Care / Safe Beds	General Funds	100,000	116,880	16,880	115104		1,776
Crisis Beds--	Federal Funds		6,995	6,995	6995		-
	Special Funds			-			-
		100,000	123,875	23,875	122,099	-	1,776
Inpatient Hospitalization	General Funds	328,888	273,222	(55,666)	263640		9,582
Addiction--	Federal Funds	301,112	395,108	93,996	395108		-
	Special Funds			-			-
		630,000	668,330	38,330	658,748	-	9,582
Psych Social Club	General Funds	140,000	153,003	13,003	150809		2,194
	Federal Funds		-	-			-
	Special Funds			-			-
		140,000	153,003	13,003	150,809	-	2,194

Grants Summary

Department of Human Services

__Northwest Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes	$ Contracted	$ Not Contracted	Column E - Columns G&H should be zero
Psychiatric / Psychological / Medical Services	General Funds	119,216	304,506	185,290	297683		6,823
Psychiatric Services--	Federal Funds	286,808	130,927	(155,881)	130927		-
Medication Monitor--	Special Funds	45,245	40,376	(4,869)	40376		-
Title XIX evaluations--		451,269	475,809	24,540	468,986	-	6,823
Title XIX evaluations--							
TOTAL GRANTS		**1,389,925**	**1,421,017**	**31,092**	**1,400,642**	**-**	**20,375**
Inflationary increase - Executive Budget $61,124 and Senate amendment $20,375	General Funds		81,499				
	Federal Funds		0				
	Special Funds		0				

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Subcommittee
Senator Fischer, Chairman
January 31, 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am Marilyn Rudolph, Director of Northwest and North Central Human Service Centers. I am here today to provide you with an overview of Northwest Human Service Center (NWHSC) in Williston and North Central Human Service Center (NCHSC) in Minot.

Characteristics of the Region

- NWHSC serves Region I. We provide services to Divide, McKenzie, and Williams counties. Outreach offices are located in Crosby, Watford City, and Tioga.

Clients Served

- Northwest consistently serves 1,200 clients. Vocational Rehabilitation serves 344 clients. Our contract with Mercy Recovery for addiction services serves 300 adults and 270 adolescents.

Trends

- NWHSC continues to see impact from the upturn of oil activity. It is interesting to note that much of the population of this region is working; thus referrals to Vocational Rehabilitation have decreased. Clients who previously had difficulty finding a job now walk in and are immediately hired for starting wages of $9.00 per hour and sign-on bonuses. Two businesses in Williston have closed due to lack of labor pool. NWHSC is serving more individuals who are working with no

benefits. These same individuals were covered by Medicaid previously, thus some of our revenue is negatively impacted.

Accomplishments

- NWHSC has always promoted work as a therapeutic tool key to the recovery process. Two examples of success are Western Sunrise, the consumer run, nonprofit corporation that has contracts with Northwest Human Service Center and Williston Parks and Recreation for janitorial services, car washes and park maintenance. This type of work instills the basic skills for work readiness and we have many individuals who have gone on to individual employment.
- Another successful venture has been the Peer Support model. Consumers who are stable in their recovery mentor and assist consumers who are newly diagnosed or have had an exacerbation of their illness. Peer support is non-threatening and available 24 hours a day. This helps prevent hospitalization and allows individuals to stay at home. Both are low-cost programs which are easily sustained.
- Partnerships within our community have allowed NWHSC to access federal monies for programs and housing. Our partnership with Community Action has produced the funding for a HUD Section 811 supportive housing project with eight apartments for individuals with serious mental illness. This should be open in late 2007.
- Our partnership with Mercy Hospital, the Prevention Coalition and the schools has allowed "Healthy Williston, Healthy Youth" to be a major vehicle for prevention education. There is no cost to the human service center.
- Mercy Recovery continues to provide addiction services with the guesting option. This has proven to be both economical and extremely effective in treating methamphetamine use.

Issues

- One of the challenges in the upcoming biennium will be recruitment of staff. Easily ten (10) of the current 45.75 FTE are eligible and plan to retire. These are credentialed staff, half of which are supervisory.
- Child psychiatry is a gap in service that we hope to fill with tele-medicine. We have again partnered with Mercy Hospital to recruit a psychiatrist.
- Common themes are evident: staff retirements lead to a loss of historical knowledge and expertise; recruiting and retaining skilled staff in a very competitive market will be a major challenge.

Overview of Budget Changes

Description	2005 – 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Northwest HSC	7,265,560	7,525,581	260,021
General	3,617,868	4,389,323	771,455
Federal	3,300,855	2,791,138	(509,717)
Other	346,837	345,120	(1,717)
FTEs	45.75	45.75	0.00

The change in Northwest Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's budget for salaries and benefits includes General Funds of $273,236, Federal Funds of $90,815 and Other Funds of $5,725 for a total of $369,776.
- The proposed 3% per year inflationary increase for providers is funded with $61,124 in General Funds
- Based on the state pay plan, salaries and fringe benefits for the Center will decrease $90,331.

- The center's public/private grants have decreased $50,407. Forty thousand dollars of this decrease is due to the moving of the DD Infant and Toddlers Part C program to Minot State University.
- Projected operating costs have decreased $30,141. Decreased Operating Fees in the Family Caregiver Support program, DD Infant and Toddlers Part C program and the Semi-Structured Residential Room and Board program account for $25,000 of this decrease.
- A number of programs have seen reductions in Federal Funding. The biggest decrease was in Title XIX collections amounting to $348,004. Reductions in funding for the Mental Health Block Grant, Substance Abuse Prevention Treatment, Vocational Rehabilitation Basic Support, Social Services Block Grant and Infant and Toddlers Part C amount to $269,447.

North Central Human Service Center

I would like to review some recent trends and characteristics that are impacting the operations of North Central Human Service Center (NCHSC).

Characteristics of the Region

- NCHSC serves seven counties: Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward. Regions I and II share several positions. These include the Business Manager, the Childcare Licensing Representative, the Vision Specialist, and the Vulnerable Adult Services/Ombudsman staff person.

Clients Served

- North Central Human Services provides services to 3,293 individuals. Vocational Rehabilitation serves 937 individuals.

Trends

- The impact of referrals from our community partners has challenged us. Over 50% of our addiction referrals are from the Department of Corrections and Rehabilitation. These referrals often require more intensive case management.
- In the area of children's services, we have experienced an increase in complex cases with involvement of multiple community providers. We are fortunate to have staff with advanced skills and credentials to serve children and their families.

Accomplishments

- NCHSC has worked with community partners to develop a full array of residential services to serve individuals with co-occurring disorders. Brooklyn Flats, a contracted crisis residential program with 11 beds, houses individuals who require daily monitoring and treatment. This program diverts individuals from the North Dakota State Hospital.
- New Hope, a contracted program for women and their children has 13 beds. New Hope serves women who need substance abuse treatment and provides programming on daily living skills and parenting.
- With the continuum of care in mind, Recovery House has seven beds for individuals who are in treatment and transitioning back to the community. A stay at Recovery House averages five weeks.
- Hope's House is a 10-bed Therapeutic Community for individuals who have need for longer-term support. An average stay is nine months.
- All of these residential options provide support and stability for individuals trying to maintain a chemical-free lifestyle. Even with this array of options, we find our referrals to the State Hospital increasing due to the chronicity of the addiction and the need for a locked facility.
- In cooperation with the local landlord, we have developed a Supportive Living Arrangement. There are three apartments above the Harmony Center, our psychosocial rehabilitation center. These apartments are eligible for rent assistance, thus individuals with serious and persistent mental illness may live independently with case management support and support from staff at the Harmony Center.

- The Oppen Home has very successfully served young pregnant women and now provides emergency shelter care in order to maintain full capacity. Oppen has been holding stakeholder meetings to assess their services and improve their policies and procedures. The provision of shelter care has filled a vital gap in our region.

Overview of Budget Changes

Description	2005 – 2007 Budget	2007 – 2009 Budget	Increase / Decrease
North Central HSC	15,268,073	16,842,742	1,574,669
General	8,042,290	8,924,775	882,485
Federal	6,371,278	7,064,973	693,695
Other	854,505	852,994	(1,511)
FTEs	116.78	117.78	1.00

The change in North Central Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's proposed budget for salary and fringe benefits includes General Funds of $640,087, Federal Funds of $249,179 and Other Funds of $16,817, for a total of $906,083. Based on the state pay plan salaries and fringe benefits for the Center's current staff will increase $248,037. This increase includes the continuing of the 4% raise given state employees in July 2005 and associated fringe benefits as well as funding for 1.5 FTE DD Case Management positions that were transferred to North Central in the current biennium without any funding attached.

- The proposed 3% per year inflationary increase for providers is funded with $136,712 in General Funds
- The budget includes the addition of a licensed addiction counselor for the drug court program and is funded with general funds of $62,361 and federal funds of $24,299, totaling $86,660.
- The center's public/private grants have increased $135,541. With the loss of the center's one full-time psychiatrist more time has been contracted to meet the demand for psychiatric services.
- Projected operating costs have increased $61,636. Increased cost for State Motor Pool usage of $33,161 and IT-Communications of $35,493 are major causes of this increase.

This concludes my testimony. I will be happy to answer any questions. Thank you for your time.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 5, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Marilyn Rudolph, Director of Northwest and North Central Human Service Centers. I am here today to provide you with an overview of Northwest Human Service Center (NWHSC) in Williston and North Central Human Service Center (NCHSC) in Minot.

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- One of the challenges in the upcoming biennium will be recruitment of staff. Easily ten (10) of the current 45.75 FTE are eligible and plan to retire. These are credentialed staff, half of which are supervisory.
- Child psychiatry is a gap in service that we hope to fill with tele-medicine. We have again partnered with Mercy Hospital to recruit a psychiatrist.
- Common themes are evident: staff retirements lead to a loss of historical knowledge and expertise; recruiting and retaining skilled staff in a very competitive market will be a major challenge.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	7,265,560	260,021	7,525,581	20,375	7,545,956
General	3,617,868	771,455	4,389,323	20,375	4,409,698
Federal	3,300,855	(509,717)	2,791,138	0	2,791,138
Other	346,837	(1,717)	345,120	0	345,120
FTEs	45.75	0	45.75	0.00	45.75

Budget Changes from Current Budget to Executive Budget:

The change in Northwest Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's budget for salaries and benefits includes General Funds of $273,236, Federal Funds of $90,815 and Other Funds of $5,725 for a total of $369,776.
- The proposed 3% per year inflationary increase for providers is funded with $61,124 in General Funds
- Based on the state pay plan, salaries and fringe benefits for the Center will decrease $90,331.

- The center's public/private grants have decreased $50,407. Forty thousand dollars of this decrease is due to the moving of the DD Infant and Toddlers Part C program to Minot State University.
- Projected operating costs have decreased $30,141. Decreased Operating Fees in the Family Caregiver Support program, DD Infant and Toddlers Part C program and the Semi-Structured Residential Room and Board program account for $25,000 of this decrease.
- A number of programs have seen reductions in Federal Funding. The biggest decrease was in Title XIX collections amounting to $348,004. Reductions in funding for the Mental Health Block Grant, Substance Abuse Prevention Treatment, Vocational Rehabilitation Basic Support, Social Services Block Grant and Infant and Toddlers Part C amount to $269,447.

Senate Changes:

- The Senate added $20,375 in General Funds to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase.

North Central Human Service Center

I would like to review some recent trends and characteristics that are impacting the operations of North Central Human Service Center (NCHSC).

Characteristics of the Region

- NCHSC serves seven counties: Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward. Regions I and II share several positions. These include the Business Manager, the Childcare Licensing Representative, the Vision Specialist, and the Vulnerable Adult Services/Ombudsman staff person.

Clients Served

- North Central Human Services provides services to 3,293 individuals. Vocational Rehabilitation serves 937 individuals.

Trends

- The impact of referrals from our community partners has challenged us. Over 50% of our addiction referrals are from the Department of Corrections and Rehabilitation. These referrals often require more intensive case management.
- In the area of children's services, we have experienced an increase in complex cases with involvement of multiple community providers. We are fortunate to have staff with advanced skills and credentials to serve children and their families.

Accomplishments

- NCHSC has worked with community partners to develop a full array of residential services to serve individuals with co-occurring disorders. Brooklyn Flats, a contracted crisis residential program with 11 beds, houses individuals who require daily monitoring and treatment. This program diverts individuals from the North Dakota State Hospital.
- New Hope, a contracted program for women and their children has 13 beds. New Hope serves women who need substance abuse treatment and provides programming on daily living skills and parenting.
- With the continuum of care in mind, Recovery House has seven beds for individuals who are in treatment and transitioning back to the community. A stay at Recovery House averages five weeks.
- Hope's House is a 10-bed Therapeutic Community for individuals who have need for longer-term support. An average stay is nine months.
- All of these residential options provide support and stability for individuals trying to maintain a chemical-free lifestyle. Even with this array of options, we find our referrals to the State Hospital increasing due to the chronicity of the addiction and the need for a locked facility.
- In cooperation with the local landlord, we have developed a Supportive Living Arrangement. There are three apartments above the Harmony Center, our psychosocial rehabilitation center. These apartments are eligible for rent assistance, thus individuals with serious and persistent mental illness may live independently with case management support and support from staff at the Harmony Center.

- The Oppen Home has very successfully served young pregnant women and now provides emergency shelter care in order to maintain full capacity. Oppen has been holding stakeholder meetings to assess their services and improve their policies and procedures. The provision of shelter care has filled a vital gap in our region.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	15,268,073	1,574,669	16,842,742	45,571	16,888,313
General	8,042,290	882,485	8,924,775	45,571	8,970,346
Federal	6,371,278	693,695	7,064,973	0	7,064,973
Other	854,505	(1,511)	852,994	0	852,994
FTEs	116.78	1.00	117.78	0.00	117.78

Budget Changes from Current Budget to Executive Budget:

The change in North Central Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's proposed budget for salary and fringe benefits includes General Funds of $640,087, Federal Funds of $249,179 and Other Funds of $16,817, for a total of $906,083. Based on the state pay plan salaries and fringe benefits for the Center's current staff will increase $248,037. This increase includes the continuing of the 4% raise given state employees in July 2005 and associated fringe benefits as well as funding for 1.5 FTE DD Case Management positions that were transferred to North Central in the current biennium without any funding attached.
- The proposed 3% per year inflationary increase for providers is funded with $136,712 in General Funds

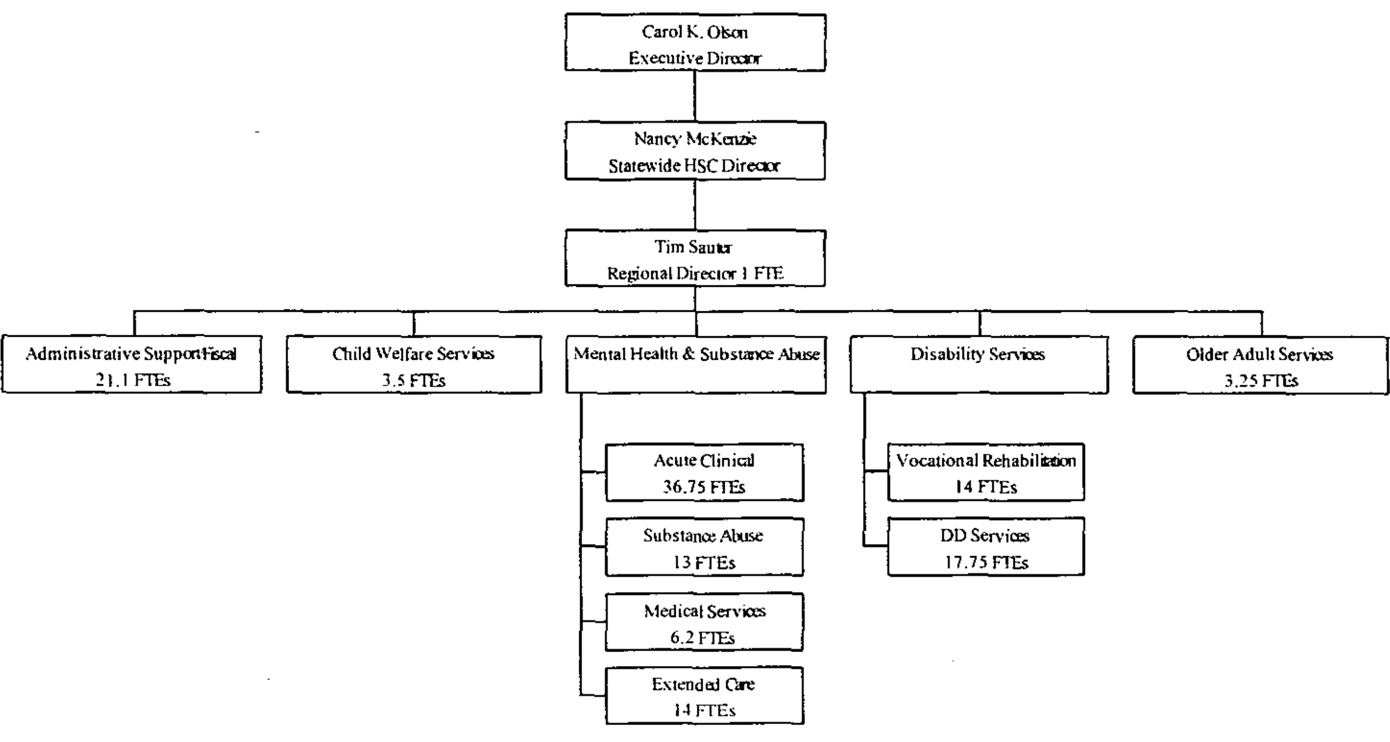
- The budget includes the addition of a licensed addiction counselor for the drug court program and is funded with general funds of $62,361 and federal funds of $24,299, totaling $86,660.
- The center's public/private grants have increased $135,541. With the loss of the center's one full-time psychiatrist more time has been contracted to meet the demand for psychiatric services.
- Projected operating costs have increased $61,636. Increased cost for State Motor Pool usage of $33,161 and IT-Communications of $35,493 are major causes of this increase.

Senate Changes:

- The Senate added $45,571 in General Funds to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase.

This concludes my testimony. I will be happy to answer any questions. Thank you for your time.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
WEST CENTRAL HUMAN SERVICE CENTER



2007-2009 Budget
Authorized: 130.55 FTEs

Grants Summary

Department of Human Services
West Central Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Adult Protective Services	Federal Funds	5,000	5,911	911
		5,000	5,911	911
Care Coordination	General Funds	19,353	20,790	1,437
	Federal Funds	13,037	13,300	263
	Special Funds	1,210	910	(300)
		33,600	35,000	1,400
Case Aide	General Funds	459,491	579,859	120,368
SMI adult--$551,000	Federal Funds	630,633	523,531	(107,102)
Partnership--$545,000	Special Funds	27,701	14,435	(13,266)
CD--$21,825		1,117,825	1,117,825	
Crisis Care / Safe Beds	General Funds	24,864	30,749	5,885
Partnership Safe Beds--$51,766	Federal Funds	16,748	19,671	2,923
	Special Funds	1,554	1,346	(208)
		43,166	51,766	8,600
DD Services	Federal Funds	130,000	70,000	(60,000)
Interagency Coordination--$10,000		130,000	70,000	(60,000)
Experienced Parent--$60,000				
Detoxification	General Funds	755	7,958	7,203
Social Detox--$25,755	Federal Funds	63,000	17,797	(45,203)
		63,755	25,755	(38,000)

Grants Summary

Department of Human Services
West Central Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Evaluation Services - VR	General Funds	3,148	6,296	3,148
Psychological Consultation--$8,000	Federal Funds	852	1,704	852
		4,000	8,000	4,000
Flex Funds - Partnership	General Funds	70,000	35,640	(34,360)
	Federal Funds		22,800	22,800
	Special Funds		1,560	1,560
		70,000	60,000	(10,000)
Inpatient Hospitalization	General Funds	125,000	16,813	(108,187)
SMI--$51,000	Federal Funds		100,121	100,121
Addiction--$74,000	Special Funds		8,066	8,066
		125,000	125,000	
Psych Social Club	General Funds	180,976	184,122	3,146
		180,976	184,122	3,146
Psychiatric / Psychological / Medical Services	General Funds	215,383	202,543	(12,840)
Psychiatric Services--$242,540	Federal Funds	142,550	194,832	52,282
Medication Monitor--$139,000	Special Funds	75,697	69,005	(6,692)
Title XIX evaluations--$41,000		433,630	466,380	32,750
CD medical assessments--$10,560				
CD acupuncture--$33,280				
Residential Services	General Funds	1,034,607	927,477	(107,130)
CD Residential--$746,025	Federal Funds	1,142,026	1,301,693	159,667
SMI Long Term Residential--$494,409	Special Funds	37,832	40,000	2,168
SMI Transitional Living--$564,793		2,214,465	2,269,170	54,705
Crisis Residential--$463,943				

Grants Summary

Department of Human Services
West Central Human Service Center

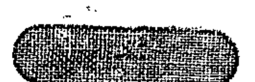
Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Respite Care	General Funds	52,000		(52,000)
	Federal Funds		52,000	52,000
		52,000	52,000	
Substance Abuse Treatment and Prevention	General Funds	100,000	11,900	(88,100)
Native American Access--$100,000	Federal Funds		77,200	77,200
	Special Funds		10,900	10,900
		100,000	100,000	
TOTAL GRANTS REQUEST TO OMB		**4,573,417**	**4,570,929**	**(2,488)**
Executive Budget Recommendation	General Funds		183,675	183,675
CD Adolescent Residential--$95,800	Federal Funds		49,430	49,430
Provider Inflation--3% and 3%--$137,305			233,105	233,105
Senate Adjustments	General Funds		29,292	29,292
Provider Inflation--Increase to 4% and 4%	Federal Funds		16,477	16,477
			45,769	45,769
TOTAL GRANTS REQUEST TO SENATE		**4,573,417**	**4,849,803**	**276,386**

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
BADLANDS HUMAN SERVICE CENTER

- Carol K. Olson, Executive Director
  - Nancy McKenzie, Statewide HSC Director
    - Tim Sauter, Regional Director
      - Administrative Support/Fiscal, 15.20 FTEs
      - Child Welfare Services, 2.00 FTEs
      - Mental Health & Substance Abuse
        - Acute Clinical, 18.00 FTEs
        - Substance Abuse, 5.00 FTEs
        - Medical Services, 3.50 FTEs
        - Extended Care, 16.50 FTEs
      - Disability Services
        - Vocational Rehabilitation, 7.00 FTEs
        - DD Services, 5.25 FTEs
      - Older Adult Services, 1.50 FTEs

2007-2009 Budget
Authorized: 73.95 FTEs

Effective 12/06



Grants Summary

Department of Human Services
Badlands Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Evaluation Services - VR	General Funds	$4,692	$4,692	$0
Medical Consultation	Federal Funds	$1,308	$1,308	$0
		$6,000	$6,000	$0
Psychiatric Services	General Funds	$122,384	$137,578	$15,194
	Federal Funds	$229,000	$300,330	$71,330
	Special Funds	$109,416	$87,532	($21,884)
		$460,800	$525,440	$64,640
Adult Protective Service	Federal Funds	$9,773	$0	($9,773)
		$9,773	$0	($9,773)
Case Aide	Federal Funds	$19,000	$0	($19,000)
		$19,000	$0	($19,000)
DD Services	Federal Funds	$36,000	$36,000	$0
Experienced Parent		$36,000	$36,000	$0
Psych Social Club	General Funds	$170,000	$175,000	$5,000
		$170,000	$175,000	$5,000
Residential Services				
CD Adult Residential Services--213,440	General Funds	$213,440	$68,454	($144,986)
CD Adolescent Residential Services--$36,000	Federal Funds	$36,000	$180,986	$144,986
		$249,440	$249,440	$0
Care Coordination	General Funds	$20,000	$0	($20,000)
	Federal Funds	$12,000	$32,000	$20,000
		$32,000	$32,000	$0
Inpatient Hospitalization	General Funds	$94,500	$130,000	$35,500
		$94,500	$130,000	$35,500
TOTAL GRANTS REQUEST TO OMB		**$1,077,513**	**$1,153,880**	**$76,367**

Grants Summary

Department of Human Services
Badlands Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Executive Budget Recommendation	General Funds		$41,741	$41,741
Provider Inflation--3% and 3%	Federal Funds		$422	$422
			$42,163	**$42,163**
Senate Adjustments	General Funds		$13,914	$13,914
Provider Inflation--Increase to 4% and 4%	Federal Funds		$140	$140
			$14,054	**$14,054**
TOTAL GRANTS REQUEST TO SENATE		**$1,077,513**	**$1,210,097**	**$132,584**

Testimony
SB 2012 – Department of Human Services
Senate Appropriations Subcommittee
Senator Fischer, Chairman
January 31, 2007

Chairman Fischer and members of the Senate Appropriations Subcommittee, I am Tim Sauter of the Department of Human Services. I am submitting this written testimony to provide you an overview of the budget for the West Central and Badlands Human Service Centers.

West Central Human Service Center

West Central Human Service Center (WCHSC) serves the residents of Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan, and Sioux counties.

Clients Served

- 4,542 individuals received service in Fiscal Year 2006 (3,382 adults and 1,160 children).
- 1,578 individuals received vocational rehabilitation services.
- A high percentage (88-91%) of adults who receive services and parents whose children receive services report satisfaction.
- 83% identify that they have improved ability to deal with their daily problems.

Trends

- The number of individuals with developmental disabilities receiving services has increased from 657 in State Fiscal Year (SFY) 1998 to 1,021 in SFY 2006.

- Clients present with more complex conditions and multiple diagnoses.
- While alcohol remains the biggest drug problem, there are increasing numbers of clients who have poly-substance abuse problems.
- Increasing numbers of referrals come from the Department of Corrections and Rehabilitation; this comprises 60% of WCHSC adult addiction clients.
- It continues to be difficult to locate a provider for safe beds for children and for residential services for adolescents receiving substance abuse treatment.
- Staff recruitment and retention have become a greater challenge, due to market salary equity problems.

Accomplishments

- WCHSC has implemented the evidenced-based Matrix Model of addiction treatment.
- Adult and adolescent drug courts continue to produce positive results.
- The WCHSC Vocational Rehabilitation Unit has assisted the start-up of nine new businesses.
- Local pharmacies have assumed the provision of medication packaging services, previously provided by staff nurses.
- We continue to have a minimal number of residents from Region VII enter our two institutions.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase/ Decrease
HSC/Institutions	$18,440,618	$20,768,172	$2,327,554
General	$8,898,665	$10,440,940	$1,542,275
Federal	$8,769,852	$9,411,205	$641,353
Other	$772,101	$916,027	$143,926
FTEs	130.55	131.55	1.00

- The Governor's salary and benefit package adds $1,007,462 in total funds of which $673,456 is general fund.
- Additional changes in the salary area are a result of one additional FTE for drug court efforts, totaling $97,396 of which $79,514 is general funds, and realignment of staff to meet client needs and case ratio requirements totaled $899,408 of which $548,539 is general funds.
- Travel increased $63,205 based on Department of Transportation 2007-2009 rates.
- Office Equipment and Furniture increased $13,370 for replacement of aging office furnishings.
- Building Rent increased $31,440 based on a $0.51 per square foot increase.
- IT Communications increased $26,591 based on Information Technology Department 2007-2009 rates.
- Grants increased by $230,617 to be used for provider inflationary increases and increased funding for substance abuse short-term residential services.

- Federal Funds increased by $641,353 based on additional Medical Assistance and Foster Care IV-E Case Management generated through client services and open-ended federal funding sources such as Basic Support for Rehabilitation Services.
- Other Funds increased by $143,926 based on additional collections for services generated through direct client and third party payments.

Badlands Human Service Center

Badlands Human Service Center serves the people of Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, and Stark counties.

Clients Served

- Badlands served 1,942 individuals (1,357 adults and 585 children) in SFY 2006.
- 383 individuals received vocational rehabilitation services.
- Approximately 90% of adults receiving services and parents of children receiving services report satisfaction with those services.
- 82% identify that they have improved ability to deal with their daily problems

Service Trends

- The number of individuals receiving developmental disabilities services has increased, from 252 in SFY 1998 to 339 in SFY 2006.
- More clients present with complex problems including dual diagnosis and polysubstance abuse.
- Number of referrals from the Department of Corrections has increased; this now comprises 48% of individuals in adult addiction programs.

- There has been increasing need for residential services. We will be increasing the number of residential beds by consolidating services into one location, while remaining budget neutral. Attempts to find a provider for adolescent addiction treatment have been unsuccessful.
- Staff recruitment and retention issues have become increasingly difficult, due to market equity problems.

Accomplishments

- BHSC, along with the other Regional Human Service Centers, has implemented the Matrix Model of addiction treatment.
- By July of 2007 we will have increased the number of residential beds available to adults with mental illness and for those who have substance abuse problems from 9 to 15.
- To meet the need of rural areas, we have enhanced our outreach services in Adams, Bowman, Hettinger and Golden Valley counties.
- We continue to maintain low numbers of individuals admitted to the two state institutions.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase/ Decrease
HSC/Institutions	$9,062,124	$9,848,996	$786,872
General	$4,334,674	$5,003,380	$668,706
Federal	$3,909,411	$3,948,747	$39,336
Other	$818,039	$896,869	$78,830
FTEs	73.95	73.95	0.00

The majority of budget changes can be attributed to:

- Salaries and Fringe Benefits increased by $674,345; $552,796 is to fund the Governor's recommended 07-09 salary and benefit package of which $375,291 is general funds; $121,549 of the increase is to sustain the 05-07 salary increase over the 07-09 biennium, approximately $80,500 of this amount is general funds.
- Telephone increase of $4,506 is due to an increased ITD rate.
- Rent costs increase $110,744; the majority is in the contract with Dickinson State University.
- Operating Fees decreased by ($82,950) of which the Infant and Toddlers budget decreased by ($76,950) and ($6,000) to fund CARF accreditation for Vocational Rehabilitation programs has been eliminated.
- Miscellaneous Supplies decreased by ($25,003).
- Grants (contracts) increase of $118,530; $76,367 is the result of negotiated rates for psychiatry and psychiatric inpatient services with St Joseph's Hospital. The remainder of the increase, $42,163, is the result of a 3% annual inflationary factor included in the Governor's budget for our contracted providers.

This concludes my testimony; I would be happy to answer any questions you may have.

Testimony
SB 2012 – Department of Human Services
House Appropriations – Human Resource Division
Representative Pollert, Chairman
March 5, 2007

Chairman Pollert and members of the House Appropriations Human Resource Division, I am Tim Sauter of the Department of Human Services. I am submitting this written testimony to provide you an overview of the budget for the West Central and Badlands Human Service Centers.

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Trends

- The number of individuals with developmental disabilities receiving services has increased from 657 in State Fiscal Year (SFY) 1998 to 1,021 in SFY 2006.

- Clients present with more complex conditions and multiple diagnoses.
- While alcohol remains the biggest drug problem, there are increasing numbers of clients who have poly-substance abuse problems.
- Increasing numbers of referrals come from the Department of Corrections and Rehabilitation; this comprises 60% of WCHSC adult addiction clients.
- It continues to be difficult to locate a provider for safe beds for children and for residential services for adolescents receiving substance abuse treatment.
- Staff recruitment and retention have become a greater challenge, due to market salary equity problems.

Accomplishments

- WCHSC has implemented the evidenced-based Matrix Model of addiction treatment.
- Adult and adolescent drug courts continue to produce positive results.
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Overview of Budget Changes

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HSCs / Institutions	$18,440,618	$2,327,554	$20,768,172	$45,769	$20,813,941
General Funds	$8,898,665	$1,542,275	$10,440,940	$29,292	$10,470,232
Federal Funds	$8,769,852	$641,353	$9,411,205	$16,477	$9,427,682
Other Funds	$772,101	$143,926	$916,027	$0	$916,027
FTEs	130.55	1.00	131.55	0.00	131.55

Budget Changes from Current Budget to Executive Budget:

- The Governor's salary and benefit package adds $1,007,462 in total funds of which $673,456 is general fund.
- Additional changes in the salary area are a result of one additional FTE for drug court efforts, totaling $97,396 of which $79,514 is general funds, and realignment of staff to meet client needs and case ratio requirements totaled $899,408 of which $548,539 is general funds.
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Senate Changes:

- Inflationary increases, to contract providers, were increased from three percent to four percent per year. This resulted in an increase of $45,769 of which $29,292 is general funds.

Badlands Human Service Center

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Federal Funds	$3,909,411	$39,336	$3,948,747	$140	$3,948,887
Other Funds	$818,039	$78,830	$896,869	$0	$896,869
FTEs	73.95	0.00	73.95	0.00	73.95

Budget Changes from current Budget to Executive Budget:

The majority of budget changes can be attributed to:

- Salaries and Fringe Benefits increased by $674,345; $552,796 is to fund the Governor's recommended 07-09 salary and benefit package of which $375,291 is general funds; $121,549 of the increase is to sustain the 05-07 salary increase over the 07-09 biennium, approximately $80,500 of this amount is general funds.
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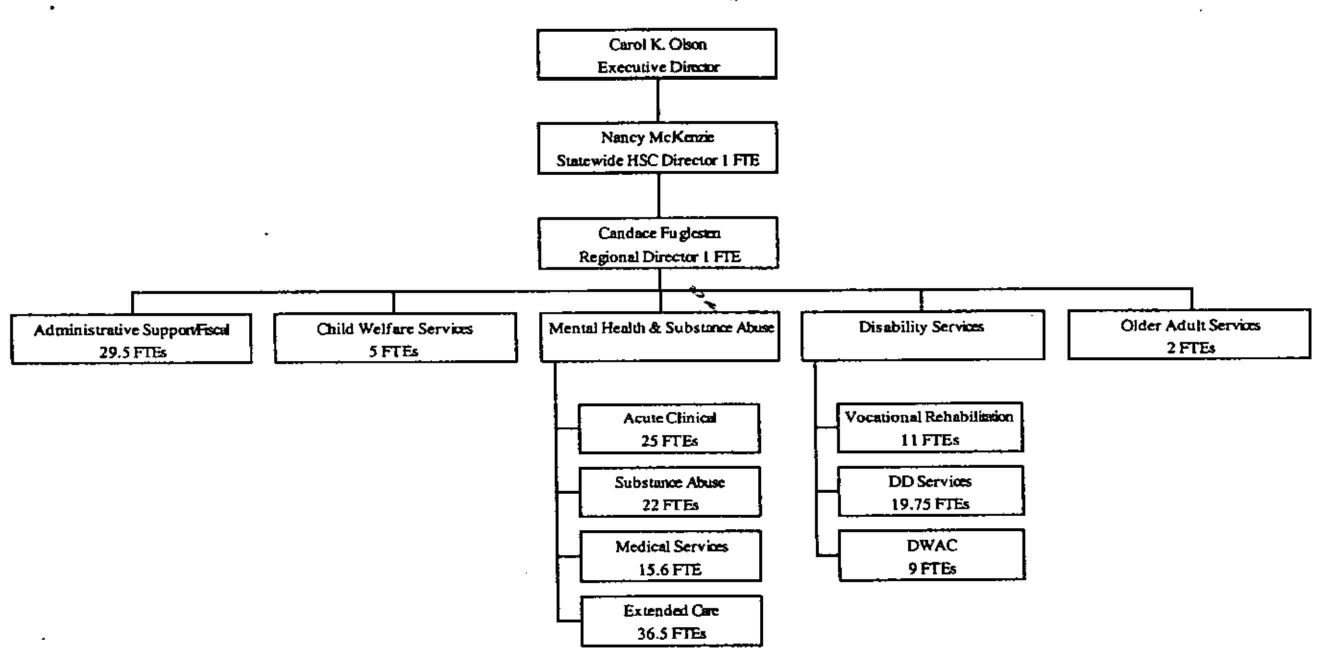
Senate Changes:

- Inflationary increases, to contract providers, were increased from three percent to four percent per year. This resulted in an increase of $14,054 of which $13,914 is general funds.

This concludes my testimony; I would be happy to answer any questions you may have.

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
SOUTHEAST HUMAN SERVICE CENTER



2007-2009 Budget
Authorized: 177.35 FTEs

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Subcommittee
Senator Fischer, Chairman
January 31 , 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am Candace Fuglesten, Director of Southeast Human Service Center (SEHSC) for the Department of Human Services (DHS). I am here today to discuss the programs and services delivered by SEHSC to citizens in Steele, Traill, Cass, Ransom, Sargent and Richland Counties in Region V of our State.

Characteristics of the Region

- The 2004 Census projections estimate that approximately 166,607 individuals or 26% of the state's population reside in the SEHSC region.
- The Fargo area has a strong job market with a low unemployment rate. This creates challenges in terms of placing us in a very competitive market for healthcare professionals, including physicians, psychologists, addiction counselors and case managers. Our staff turnover rate for SFY 2006 was 20.54%, unfortunately, the highest rate within DHS.
- The Fargo-Moorhead area has approximately 400 homeless people living in the metro area on a given night. Fargo is home to 60% of the area's homeless. One third of the city's homeless, or approximately 79 individuals, are considered "long term homeless." That definition is used to describe individuals or families with disabling conditions who have been homeless continuously for at least 1 year, or more than 4 times in the last 3 years (ND Interagency Council on Homelessness).

- Within DHS there were 69 children in the custody of the State of North Dakota from our Region on November 30, 2006. This number has been holding relatively constant for the last two years going from a high of more than 120 children in the last biennium to the current number. These children now tend to be younger and adoption into permanent homes is occurring.

Clients Served

- SEHSC provided behavioral health services to 4,952 individuals in SFY 2006. This represents about a 5% increase since last biennium. Sixty-six percent of these individuals qualified to receive services at 100% discount due to having incomes that fell 100% or more below the poverty index. Thirty percent of the individuals had no third party payment or insurance coverage of any kind.
- SEHSC provided Vocational Rehabilitation (VR) services to 1,711 Individuals. This represents about a 19% increase from the last biennium. Within the Developmental Disability (DD) service area we served 1,042 individuals, which is a 7% increase over last biennium.
- SFY 2006 data shows that 20% of our entire behavioral health clients carry dual diagnosis of serious mental illness and chronic addiction.

Trends

- Due to demand issues and capacity limitations, SEHSC provides all of the established human service center core services, but prioritizes serving the most vulnerable individuals who cannot access services elsewhere in the community/region. Our admission staff assists individuals requesting non-urgent services, who have

the potential to access other community providers, by discussing alternative resources with the caller. Many of these individuals then seek those services from other local providers.

- Due to the high demand for case management services for individuals with serious mental illness and/or chronic addiction, we have identified criteria/levels of care to determine those most in need of this service; i.e. individuals at highest risk of rehospitalization or harm to self or others. Individuals who receive case management services require multiple services, and these capacity demands are reflected in our budget. During the past biennium we have utilized temporary staff, particularly case managers and case aides, to manage the increased need and keep wait times to a minimum.
- 23% of all admissions to the North Dakota State Hospital (NDSH) in FY 2006 came from this region. Short-term inpatient hospitalization for indigent clients is provided at MeritCare Hospital, through a contract with SEHSC.
- Higher occupancy levels at the NDSH have necessitated longer stays at the local hospital resulting in MeritCare providing more services without reimbursement. When necessary, individuals have been diverted to care at other hospitals in the state.
- Eight crisis beds in the community have been at 100% utilization for the past year. These beds are used to provide step down from the hospital, or in some cases hospital diversion. There is always a waiting list for these beds and we triage to utilize those beds for those individuals with the greatest medical need.
- We also contract for crisis beds for children with severe emotional disorders and crisis/social detox beds for adolescents with substance abuse issues. Our adolescent substance abuse beds run

at almost 100% capacity and are contracted with PATH of ND. These beds provide an intensive level of substance abuse residential care in a family setting. Outcomes in this area have been very positive with increased school attendance, reduction in substance use, and successful reintegration into the parental home.

- Many of our clients are involved in corrections either at the local jail and court system or after release from prison and under the supervision of Probation and Parole. We receive a daily census report from the jail, so that we can monitor clients who may be jailed and continue to provide psychiatric and medication follow-up. Our regional intervention staff works with the jail to triage and identify new individuals that need immediate psychiatric evaluations that are completed at the jail. We cannot complete all of the psychiatric evaluations that the jail would like, but the triage process identifies those most at medical need and willing to work with SEHSC. Both the jail and the prison work with us to plan for aftercare as much as possible with appointments made as often as possible for the day of release. Many times we are the first stop upon release from the jail. At any one time we have over 140 clients who have alternative treatment orders and we have judges who are writing orders where the disposition is to follow all treatment recommendations of SEHSC.
- The demand for outreach addiction treatment services for both adults and adolescents within the southern counties in our region continues to grow. We have expanded hours in both Lisbon and Wahpeton to meet this demand.

Accomplishments

I am pleased to report a number of significant accomplishments for Southeast Human Service Center:

- In June 2006 we implemented the evidence based Matrix Model for individuals with methamphetamine abuse problems. The program has been well received, and while it is too early to report scientifically on improved outcomes for large numbers of participants, anecdotal information from clinicians suggest this is an excellent new tool in our treatment arsenal.
- We are also in the early stages of implementing the evidence based practice of Integrated Dual Disorder Treatment (IDDT) which has been proven to improve the quality of life for people with co-occurring mental and substance use disorders. In seeking an improved way to work with our growing population of individuals with both serious mental illness and substance abuse, we noted that IDDT research indicated outcomes which include **reduced** rates of relapse, hospitalization, arrest, incarceration, and utilization of high cost services while **increasing** continuity of care, quality of life outcomes, stable housing, employment, and independent living. This model provides staff with very specific strategies for delivering service. DHS-Mental Health and Substance Abuse Division is working with us on the implementation of this practice and has set up a number of research and data gathering efforts which will monitor progress in achieving these positive outcomes. You can expect to hear more about this model of care as we put it into practice.
- In conjunction with the University of North Dakota Medical School, SEHSC provides a psychiatric residency-training site for a number

of students each year. This has assisted with recruitment of psychiatrists both at our center and within the state.

- SEHSC is approved as a training site for the Association of Psychology Postdoctoral and Internship Centers (APPIC) and each year selects two students from across the country to participate in a 9-month internship program. A number of these trainees have gone on to employment with DHS or within our State.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
SEHSC	23,526,522	26,145,474	2,618,952
General	9,955,620	11,848,875	1,893,255
Federal	12,441,908	13,077,938	636,030
Other	1,128,994	1,218,661	89,667
FTEs	177.35	183.35	6.00

- The increase in salary and fringe benefits is a result of the salary and health insurance package in the Governor's budget; this adds $1,442,151 in total funds of which $895,961 is general funds.
- Additional increases in the salary area are the result of 6 FTE added in the Governor's budget to address regional capacity concerns, sex offender treatment need and drug court efforts. These increase the budget by $536,174; $339,485 of this amount is general funds. Other increases totaling $313,782 are the result of critical market equity increases to recruit and retain staff in hard-to-fill classifications, and to meet staff to client ratios for DD and VR services.
- Operating increases of $219,694 are the result of increased rent of $114,041 for the growing dual diagnosis treatment program,

$37,869 increase in phone costs due to rate increase by ITD, $20,503 increase for natural gas and electricity, and $17,445 increase in building repair costs for needed upkeep. There are additional motor pool costs of $37,325 due to the increase in gasoline prices and increased outreach to vulnerable clients in rural areas of the region.

- Capital Assets decreased by $509,362 due the bonds for the SE facility being fully paid in December of 2008.
- Grants increased by $616,513 primarily based on the following: Inflationary increases for providers of $183,962, an increase of $528,174 for 7 additional crisis beds to bring the total to 15 and a decrease of $91,049 in contracts for the experienced parent program.

This completes my testimony; I would be happy to answer any questions you may have.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations–Human Resources Division
Representative Pollert, Chairman
March 5 , 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Candace Fuglesten, Director of Southeast Human Service Center (SEHSC) for the Department of Human Services (DHS). I am here today to discuss the programs and services delivered by SEHSC to citizens in Steele, Traill, Cass, Ransom, Sargent and Richland Counties in Region V of our State.

Characteristics of the Region

- The 2004 Census projections estimate that approximately 166,607 individuals or 26% of the state's population reside in the SEHSC region.
- The Fargo area has a strong job market with a low unemployment rate. This creates challenges in terms of placing us in a very competitive market for healthcare professionals, including physicians, psychologists, addiction counselors and case managers. Our staff turnover rate for SFY 2006 was 20.54%, unfortunately, the highest rate within DHS.
- The Fargo-Moorhead area has approximately 400 homeless people living in the metro area on a given night. Fargo is home to 60% of the area's homeless. One third of the city's homeless, or approximately 79 individuals, are considered "long term homeless." That definition is used to describe individuals or families with disabling conditions who have been homeless continuously for at least 1 year, or more than 4 times in the last 3 years (ND Interagency Council on Homelessness).

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Trends

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the potential to access other community providers, by discussing alternative resources with the caller. Many of these individuals then seek those services from other local providers.

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Accomplishments

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of students each year. This has assisted with recruitment of psychiatrists both at our center and within the state.

- SEHSC is approved as a training site for the Association of Psychology Postdoctoral and Internship Centers (APPIC) and each year selects two students from across the country to participate in a 9-month internship program. A number of these trainees have gone on to employment with DHS or within our State.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
HSC	23,526,522	2,618,952	26,145,474	61,321	26,206,795
General Funds	9,955,620	1,893,255	11,848,875	61,321	11,910,196
Federal Funds	12,441,908	636,030	13,077,938		13,077,938
Other Funds	1,128,994	89,667	1,218,661		1,218,661

FTE	177.35	6.00	183.35	0	183.35

Budget Changes from Current Budget to Executive Budget:

- The increase in salary and fringe benefits is a result of the salary and health insurance package in the Governor's budget; this adds $1,442,151 in total funds of which $895,961 is general funds.
- Additional increases in the salary area are the result of 6 FTE added in the Governor's budget to address regional capacity concerns, sex offender treatment need and drug court efforts. These increase the budget by $536,174; $339,485 of this amount is general funds. Other increases totaling $313,782 are the result of critical market

equity increases to recruit and retain staff in hard-to-fill classifications, and to meet staff to client ratios for DD and VR services.

- Operating increases of $219,694 are the result of increased rent of $114,041 for the growing dual diagnosis treatment program, $37,869 increase in phone costs due to rate increase by ITD, $20,503 increase for natural gas and electricity, and $17,445 increase in building repair costs for needed upkeep. There are additional motor pool costs of $37,325 due to the increase in gasoline prices and increased outreach to vulnerable clients in rural areas of the region.
- Capital Assets decreased by $509,362 due the bonds for the SE facility being fully paid in December of 2008.
- Grants increased by $616,513 primarily based on the following: Inflationary increases for providers of $183,962, an increase of $528,174 for 7 additional crisis beds to bring the total to 15 and a decrease of $91,049 in contracts for the experienced parent program.

Senate Changes:

- Inflationary increases for providers of $61,321, all general fund, to bring the total amount to 4% per year.

This completes my testimony; I would be happy to answer any questions you may have.

Grants Summary

Department of Human Services
Southeast Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Adult Protective Services	Federal Funds	80,800	80,800	-
		80,800	80,800	-
Care Coordination	General Funds	32,096	5,253	(26,843)
Wrap Around $17,702	Federal Funds	46,818	67,001	20,183
West Fargo $54,552	Special Funds	14,340		(14,340)
Summer Prog $0		93,254	72,254	(21,000)
Case Aide	General Funds	85,951	69,927	(16,024)
SMI adult--85,970	Federal Funds	140,745	183,890	43,145
CD adult--55,000	Special Funds	28,978	1,857	(27,121)
Partnership-- $114,704		255,674	255,674	-
Provider Inflation--				
Crisis Care / Safe Beds	General Funds	81,835	76,319	(5,516)
Partnership Safe Beds--$144,311	Federal Funds	294,715	311,445	16,730
Crisis Beds-- $226,800	Special Funds	28,796	13,347	(15,449)
Crises Line $30,000		405,346	401,111	(4,235)
DD Services	General Funds		4,945	4,945
Behavioral Therapy $15,600	Federal Funds	151,357	70,963	(80,394)
Experienced Parent--$60,308		151,357	75,908	(75,449)
Detoxification	General Funds	4,416	6,214	1,798
Social Detox.-- $7,229	Federal Funds	2,084	1,015	(1,069)
Hospital Detox.--		6,500	7,229	729
Flex Funds - Partnership	General Funds	15,590	3,607	(11,983)
	Federal Funds	14,142	33,842	19,700
	Special Funds	6,965		(6,965)
		36,697	37,449	752
Inpatient Hospitalization	General Funds	239,011	115,582	(123,429)
SMI-- $135,507	Federal Funds	130,419	253,848	123,429
Addiction-- $233,923		369,430	369,430	-
Psych Social Club	General Funds	185,195	185,299	104
	Federal Funds			-
		185,195	185,299	104
Psychiatric / Psychological / Medical Services	General Funds	8,460	13,617	5,157
Psychiatric Services-- $51,000	Federal Funds	35,180	33,010	(2,170)
	Special Funds	7,360	4,373	(2,987)
		51,000	51,000	-
Residential Services	General Funds	605,458	764,373	158,915
CD Residential -- $504,627	Federal Funds	961,088	1,071,400	110,312
SMI Residential-- $832,969	Special Funds	12,950	237,706	224,756
Supportive Living-- $207,709		1,579,496	2,073,479	493,983

Grants Summary

Department of Human Services
Southeast Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Respite Care	General Funds		37,667	37,667
	Federal Funds	112,992	112,992	-
		112,992	150,659	37,667
Substance Abuse Treatment and Prevention	General Funds			-
Native American Access--	Federal Funds			-
CD Adolescent Recreational/Occupation Therapy--	Special Funds			-
Interpretors		-	-	-
SUBTOTAL GRANTS		**3,327,741**	**3,760,292**	**432,551**
Inflationary Increase per Executive Budget Recommendation (3% & 3%)				**183,962**
	General Funds		**183,962**	
	Federal Funds			-
	Special Funds			-
SUBTOTAL GRANTS		**3,327,741**	**3,944,254**	**616,513**
Inflationary Increase per Senate (Increase to 4% & 4%)				**61,321**
	General Funds		**61,321**	
	Federal Funds			-
	Special Funds			-
TOTAL GRANTS		**3,327,741**	**4,005,575**	**677,834**

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
SOUTH CENTRAL HUMAN SERVICE CENTER

- Carol Olson, Executive Director
  - Nancy McKenzie, Statewide HSC Director
    - Lynn Nelson, Regional Director (1 FTE)
      - Administrative Support/Fiscal – 12.5 FTEs
      - Child Welfare Services – 2 FTEs
      - Mental Health and Substance Abuse Services
        - Acute Clinical Services – 15 FTEs
        - Substance Abuse Services – 9 FTEs
        - Medical Services – 6 FTEs
        - Extended Care – 20 FTEs
      - Disability Services
        - Vocational Rehabilitation – 9 FTEs
        - Developmental Disabilities – 10.5 FTEs
      - Older Adult Services – 2 FTEs

2007-2009 Budget Authorized: 87 FTEs

Grants Summary

Department of Human Services
South Central Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Adult Protective Services	Federal Funds	$37,500	$37,500	$0
		$37,500	$37,500	$0
Case Aide	Federal Funds	$15,000	$7,800	($7,200)
Partnership-- $7,800		$15,000	$7,800	($7,200)
DD Services	Federal Funds	$172,124	$40,000	($132,124)
Interagency Coordination--$0		$172,124	$40,000	($132,124)
Experienced Parent-- $40,000				
DD Infant Development--$0				
Psych Social Club	General Funds	$188,820	$192,816	$3,996
		$188,820	$192,816	$3,996
Residential Services	General Funds	$847,540	$2,096,892	$1,249,352
Social Detox-- $14,400	Federal Funds	$587,658	$1,162,536	$574,878
CD Residential -- $504,180	Special Funds	$62,095	$61,221	($874)
SMI Residential-- $539,678		$1,497,293	$3,320,649	$1,823,356
SMI Transitional Living--				
Semi-Structured-- $884,088				
TL home lease-- $48,000				
TL facility - 15 bed -- $1,400,000				
Respite Care	General Funds	$12,000	$6,000	($6,000)
		$12,000	$6,000	($6,000)
SUBTOTAL GRANTS		**$1,922,737**	**$3,604,765**	**$1,682,028**
Inflationary Increase per Executive Budget Recommendation (3% / 3%)				**$118,582**
	General Funds		$87,751	
	Federal Funds		$30,831	
SUBTOTAL GRANTS			**$3,723,347**	**$1,800,610**
Inflationary Increase per Senate (Increase to 4% / 4%)				**$27,211**
	General Funds		$22,413	
	Federal Funds		$4,798	
TOTAL GRANTS			**$3,750,558**	**$1,827,821**

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
LAKE REGION HUMAN SERVICE CENTER

- Carol Olson, Executive Director
  - Nancy McKenzie, Statewide HSC Director
    - Lynn Nelson, Regional Director
      - Administrative Support/Fiscal — 12 FTEs
      - Child Welfare Services — 3 FTEs
      - Mental Health and Substance Abuse Services
        - Acute Clinical Services — 16 FTEs
        - Substance Abuse Services — 10 FTEs
        - Medical Services — 2 FTEs
        - Extended Care — 6 FTEs
      - Disability Services
        - Vocational Rehabilitation — 5 FTEs
        - Developmental Disabilities — 6.25 FTEs
      - Older Adult Services — 2 FTEs

2007-2009 Budget
Authorized: 62.25
FTEs

Grants Summary

Department of Human Services
Lake Region Human Service Center

Description	Funding	2005-07 Appropriation	2007-09 Budget Recommendation	Total Changes
Psych Social Club - Progress Enterprises	General Funds	140,000	140,000	-
Progress Enterprises:		140,000	140,000	-
Psychiatric / Psychological / Medical Services	General Funds	56,089	57,764	1,675
Dr. Terry Clinkenbeard:	Federal Funds	14,818	18,252	3,434
	Special Funds	21,649	16,540	(5,109)
		92,556	92,556	-
Residential Services	General Funds	975,061	592,955	(382,106)
Spirit Lake Low Intensity $106,470.00	Federal Funds	493,541	913,341	419,800
Progress Enterprises Rolla Unit $400,128.00	Special Funds	13,362		(13,362)
Progress Enterprises DL Unit $743,680.00		1,481,964	1,506,296	24,332
	General Funds	40,000		(40,000)
Respite Care	Federal Funds		40,000	40,000
Payments made directly to individual providers.		40,000	40,000	-
Substance Abuse Treatment and Prevention	Federal Funds	200,000	200,000	-
Spirit Lake Tribe $100,000.00		200,000	200,000	-
Turtle Mtn Tribe $100,000.00				
SUBTOTAL GRANTS		**1,954,520**	**1,978,852**	**24,332**
Inflationary Increase per Executive Recommendation (3% each year)	General Funds		**89,263**	**89,263**
TOTAL GRANTS			**2,068,115**	**113,595**
Inflationary Increase per Senate (Increased from 3%/3% to 4%/4%):	General Funds		**29,754**	**29,754**
TOTAL GRANTS			**2,097,869**	**143,349**

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Subcommittee
Senator Fischer, Chairman
January 31, 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am Lynn Nelson of the Department of Human Services. I am here today to provide you an overview of the budget for the Lake Region and South Central Human Service Centers.

Lake Region Human Service Center

I would like to discuss some recent trends and characteristics that are affecting the operations of the Lake Region Human Service Center (LRHSC), serving Ramsey, Cavalier, Rolette, Towner, Benson and Eddy Counties. In the year 2004, population estimates were 41,793 residents in Region III.

Characteristics of the Region

- Racial diversity continues to increase in the Lake Region, with a gain of 2,122 Native Americans since the 1990 census. As of year 2000, there were 14,129 Native Americans in the region, which is 45% of all the Indian people in the state.
- TANF Recipients: The Lake Region has the largest number of TANF recipients in the state. November 2006 statistics show 850 families, or 40% of the state total, was in Region III. Rolette County alone had 627 families on TANF.
- Job Service statistics show Region III has the highest unemployment rate of any region in the state (4%). The state average is 2.3% (non-seasonally adjusted rate).

Clients Served

- LRHSC provided services to 2,486 individuals in fiscal year 2006; 1,798 adults and 688 children received services. In addition, 390 individuals received Vocational Rehabilitation Services. Another 139 individuals received Older Blind Services.

Trends

- LRHSC also experiences challenges in recruitment of staff. LRHSC has been actively recruiting a vacant psychology position for many months.
- LRHSC continues to operate substance abuse treatment programs in both Rolla and Devils Lake. In fiscal year 2006, Lake Region had 191 adults admitted to our Crisis Units (101 in Devils Lake; 90 at our Rolla location) and an additional 48 adolescent crisis residential unit admissions needing addiction treatment.
- One-third of the North Dakota citizens in Region III are Native Americans and recently approximately 40% of all clients receiving clinical services at LRHSC were Native American. This percentage climbs much higher in the substance abuse area.
- Lake Region, in a recent point in time analysis, revealed that 239 adult clients were externally motivated for services by either the Court System or Probation and Parole. Sixty-nine percent of these referrals were for substance abuse services. Of the 91 adults referred by state Probation and Parole during the time analysis, 77% were referred for substance abuse services.
- In both adolescent and adult populations, there is a definite sustained increase in presenting problems involving dual mental health and substance abuse issues.

- In substance abuse programs, there is an increase in clients who also have child protective service concerns.
- LRHSC continues to see increases in crisis line calls. In fiscal year 2006, 711 emergency services calls were recorded at Lake Region. During that same time frame, we experienced an increase in the number of calls that reflect dual diagnosis problems and an increase in substance abuse callers.

Accomplishments

- LRHSC continues to provide clinical services at satellite clinics in New Rockford, Fort Totten, Langdon, Cando and a full-time satellite office in Rolla. In addition, case managers travel to each of the six counties in Region III, providing case management services.
- In the last census, Rolette County surpassed Ramsey County and is now the region's largest county. As a result of this growth, the Center has expanded its presence in Rolette County to meet the increased service demands. In order to reduce the amount of travel time and to increase the effectiveness of services, two staff positions have been transferred from the Devils Lake office to the Rolla outreach office. One full-time Mental Illness Case Manager and one full-time Developmental Disabilities Case Manager are now located in Rolette County. During the past biennium, we have also stationed an MSW in Rolla to work with TANF recipients. This individual works in a collaborative effort with the Division of Economic Assistance, Rolette County Social Services, Job Service of North Dakota and a number of Tribal agencies from the Turtle Mountain Band of Chippewa. As a result of the increased demands in Rolette County, we have moved into new office space located in the city of Rolla.

- During the past year, Prairie Heights, a private residential program for 22 individuals with serious mental illness and homelessness, opened in Devils Lake. LRHSC provides a variety of clinical services to the residents of this program.
- During this biennium, we have successfully dealt with a shortage of addiction counselors. Three staff at LRHSC have moved from non-addiction positions and are now fully licensed addiction counselors.
- Also during the next biennium, we anticipate several retirements of long-time supervisors. We have been successful in recruitment of MSW and Licensed Professional Counselors and hope this trend continues.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase/ Decrease
HSCs/Institutions	8,919,307	9,853,344	934,037
General	4,780,621	5,436,010	655,389
Federal	3,652,704	3,965,903	313,199
Other	485,982	451,431	(34,551)
FTEs	61.25	62.25	1.00

- Salary and fringe benefits increases of $489,369 based on the Governor's proposed salary increases and continuation of the current benefits package. Of this amount, $357,895 is general funds, $124,077 is federal funds, and $7,397 is other funds.

- An additional amount of $267,346 in salaries and fringe benefits is the result of several factors, including carrying forward the current biennium's second year of the 4% salary increase, retiree payouts and adjustments for critical market equities.
- Building rent increased $59,321. Of this amount, $45,840 is to continue funding the new office space in Rolla and $13,481 for increased costs at the main office in Devils Lake.
- An inflationary increase in the Governor's budget based on a 3% each year of the biennium adds $89,263 for the Center's contracted providers.
- Federal funding increased due to an increase in Medicaid collections. Other Funding decreased due to reduced collections from insurance companies and responsible parties.
- An increase of one FTE to convert a current full-time temporary case aide position into a full-time permanent position.

South Central Human Service Center

I would like to discuss some recent trends and characteristics that are affecting the operations of the South Central Human Service Center (SCHSC), serving Foster, Wells, Griggs, Barnes, Stutsman, LaMoure, Dickey, McIntosh and Logan Counties. In the year 2004, population estimates were 57,914 residents in Region VI.

Characteristics of the Region

- Citizens (age 60+) comprised of 26.2% of the total population in Region VI, making the South Central region the oldest in the state.
- It is anticipated that between the years 2010 and 2015, the number of older residents in Region VI will have grown approximately 17%. This will mean that in less than 10 years, 34.9% of the region's residents will be age 60 and over.
- Region VI, like Region III, has no private inpatient mental health treatment facility. Regions III and VI utilize the North Dakota State Hospital for acute inpatient needs. Individuals from Region VI also access out-of-region private psychiatric hospitals.

Clients Served

- SCHSC provided services to 2,869 individuals in fiscal year 2006. (2,175 adults and 694 children received services.) In addition, 629 individuals received Vocational Rehabilitation Services and 131 individuals received Older Blind Services.

Trends

- SCHSC continues to provide clinical services at satellite clinics in Valley City, Oakes, Carrington, Cooperstown, LaMoure, Wishek and

Fessenden. In addition to these formal sites, case managers for individuals with serious mental illness and developmental disabilities travel to each of the nine counties in Region VI, providing case management services.

- SCHSC has the only full-time community psychiatrist in Region VI.
- During the past year, there has been increased utilization of the North Dakota State Hospital, which has been at capacity on several occasions.
- The incidents of adult abuse and neglect in Region VI continue to increase with 143 new cases reported in fiscal year 2006.
- This biennium, SCHSC has experienced difficulty recruiting licensed addiction counselors, a psychologist and a psychiatrist.
- We are seeing an increase in request for services from the court and correction sectors. For example, individuals are being referred to our programs upon release from correction facilities for services that may have been ordered as part of their sentencing requirements. Another example is an increase in referrals from the court for evaluations of both addiction and mental health issues as being either a pre-sentencing order or as part of a diversion from incarceration.
- County Social Service departments continue to have frequent requests for services with many referrals including child abuse/neglect, need for parental capacity evaluations and assessments of mental health needs of children who have entered into the foster care system.
- Requests for emergency interventions continue to be strong from our local hospital emergency rooms, law enforcement and county sheriff's departments. SCHSC provided 506 individuals emergency services in fiscal year 2006.

- In fiscal year 2006, 249 individuals were admitted to the Crisis Residential Unit in Jamestown. This number reflects a small increase over the previous fiscal year.

Accomplishments

- SCHSC staff are currently working with a private provider, the Open Door Program in Valley City, to transition six individuals with serious mental illness from the North Dakota State Hospital into an existing independent living program operated by Open Door. Open Door has successfully provided programming for up to 12 individuals for several years. The expansion of the Open Door Program to 18 individuals does have a positive impact on the available bed space at the North Dakota State Hospital.
- The North Dakota State Hospital recently issued a Request For Proposal to establish a 15 bed transitional living program. The program is intended to provide community living and treatment for 15 long-term hospital patients with serious mental illness. The Request For Proposal was awarded to Progress Enterprises of Jamestown. SCHSC was asked to work with Progress on the development of this program. The contract will be negotiated between SCHSC and Progress Enterprises, and the program will commence early this spring. This program will result in more availability of bed space at the State Hospital for treatment of individuals with acute mental health treatment needs.
- Region VI has enrolled a total of 294 families into the North Dakota Family Caregiver Support Program since its inception, while in many cases allowing families to delay transitioning of a loved one to a care facility. The program continues to grow and will be impacted by the availability of program dollars in the near future.

- Less than two years ago, SCHSC had one aftercare group for individuals experiencing chemical dependency. Currently there are four aftercare groups available, each with more than 15 regular members. This reflects the emphasis on the need for longer aftercare for individuals who have both chronic addiction histories as well as the significant aftercare needs of those with methamphetamine addiction.
- During the past year, SCHSC has implemented an evidence-based practice treatment model referred to as the Matrix Model. This model was designed to be used in outpatient settings. We continue to expand the use of this model, both in Region III and Region VI.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase/ Decrease
HSCs/Institutions	12,125,238	14,741,738	2,616,500
General	5,855,329	8,291,192	2,435,863
Federal	5,401,154	5,681,901	280,747
Other	868,755	768,645	(100,110)
FTEs	87.60	87.00	(0.60)

- Salary and benefits increased by $682,997 based on the Governor's recommended salary and benefits package; $472,611 of this amount is general funds, $197,937 is federal funds, and $12,449 is other funds.
- An additional amount of $171,752 in salaries and fringe benefits is the result of several factors, including carrying forward the current

biennium's second year of the 4% salary increase, retiree payouts and adjustments for critical market equities.

- The IT-Communications budget area had an increase of $20,033 due to an increase in phone charges.
- Grants, Benefits and Claims increases are the result of a coordinated effort between the North Dakota State Hospital and the Human Service Center to make more beds available at the State Hospital for those clients needing that level of care. There will be approximately 21 clients transferred out of the State Hospital into community-based programming by June 2007. This will open bed space at the hospital to accommodate clients needing that level of care. These changes increased the total by $1,682,028, of which $1,560,790 is general funds.
- Inflationary increases for contracted providers amounted to $118,562 based on a 3% increase for each year of the biennium.
- Federal funding increased due to an increase in Medicaid collections. Other Funding decreased due to reduced collections from insurance companies and responsible parties.
- A decrease of .60 FTE is due to additional contracting of Infant Development Services.

That concludes my testimony; I would be happy to answer any questions.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 5, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Lynn Nelson of the Department of Human Services. I am here today to provide you an overview of the budget for the Lake Region and South Central Human Service Centers.

Lake Region Human Service Center

I would like to discuss some recent trends and characteristics that are affecting the operations of the Lake Region Human Service Center (LRHSC), serving Ramsey, Cavalier, Rolette, Towner, Benson and Eddy Counties. In the year 2004, population estimates were 41,793 residents in Region III.

Characteristics of the Region

- Racial diversity continues to increase in the Lake Region, with a gain of 2,122 Native Americans since the 1990 census. As of year 2000, there were 14,129 Native Americans in the region, which is 45% of all the Indian people in the state.
- TANF Recipients: The Lake Region has the largest number of TANF recipients in the state. November 2006 statistics show 850 families, or 40% of the state total, was in Region III. Rolette County alone had 627 families on TANF.
- Job Service statistics show Region III has the highest unemployment rate of any region in the state (4%). The state average is 2.3% (non-seasonally adjusted rate).

Clients Served

- LRHSC provided services to 2,486 individuals in fiscal year 2006; 1,798 adults and 688 children received services. In addition, 390 individuals received Vocational Rehabilitation Services. Another 139 individuals received Older Blind Services.

Trends

- LRHSC also experiences challenges in recruitment of staff. LRHSC has been actively recruiting a vacant psychology position for many months.
- LRHSC continues to operate substance abuse treatment programs in both Rolla and Devils Lake. In fiscal year 2006, Lake Region had 191 adults admitted to our Crisis Units (101 in Devils Lake; 90 at our Rolla location) and an additional 48 adolescent crisis residential unit admissions needing addiction treatment.
- One-third of the North Dakota citizens in Region III are Native Americans and recently approximately 40% of all clients receiving clinical services at LRHSC were Native American. This percentage climbs much higher in the substance abuse area.
- Lake Region, in a recent point in time analysis, revealed that 239 adult clients were externally motivated for services by either the Court System or Probation and Parole. Sixty-nine percent of these referrals were for substance abuse services. Of the 91 adults referred by state Probation and Parole during the time analysis, 77% were referred for substance abuse services.
- In both adolescent and adult populations, there is a definite sustained increase in presenting problems involving dual mental health and substance abuse issues.

- In substance abuse programs, there is an increase in clients who also have child protective service concerns.
- LRHSC continues to see increases in crisis line calls. In fiscal year 2006, 711 emergency services calls were recorded at Lake Region. During that same time frame, we experienced an increase in the number of calls that reflect dual diagnosis problems and an increase in substance abuse callers.

Accomplishments

- LRHSC continues to provide clinical services at satellite clinics in New Rockford, Fort Totten, Langdon, Cando and a full-time satellite office in Rolla. In addition, case managers travel to each of the six counties in Region III, providing case management services.
- In the last census, Rolette County surpassed Ramsey County and is now the region's largest county. As a result of this growth, the Center has expanded its presence in Rolette County to meet the increased service demands. In order to reduce the amount of travel time and to increase the effectiveness of services, two staff positions have been transferred from the Devils Lake office to the Rolla outreach office. One full-time Mental Illness Case Manager and one full-time Developmental Disabilities Case Manager are now located in Rolette County. During the past biennium, we have also stationed an MSW in Rolla to work with TANF recipients. This individual works in a collaborative effort with the Division of Economic Assistance, Rolette County Social Services, Job Service of North Dakota and a number of Tribal agencies from the Turtle Mountain Band of Chippewa. As a result of the increased demands in Rolette County, we have moved into new office space located in the city of Rolla.

- During the past year, Prairie Heights, a private residential program for 22 individuals with serious mental illness and homelessness, opened in Devils Lake. LRHSC provides a variety of clinical services to the residents of this program.
- During this biennium, we have successfully dealt with a shortage of addiction counselors. Three staff at LRHSC have moved from non-addiction positions and are now fully licensed addiction counselors.
- Also during the next biennium, we anticipate several retirements of long-time supervisors. We have been successful in recruitment of MSW and Licensed Professional Counselors and hope this trend continues.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	8,919,307	934,037	9,853,344	29,754	9,883,098
General Funds	4,780,621	655,389	5,436,010	29,754	5,465,764
Federal Funds	3,652,704	313,199	3,965,903		3,965,903
Other Funds	485,982	(34,551)	451,431		451,431

FTEs	61.25	1	62.25		62.25

Budget Changes from Current Budget to Executive Budget

- Salary and fringe benefits increases of $489,369 based on the Governor's proposed salary increases and continuation of the current

benefits package. Of this amount, $357,895 is general funds, $124,077 is federal funds, and $7,397 is other funds.

- An additional amount of $267,346 in salaries and fringe benefits is the result of several factors, including carrying forward the current biennium's second year of the 4% salary increase, retiree payouts and adjustments for critical market equities.
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- An inflationary increase in the Governor's budget based on a 3% each year of the biennium adds $89,263 for the Center's contracted providers.
- Federal funding increased due to an increase in Medicaid collections. Other Funding decreased due to reduced collections from insurance companies and responsible parties.
- An increase of one FTE to convert a current full-time temporary case aide position into a full-time permanent position.

Senate Changes

- Contracted provider inflationary increases were increased from 3% to 4% for the 2007 to 2009 biennium. Total amount of this increase was $29,754.

South Central Human Service Center

I would like to discuss some recent trends and characteristics that are affecting the operations of the South Central Human Service Center (SCHSC), serving Foster, Wells, Griggs, Barnes, Stutsman, LaMoure, Dickey, McIntosh and Logan Counties. In the year 2004, population estimates were 57,914 residents in Region VI.

Characteristics of the Region

- Citizens (age 60+) comprised of 26.2% of the total population in Region VI, making the South Central region the oldest in the state.
- It is anticipated that between the years 2010 and 2015, the number of older residents in Region VI will have grown approximately 17%. This will mean that in less than 10 years, 34.9% of the region's residents will be age 60 and over.
- Region VI, like Region III, has no private inpatient mental health treatment facility. Regions III and VI utilize the North Dakota State Hospital for acute inpatient needs. Individuals from Region VI also access out-of-region private psychiatric hospitals.

Clients Served

- SCHSC provided services to 2,869 individuals in fiscal year 2006. (2,175 adults and 694 children received services.) In addition, 629 individuals received Vocational Rehabilitation Services and 131 individuals received Older Blind Services.

Trends

- SCHSC continues to provide clinical services at satellite clinics in Valley City, Oakes, Carrington, Cooperstown, LaMoure, Wishek and

Fessenden. In addition to these formal sites, case managers for individuals with serious mental illness and developmental disabilities travel to each of the nine counties in Region VI, providing case management services.

- SCHSC has the only full-time community psychiatrist in Region VI.
- During the past year, there has been increased utilization of the North Dakota State Hospital, which has been at capacity on several occasions.
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- This biennium, SCHSC has experienced difficulty recruiting licensed addiction counselors, a psychologist and a psychiatrist.
- We are seeing an increase in request for services from the court and correction sectors.
- Requests for emergency interventions continue to be strong from our local hospital emergency rooms, law enforcement and county sheriff's departments. SCHSC provided 506 individuals emergency services in fiscal year 2006.
- In fiscal year 2006, 249 individuals were admitted to the Crisis Residential Unit in Jamestown. This number reflects a small increase over the previous fiscal year.

Accomplishments

- SCHSC staff are currently working with a private provider, the Open Door Program in Valley City, to transition six individuals with serious mental illness from the North Dakota State Hospital into an existing independent living program operated by Open Door. Open Door has successfully provided programming for up to 12 individuals for several years. The expansion of the Open Door Program to 18 individuals

does have a positive impact on the available bed space at the North Dakota State Hospital.

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Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	12,125,238	2,616,500	14,741,738	39,527	14,781,265
General Funds	5,855,329	2,435,863	8,291,192	29,250	8,320,442
Federal Funds	5,401,154	280,747	5,681,901	10,277	5,692,178
Other Funds	868,755	(100,110)	768,645		768,645
FTEs	87.60	(0.60)	87.00		87.00

Budget Changes from Current Budget to Executive Budget

- Salary and benefits increased by $682,997 based on the Governor's recommended salary and benefits package; $472,611 of this amount is general funds, $197,937 is federal funds, and $12,449 is other funds.
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programming by June 2007. This will open bed space at the hospital to accommodate clients needing that level of care. These changes increased the total by $1,682,028, of which $1,560,790 is general funds.

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- Federal funding increased due to an increase in Medicaid collections. Other Funding decreased due to reduced collections from insurance companies and responsible parties.
- A decrease of .60 FTE is due to additional contracting of Infant Development Services.

Senate Changes

- Contracted provider inflationary increases were increased from 3% to 4% for the 2007 to 2009 biennium. Total amount of this increase was $39,527.

That concludes my testimony; I would be happy to answer any questions.

North Dakota Department of Human Services
Economic Assistance Policy Division

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  - T. Mandigo, Special Assistant to Executive Director
    - **ECONOMIC ASSISTANCE POLICY ADMINISTRATION**: 4045 0307/3434 16, B. Nordwall, Director, Economic Assistance Policy
      - 0951 0049/3182 9, L. Weber, Admin Staff Officer I
      - **SYSTEM SUPPORT & DEVELOPMENT**: 4035 2078/4099 13, A. Holtz, HSPA V
        - 4007 0589/3684 11, B. Wieland, System Support Spec III
        - 4006 0491/3610 10, K. Ibach, System Support Spec II
        - 4006 2151/4157 10, R. Jose, System Support Spec II
        - 4006 0092/3224 10, M. Beck, System Support Spec II
        - 4006 0100/3232 10, B. Earls, System Support Spec II
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        - 4029 0165/3296 12, J. Liudahl, Regional Rep
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        - 4020 0591/3686 11, K. Wilhelmi, QC Reviewer
        - 4020 0255/3383 11, J. Brines, QC Reviewer
        - 4020 0067/3200 11, C. Buckingham, QC Reviewer
        - 4020 0254/3382 11, M. Schlenker, QC Reviewer
        - 4020 0162/3293 11, L. Hedstrom, QC Reviewer
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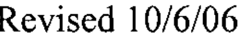
Revised 10/6/06

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 9, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Blaine Nordwall, Director of Economic Assistance Policy Division, of the Department of Human Services. I am here today to provide you with an overview of the budget area Economic Assistance.

Programs

Economic Assistance Policy (EAP) is responsible for eligibility policy for Basic Care Assistance and for all aspects of state level administration of Child Care Assistance, Energy Assistance, Food Stamps, and Temporary Assistance for Needy Families (including the Job Opportunities and Basic Skills program). This work involves:

- Distributing benefits to recipients and payments to providers;
- Directing and supervising county social service board administration of EAP programs;
- Implementing all applicable state and federal law;
- Providing training, written instructions, and interpretations concerning program requirements;
- Operating electronic eligibility determination and reporting systems; and
- Preparing required state and federal reports.

Economic Assistance Policy is also responsible for Quality Control reviews of Food Stamps, Healthy Steps, Medicaid, and TANF eligibility

determinations, and recovery of Medicaid expenditures from decedents estates.

Caseload

Basic Care Assistance will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 480 residents of licensed Basic Care facilities.

Child Care Assistance will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 4,250 children from 3,070 families each month, and will pay the approximately 4,223 licensed, certified, or approved child care providers a total of about $880,692 per month.

Food Stamps will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 20,600 families each month, and will pay approximately 450 grocers in North Dakota a total of about $4,459,083 per month.

Energy Assistance will direct and supervise county social services' determinations of eligibility for approximately 16,300 households each heating season, and will pay about 400 energy providers. Approximately $18,000,000 is budgeted for each heating season.

Temporary Assistance for Needy Families (TANF) will direct and supervise county social services' determinations or redeterminations of eligibility each month for approximately 2,750 families with 5,133 children, providing an average monthly cash benefit of $340 for each family, while Job Opportunities and Basic Skills (JOBS) will secure services to facilitate

family self-sufficiency each month for approximately 1,350 adult heads of household at an average cost of about $455 per household.

Using TANF funds for children who would otherwise be in foster care, Kinship Care will direct and supervise county social services' determinations or redeterminations of eligibility each month for approximately 50 children, providing an average monthly cash benefit of $350.

Major Program Changes and Challenges

TANF -

Congress reauthorized the TANF block grant in February 2006 as part of the Deficit Reduction Act of 2005 (DRA). Congress made two changes that caused widespread concern:

1. The TANF federal law has since Federal Fiscal Year (FFY) 2002 required that 50% of all TANF families be engaged in a qualified "work activity" for 30 hours or more per week (20 hours if the family includes a child who has not attained six years of age). States get a "caseload reduction credit" in meeting the work participation requirement. The DRA changed the base year for calculating the caseload reduction credit from FFY 1995, when Aid to Families with Dependent Children (AFDC) caseloads were quite high, to FFY 2005, when national TANF caseloads were at historic lows. The effect in North Dakota of this change was to greatly decrease the caseload reduction credits. Failure to achieve a 50% work participation rate can lead to severe fiscal penalties.

2. The federal TANF law originally defined the term "work activity," but allowed states to determine what activities were within that definition. The DRA gave federal officials authority to require nationally uniform definitions, and to require states to secure verification that work activity hours are accurately claimed. Federal officials proposed strict requirements for definitions and verifications, with initial work verification plans due September 30, 2006.

North Dakota has, on average, achieved the required 50% work participation rate since October of 2005 without using caseload reduction credits. The October 2006 data shows that 71.42% of TANF families are meeting the work participation requirements.

The department timely submitted its TANF work verification plan. Federal officials then issued "additional guidance," effective December 31, 2006, and have required all States to submit revised TANF work verification plans by February 28, 2007.

Food Stamps -

The Food Stamp Program is scheduled for reauthorization at the end of FFY 2007. At this point, no bill has been introduced in Congress, and we cannot know what changes the department will be required to implement.

Federal Food Stamp laws require benefits to be distributed using an "Electronic Benefits Card" (EBT). In 1996, North Dakota and South Dakota started the first multi-state EBT system. Our EBT provider contract is expected to run through June 30, 2009, but we must reprocure those services for later periods. We began working with South

Dakota officials on a joint procurement effort in 2005, and expect to release a request for proposals in March. Procurement and implementation of a new EBT system is challenging and time consuming. This budget requests needed funds for procurement costs, including a consultant and hiring temporary staff to assist while experienced Food Stamp staff work on the reprocurement effort.

Payment Error Rate Measurement (PERM)-

The Centers for Medicare and Medicaid Services (CMS) issued interim final rules on August 28, 2006, requiring each state to undertake both Medicaid and Healthy Steps PERM eligibility reviews on a three-year cycle. However, they also required that PERM eligibility reviews be undertaken for both programs at the same time. This major review of a year's eligibility work in both programs at three-year intervals will be significantly more difficult to manage than a more balanced schedule.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	4,099,027	4,667,180	568,153
Operating	12,086,602	11,036,283	(1,050,319)
Capital Assets	1,981	205	(1,776)
Grants	197,583,613	201,532,735	3,949,122
Total	213,771,223	217,236,403	3,465,180
General	7,432,148	8,462,990	1,030,842
Federal	187,335,325	189,515,189	2,179,864
Other	19,003,750	19,258,224	254,474
FTEs	40.80	39.80	(1.00)

- The increase in salary and fringe benefits is the cumulative result of:

    - The salary and health insurance package that adds $326,191 in total funds of which $150,132 is general funds;
    - An increase for anticipated retirement payouts and to maintain current staff salaries that adds $111,994 in total funds of which $110,714 is general funds; and
    - Increases in the salary area that result from temporary salaries associated with the Food Stamp EBT reprocurement that adds $129,968 in total funds of which $47,347 is general funds.

- Operating decreases are $1,050,319, with a general fund decrease of $77,988, and a decrease in federal funds of $1,097,331. These are the major factors:

    - Reductions to JOBS contracting expenses of about $460,000;
    - Reductions to PERM contracting expenses of about $201,000;
    - Reductions to Food Stamps "Employment and Training" services outlays of about $169,000;
    - Decrease of $500,000 in funding for the Alternatives to Abortion Program which is effective only through June 30, 2007; and
    - A partially offsetting increase of $250,000 for costs associated with the reprocurement of EBT services for the Food Stamp program.

- Capital assets decreased with the planned payoff of the bond at Southeast Human Service Center, which houses one EAP central office staff.

- Grants increased $3,949,122, reflecting an $801,526 increase in general funds, a $3,018,122 increase in federal funds, and a $129,474 increase in other funds; all a net of these changes:

    - $425,026 increase in Indian County allocation, all general funds, based on the statutory funding formula;
    - $1,820,020 decrease in TANF grants, reflecting a $376,500 increase in general funds, a $1,334,030 decrease in federal funds, and an $862,490 decrease in other funds, based on caseload projections;
    - $455,520 increase in JOBS transportation costs, all federal funds, based on need projections;
    - $826,516 decrease in Child Care Assistance grants, reflecting a $1,825,440 decrease in federal funds, and a $998,924 increase in other funds, based on available federal grants;
    - $200,000 increase in Kinship Care grants, all federal (TANF) funds based on caseload projections;
    - $52,000 decrease in JOBS Transportation-DOT grants, all federal funds, based on decreased demand;
    - $13,920 decrease in Food Stamps Employment & Training program, of which $6,960 is federal funds based on reductions in available federal funding;
    - $369,838 increase in the Food Stamp Nutrition Education Plan, all federal funds, based on NDSU budget projections;

  - $1,177,333 increase in Food Stamp benefits, all federal funds, based on caseload projections; and
  - $4,033,861 increase in Energy Assistance benefits, all federal funds, based on estimates of available federal funds.

- The division reduced the number of staff by 1.00 FTE, an administrative support position.

This concludes my testimony. I would be happy to answer any questions.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 21, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Blaine Nordwall, Director of Economic Assistance Policy Division, of the Department of Human Services. I am here today to provide you with an overview of the budget area Economic Assistance.

Programs

Economic Assistance Policy (EAP) is responsible for eligibility policy for Basic Care Assistance and for all aspects of state level administration of Child Care Assistance, Energy Assistance, Food Stamps, and Temporary Assistance for Needy Families (including the Job Opportunities and Basic Skills program). This work involves:

- Distributing benefits to recipients and payments to providers;
- Directing and supervising county social service board administration of EAP programs;
- Implementing all applicable state and federal law;
- Providing training, written instructions, and interpretations concerning program requirements;
- Operating electronic eligibility determination and reporting systems; and
- Preparing required state and federal reports.

Economic Assistance Policy is also responsible for Quality Control reviews of Food Stamps, Healthy Steps, Medicaid, and TANF eligibility determinations, and recovery of Medicaid expenditures from decedents estates.

Caseload

Basic Care Assistance will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 480 residents of licensed Basic Care facilities.

Child Care Assistance will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 4,250 children from 3,070 families each month, and will pay the approximately 4,223 licensed, certified, or approved child care providers a total of about $880,692 per month.

Food Stamps will direct and supervise county social services' determinations or redeterminations of eligibility for approximately 20,600 families each month, and will pay approximately 450 grocers in North Dakota a total of about $4,459,083 per month.

Energy Assistance will direct and supervise county social services' determinations of eligibility for approximately 16,300 households each heating season, and will pay about 400 energy providers. Approximately $18,000,000 is budgeted for each heating season.

Temporary Assistance for Needy Families (TANF) will direct and supervise county social services' determinations or redeterminations of eligibility each month for approximately 2,750 families with 5,133 children,

providing an average monthly cash benefit of $340 for each family, while Job Opportunities and Basic Skills (JOBS) will secure services to facilitate family self-sufficiency each month for approximately 1,350 adult heads of household at an average cost of about $455 per household.

Using TANF funds for children who would otherwise be in foster care, Kinship Care will direct and supervise county social services' determinations or redeterminations of eligibility each month for approximately 50 children, providing an average monthly cash benefit of $350.

Major Program Changes and Challenges

TANF -

Congress reauthorized the TANF block grant in February 2006 as part of the Deficit Reduction Act of 2005 (DRA). Congress made two changes that caused widespread concern:

1. The TANF federal law has since Federal Fiscal Year (FFY) 2002 required that 50% of all TANF families be engaged in a qualified "work activity" for 30 hours or more per week (20 hours if the family includes a child who has not attained six years of age). States get a "caseload reduction credit" in meeting the work participation requirement. The DRA changed the base year for calculating the caseload reduction credit from FFY 1995, when Aid to Families with Dependent Children (AFDC) caseloads were quite high, to FFY 2005, when national TANF caseloads were at historic lows. The effect in North Dakota of this change was to greatly decrease the caseload reduction credits. Failure to achieve a 50% work participation rate can lead to severe fiscal penalties.

2. The federal TANF law originally defined the term "work activity," but allowed states to determine what activities were within that definition. The DRA gave federal officials authority to require nationally uniform definitions, and to require states to secure verification that work activity hours are accurately claimed. Federal officials proposed strict requirements for definitions and verifications, with initial work verification plans due September 30, 2006.

In FFY 2006, North Dakota achieved a 51.9% work participation rate without using caseload reduction credits. The December 2006 data shows that 62.7% of TANF families met the work participation requirements, again without using caseload reduction credits.

The department timely submitted its TANF work verification plan. Federal officials then issued "additional guidance," effective December 31, 2006, and have required all States to submit revised TANF work verification plans by February 28, 2007.

Food Stamps -

The Food Stamp Program is scheduled for reauthorization at the end of FFY 2007. At this point, no bill has been introduced in Congress, and we cannot know what changes the department will be required to implement.

Federal Food Stamp laws require benefits to be distributed using an "Electronic Benefits Card" (EBT). In 1996, North Dakota and South Dakota started the first multi-state EBT system. Our EBT provider contract is expected to run through June 30, 2009, but we must reprocure those services for later periods. We began working with South

Dakota officials on a joint procurement effort in 2005, and expect to release a request for proposals in March. Procurement and implementation of a new EBT system is challenging and time consuming. This budget requests needed funds for procurement costs, including a consultant and hiring temporary staff to assist while experienced Food Stamp staff work on the reprocurement effort.

Payment Error Rate Measurement (PERM)-

The Centers for Medicare and Medicaid Services (CMS) issued interim final rules on August 28, 2006, requiring each state to undertake both Medicaid and Healthy Steps PERM eligibility reviews on a three-year cycle. However, they also required that PERM eligibility reviews be undertaken for both programs at the same time. This major review of a year's eligibility work in both programs at three-year intervals will be significantly more difficult to manage than a more balanced schedule.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	4,099,027	568,153	4,667,180		4,667,180
Operating	12,086,602	(1,050,319)	11,036,283		11,036,283
Capital Assets	1,981	(1,776)	205		205
Grants	197,583,613	3,949,122	201,532,735		201,532,735
Total	213,771,223	3,465,180	217,236,403	-	217,236,403
General	7,432,148	1,030,842	8,462,990		8,462,990
Federal	187,335,325	2,179,864	189,515,189		189,515,189
Other	19,003,750	254,474	19,258,224		19,258,224
FTEs	40.80	(1.00)	39.80		39.80

Budget Changes from Current Budget to Executive Budget:

- The increase in salary and fringe benefits is the cumulative result of:
  - The salary and health insurance package that adds $326,191 in total funds of which $150,132 is general funds;
  - An increase for anticipated retirement payouts and to maintain current staff salaries that adds $111,994 in total funds of which $110,714 is general funds; and
  - Increases in the salary area that result from temporary salaries associated with the Food Stamp EBT reprocurement that adds $129,968 in total funds of which $47,347 is general funds.

- Operating decreases are $1,050,319, with a general fund decrease of $77,988, and a decrease in federal funds of $1,097,331. These are the major factors:
  - Reductions to JOBS contracting expenses of about $460,000;
  - Reductions to PERM contracting expenses of about $201,000;
  - Reductions to Food Stamps "Employment and Training" services outlays of about $169,000;
  - Decrease of $500,000 in funding for the Alternatives to Abortion Program which is effective only through June 30, 2007; and
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    - $1,177,333 increase in Food Stamp benefits, all federal funds, based on caseload projections; and
    - $4,033,861 increase in Energy Assistance benefits, all federal funds, based on estimates of available federal funds.

- The division reduced the number of staff by 1.00 FTE, an administrative support position.

Senate Changes:

The Senate made no changes to the budget area Economic Assistance.

This concludes my testimony. I would be happy to answer any questions.

North Dakota Department of Human Services

Economic Assistance Grants

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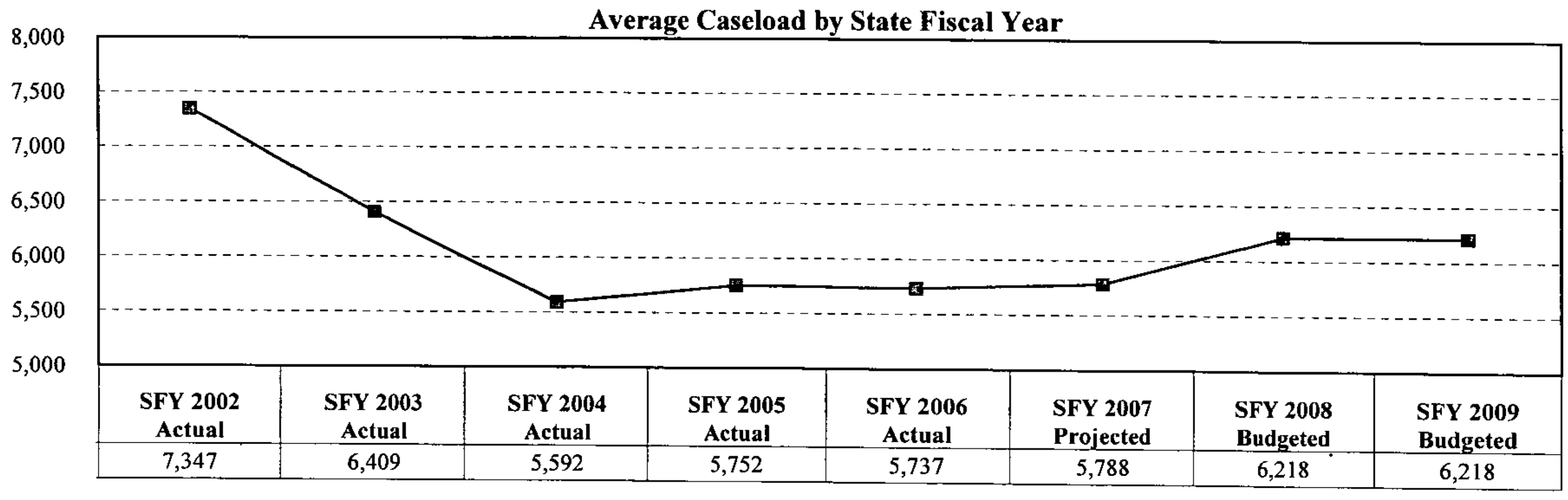
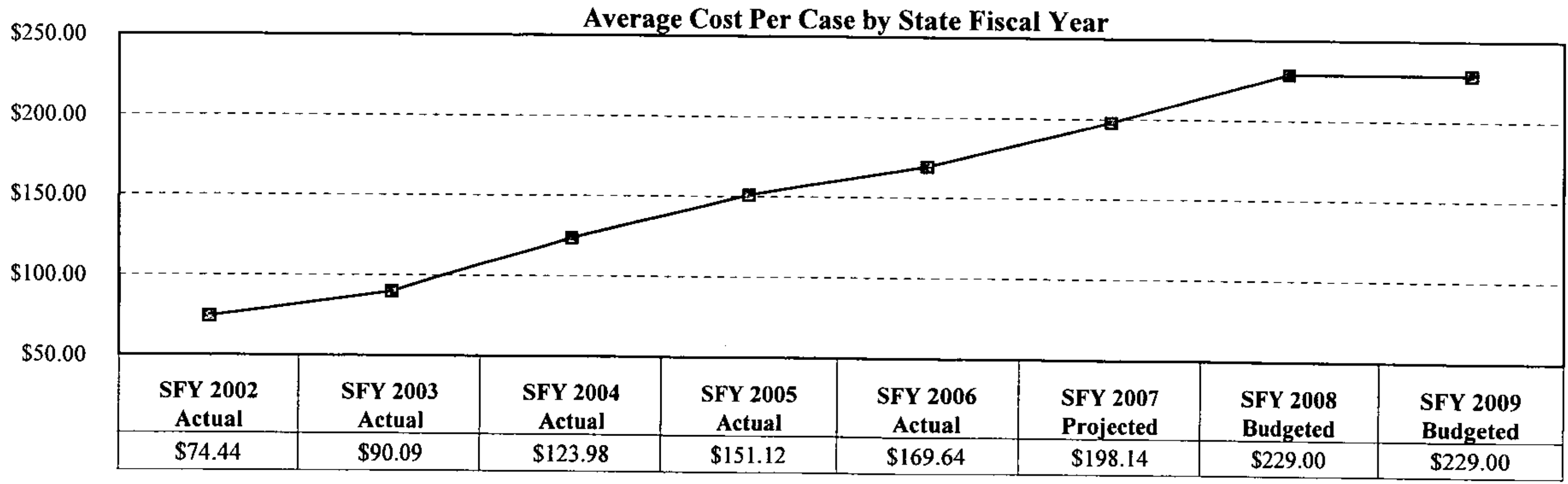


SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
7,347	6,409	5,592	5,752	5,737	5,788	6,218	6,218

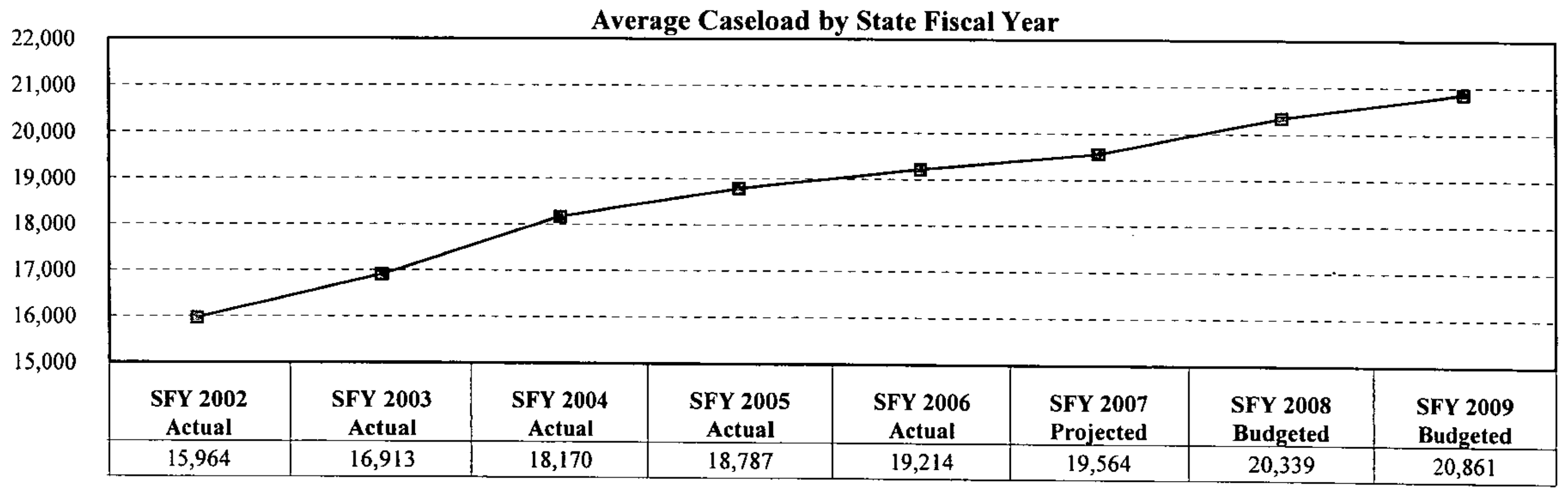


SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
$74.44	$90.09	$123.98	$151.12	$169.64	$198.14	$229.00	$229.00

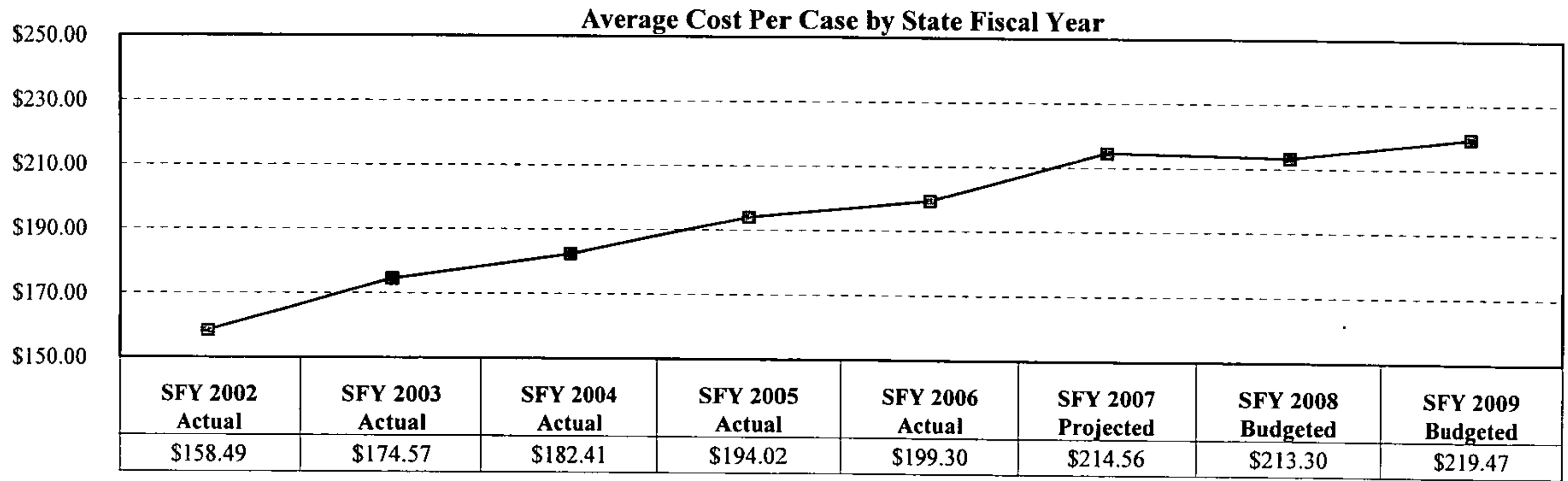
North Dakota Depar[illegible]nt of Human Services

Economic Assistance Grants

Food Stamps



SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
15,964	16,913	18,170	18,787	19,214	19,564	20,339	20,861

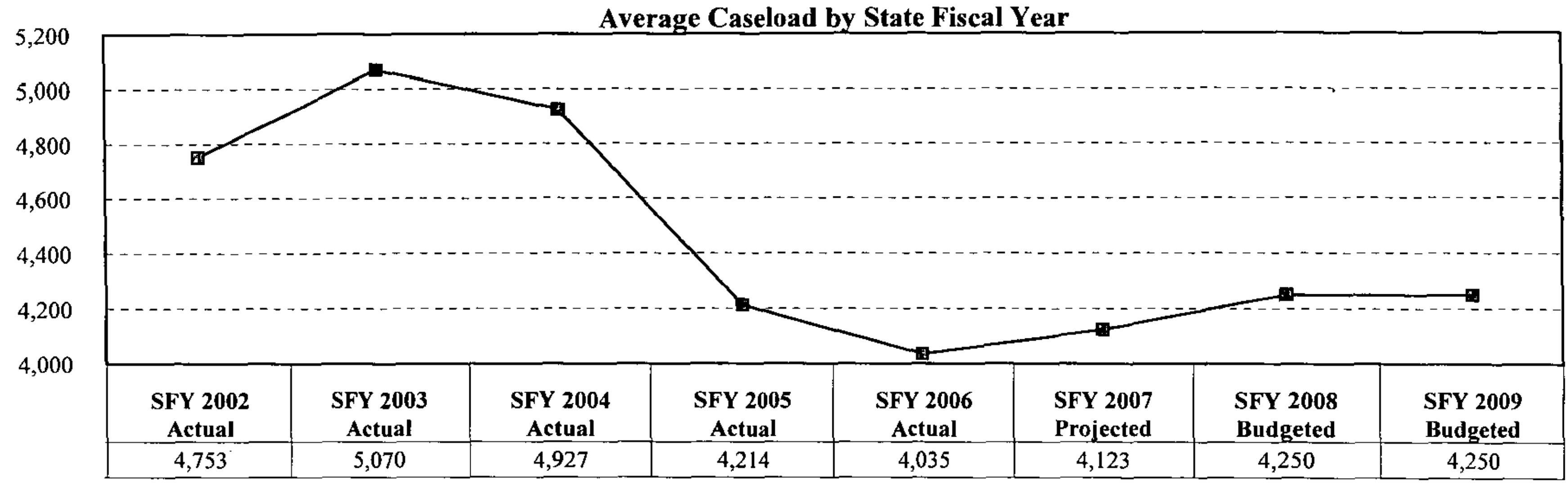


SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
$158.49	$174.57	$182.41	$194.02	$199.30	$214.56	$213.30	$219.47

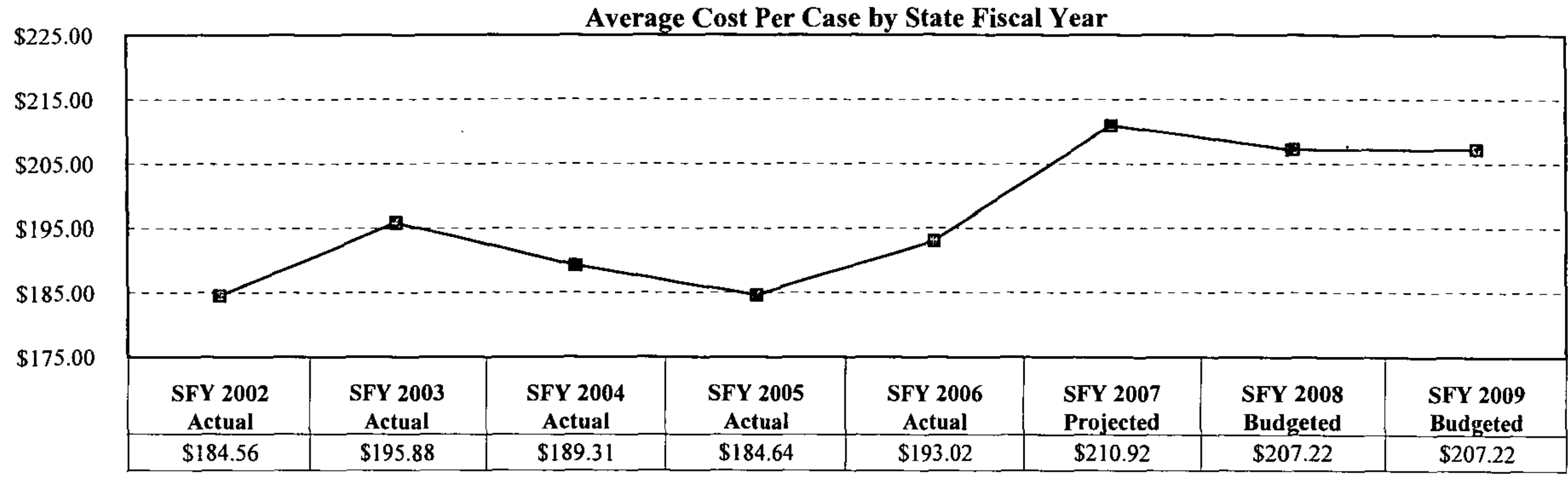
North Dakota Depar[illegible]nt of Human Services

Economic Assistance Grants

Child Care Assistance



SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
4,753	5,070	4,927	4,214	4,035	4,123	4,250	4,250



SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
$184.56	$195.88	$189.31	$184.64	$193.02	$210.92	$207.22	$207.22

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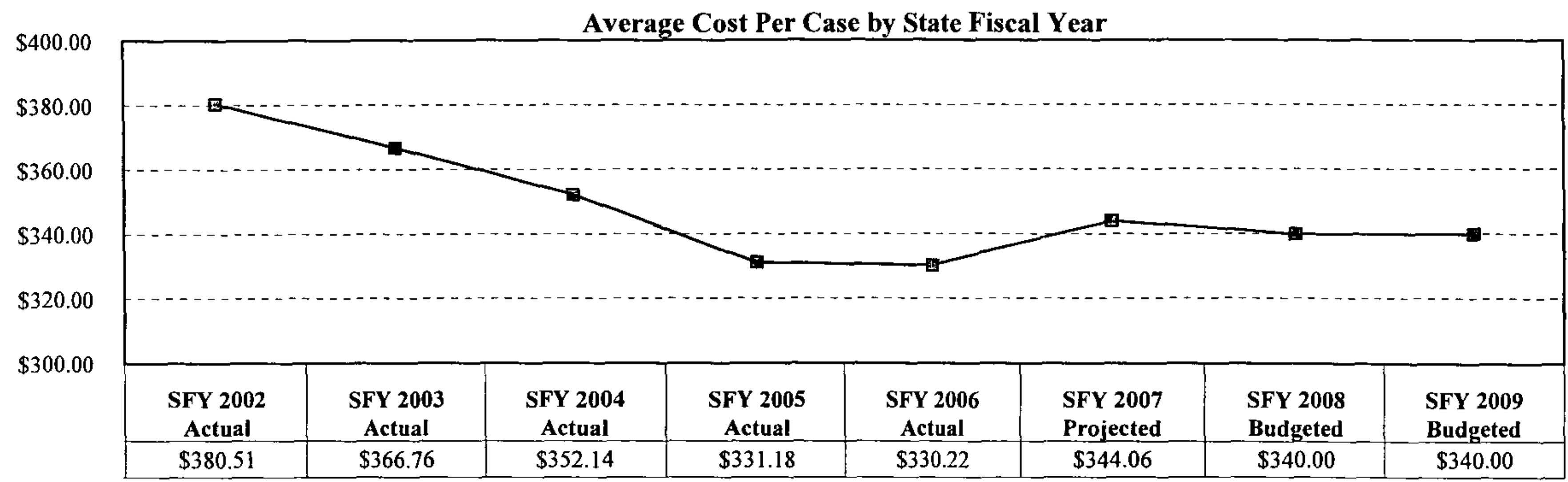
North Dakota Department of Human Services

Economic Assistance Grants

TANF

Average Caseload by State Fiscal Year

SFY 2002 Actual	SFY 2003 Actual	SFY 2004 Actual	SFY 2005 Actual	SFY 2006 Actual	SFY 2007 Projected	SFY 2008 Budgeted	SFY 2009 Budgeted
3,081	3,269	3,075	2,803	2,708	2,635	2,750	2,750



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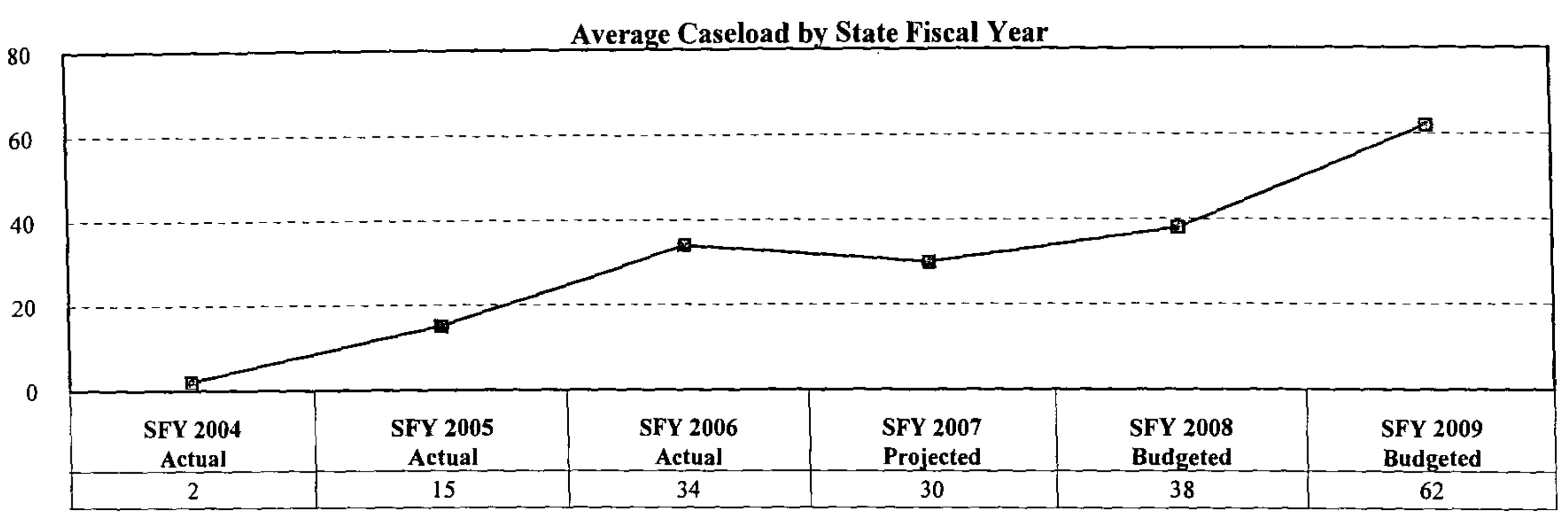
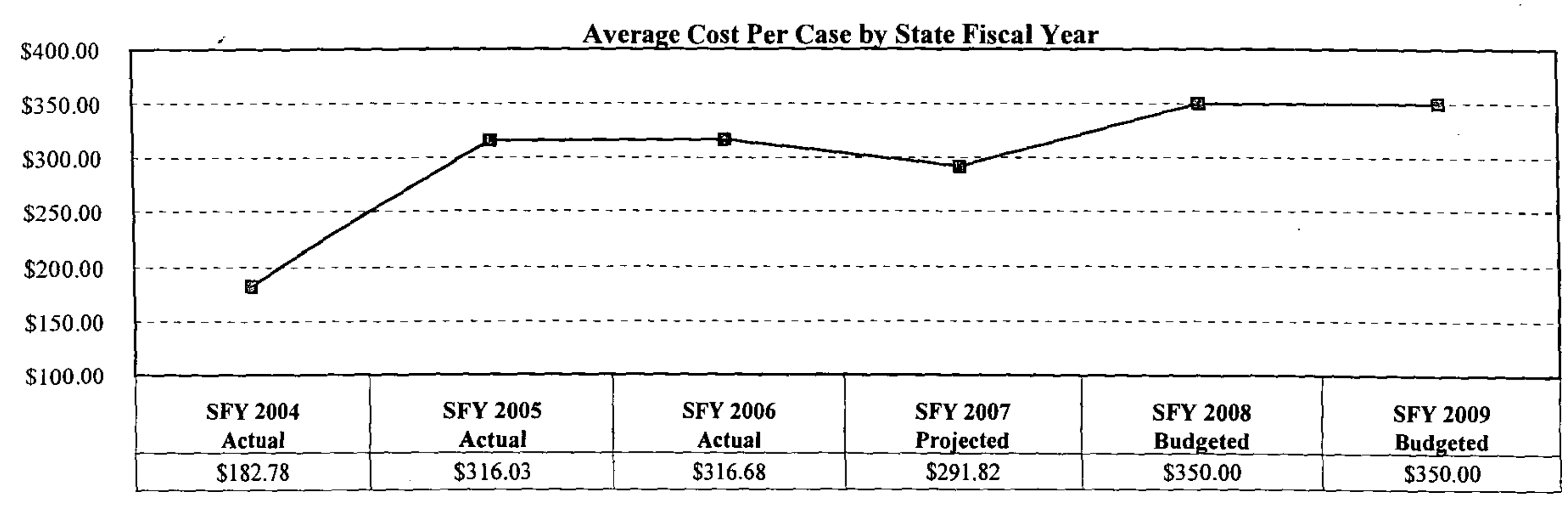
North Dakota Depar[illegible] of Human Services

Economic Assistance Grants

Kinship Care





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Economic Assistance

Detail of Budget Account Code 582000 - Rentals/Leases

Rentals & Leases	Amount	General	Fed/Other
Regional Representatives located at Grand Forks & Williston Humans Service Centers	13,550	5,420	8,130
System Support & Development Staff Located at Prairie Hills Plaza	63,764	29,331	34,433
Quality Control Staff Located at Various Human Service Centers	22,664	11,332	11,332
Miscellaneous Booth Rentals	5,000	1800	3,200
Total Rentals & Leases Budget Account Code	104,978	47,883	57,095

Economic Assistance

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General	Federal/Other
Food Stamp Showcase Speakers' Fees	19,100	7,901	11,199
JOBS Administration	583,200		583,200
JOBS Client Services	5,022,000		5,022,000
JOBS Support Services	1,344,000		1,344,000
TANF Special Project -Turtle Mountain	330,000		330,000
TANF Special Project - Prairie Harvest	115,098		115,098
County Contract Staff	26,100	11,781	14,319
Food Stamp Program Employment & Training Program	208,670		208,670
County Contract Staff - EBT Reprocurement	24,660	12,330	12,330
IAPD - EBT Reprocurement	250,000		250,000
JPMorgan	1,510,981	91,721	1,419,260
Other Miscellaneous Fees & Services	16,111	4,290	11,821
Total Operating Fees & Services Budget Account Code	9,449,920	128,023	9,321,897

ND DEPARTMENT OF HUMAN SERVICES
Economic Assistance Policy
Funding of Temporary Salaries *

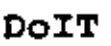
Temp Salaries	118,151
Fringes	11,817
Total	129,968
General	47,347
Federal/Other	82,621

* All Temporary Salaries are related to EBT Reprocurement.

TANF Block Grant
Revenue / Estimated Expenditures
2007-2009

	TANF Block Grant	Estimated Expenditures 2007-2009	Estimated CarryForward to 2009-2011
REVENUE			
FY2007	21,520,107	21,520,107	
FY 2008	26,399,809	26,399,809	
FY 2009	19,799,856	7,964,592	11,835,264
Transfer to SSBG	-1,246,220		-1,246,220
	66,473,552	**55,884,508**	**10,589,044**

	Total	Federal	General	Special
ESTIMATED EXPENDITURES				
Assistance to Needy Families				
Teem Benefit	22,469,980	6,851,322	4,314,942	11,303,716
TANF Child Care	1,848,000	1,848,000		
Subtotal	24,317,980	8,699,322	4,314,942	11,303,716
Job Preparation				
TANF Work Activity - Sp Pymts	445,098	445,098		
JOBS - Transportation	3,050,000	3,050,000		
JOBS - Client Services	5,022,000	5,022,000		
JOBS - Support Services	1,344,000	1,344,000		
Subtotal	9,861,098	9,861,098		
Formation & Maintenance of Families				
Wraparound Case Management	3,467,550	2,322,550		1,145,000
Child Abuse & Neglect Investigations	3,509,950	3,509,950		
Parent Aid	1,083,350	1,083,350		
Intensive In-Home Services	801,342	801,342		
Foster Care Emergency Assistance	19,649,148	19,649,148		
Subtotal	28,511,340	27,366,340		1,145,000
Other				
Systems Maint. & Operations	1,382,436	1,382,436		
County:				
Emergency Assistance - Case Mgmt.	1,433,400	1,433,400		
TANF Assessments	835,088	835,088		
Subtotal	3,650,924	3,650,924		
Administration				
JOBS Contract Administration	583,200	583,200		
State Office Administration	2,220,145	2,220,145		
County Administration	2,734,416	2,734,416		
Human Service Center Administration	769,063	769,063		
Subtotal **	6,306,824	6,306,824		
Child Care MOE	2,034,072			2,034,072
Subtotal	2,034,072			2,034,072
Total Estimated Expenditures	**74,682,238**	**55,884,508**	**4,314,942**	**14,482,788**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SB 2012
TANF Expenditures (Federal Funds)
2007 - 2009 Budget

Category	2005 - 2007	2007 - 2009	Difference
Assistance to Needy Families	10,678,765	8,699,322	(1,979,443)
Job Preparation	9,920,432	9,861,098	(59,334)
Formation & Maintenance of Families	23,797,773	27,366,340	3,568,567
Other	4,392,326	3,650,924	(741,402)
Administration	6,545,624	6,306,824	(238,800)
Total	$ 55,334,920	$ 55,884,508	$ 549,588

Refugee:

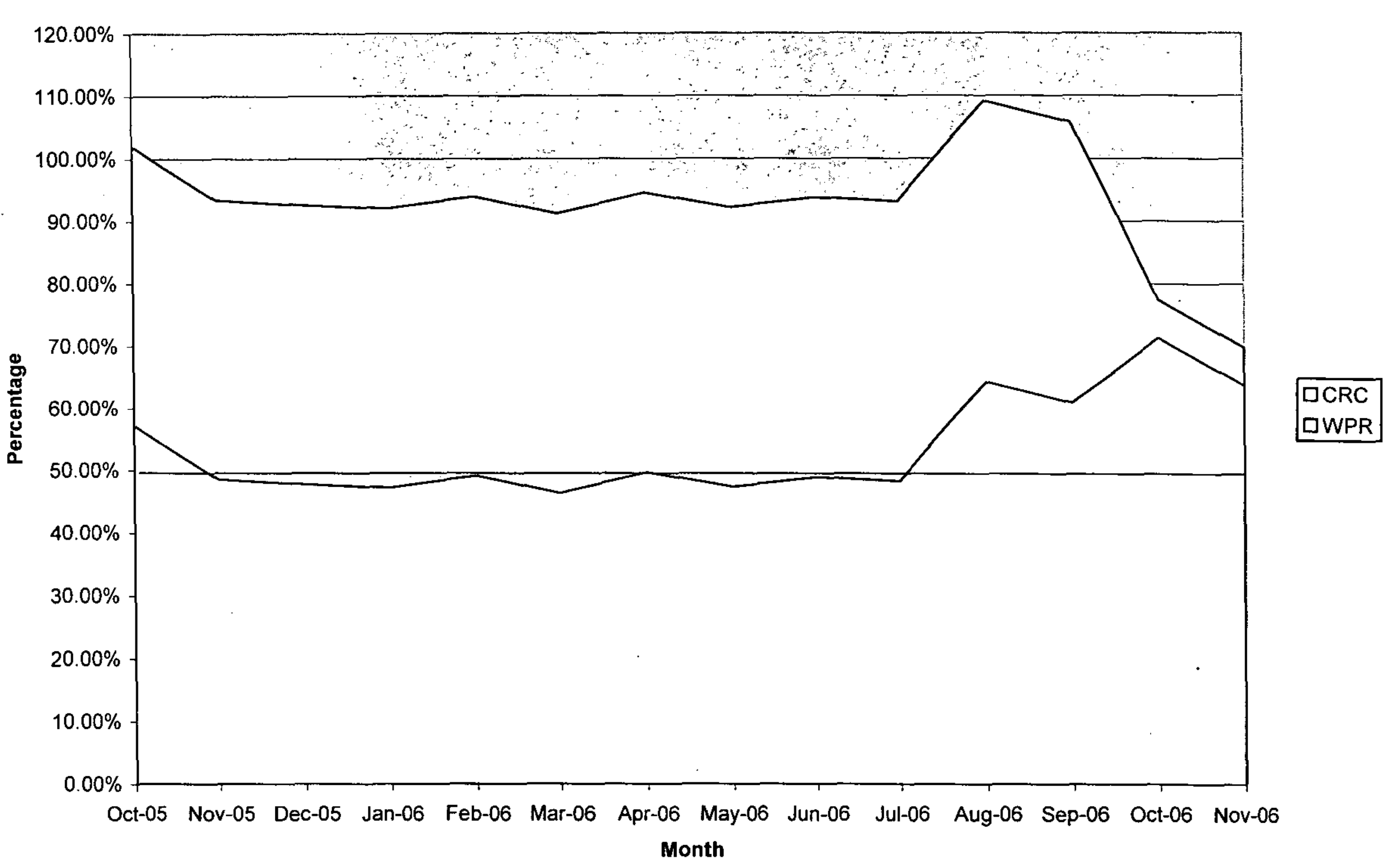
The Geneva Conference of the United Nations of 1951 established the status of "refugee" as "persons who leave their country of origin for *reasons of persecution* and are entitled to special protection on account of their position." "........owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country, or .....is unable or owing to such fear is unwilling to return to it."

In addition, persons who are refugees have a* legal designation* established before they reach this country by the Bureau of Citizenship and Immigration Services. Refugees come to this country with *legal status and documents indicating their legal status and are eligible* for services established by our government. Our President determines annually the populations who will be allowed to arrive as refugees to our country. His Determination is completed with the assistance of the U.S. State Department and negotiated with Congress. Currently, 70,000 refugees may legally enter U. S. in FFY 2007. Up to 50,000 refugees may enter this year from designated areas of the world. A number of 20,000 has been left undetermined in case there is a particular area of the globe needing immediate assistance with circumstances not currently determined. Iraq may be one of those areas this year, which may be designated by the President to be allowed entrance. Persons who have assisted the U.S. with the war effort in that country *may be considered* later this year.

Summary of Work Participation Rates

Month	Caseload	Available for Participation	Meeting Work Requirements	Work Participation Rate	Caseload Reduction Credit	Total Percent
Oct-2005	2811	1871	1069	57.14%	44.80%	101.94%
Nov-2005	2792	1848	897	48.54%	44.80%	93.34%
Dec-2005	2782	1833	876	47.79%	44.80%	92.59%
Jan-2006	2764	1805	853	47.26%	44.80%	92.06%
Feb-2006	2726	1746	858	49.14%	44.80%	93.94%
Mar-2006	2734	1776	824	46.40%	44.80%	91.20%
Apr-2006	2717	1764	877	49.72%	44.80%	94.52%
May-2006	2729	1787	847	47.40%	44.80%	92.20%
Jun-2006	2719	1771	867	48.96%	44.80%	93.76%
Jul-2006	2673	1717	830	48.34%	44.80%	93.14%
Aug-2006	2525	1624	1044	64.29%	44.80%	109.09%
Sep-2006	2416	1520	927	60.99%	44.80%	105.79%
Oct-2006	2303	1438	1027	71.42%	6.10%	77.52%
Nov-2006	2206	1337	853	63.80%	6.10%	69.90%

Work Particpation Rate and Caseload Reduction Credit Rates



North Dakota Department of Human Services
Medical Services Division

- Carol K. Olson, Executive Director
  - 4046 0300/3428 16 — M. Anderson, Director
    - **LONG-TERM CARE CONTINUUM**
      - 4036 0097/3229 14 — K. Tescher, HSPA VI
        - **HCBS**
          - 4034 0071/3204 12 — N. Nikolas, HSPA IV
            - 4030 0762/3814 7 — T. Wolf, HSPS
            - 0033 2090/4108 5 — N. Doll, Office Assistant III
        - **HCBS**
          - 4034 0502/3621 12 — T. Frohlich, HSPA IV
            - 4033 3228/4417 11 — J. Schick, HSPA III
            - 4033 0974/4004 11 — M. Krein, HSPA III
        - **DD GRANTS**
          - 4035 0500/3619 13 — M. Kolling, HSPA V
            - 4034 3083/4394 12 — K. Larson, HSPA IV
            - 0042 3078/4390 7 — L. Babcock, Admin Asst II
    - **BUDGET/ OPERATIONS**
      - 4036 0718/3777 14 — B. Fischer, HSPA VI
        - **CLAIMS**
          - 4032 0061/3194 10 — J. Johnson, HSPA II
            - 4030 0069/3202 7 — J. Herr, HSPS
            - 4030 0078/3210 7 — L. Johnson, HSPS
            - 0203 0075/3207 6 — L. Holzworth, MCPS III
            - 0203 0258/3386 6 — V. Holzer, MCPS III
            - 0202 0080/3212 5 — S. Schumacher, MCPS II
            - 0202 0311/3438 5 — P. Hovden, MCPS II
            - 0202 2527/4366 5 — A. McClure, MCPS II
            - 0201 0082/3214 4 — R. Rud, MCPS I
            - 4030 0159/3290 7 — T. Henderson, HSPS
            - 0203 0464/3585 6 — S. Regner, MCPS III
            - 0203 0310/3437 6 — M. Evans, MCPS III
            - 0202 0081/3213 5 — J. Raszler, MCPS II
            - 0202 2076/4097 5 — S. Fracassi, MCPS II
            - 0202 0264/3392 5 — L. Dockter, MCPS II
            - 0201 0101/3233 4 — J. Feland, MCPS I
        - **MMIS**
          - 4034 0137/3268 12 — J. Fleckenstein, HSPA IV
            - 4032 0312/3439 10 — D. Dietz, HSPA II
            - 4030 0077/3209 7 — C. Kraft, HSPS
          - 0153 0149/3280 12 — B. Blees, DP Coord III
          - 4033 0157/3288 11 — M. Gudmunsen, HSPA III
        - **RATE SETTING**
          - 4035 0168/3299 13 — Vacant, HSPA V
            - 0911 2302/4254 8 — S. Kindsvogel, Admin Officer I
    - **ADMINISTRATIVE SUPPORT**
      - 0042 0145/3276 7 — M. Thompson, Admin Asst II
        - 0041 0108/3240 6 — C. Maglike, Admin Asst I
        - 0041 0451/3572 6 — A. Duchscherer, Admin Asst I
        - 1007/4435 — A. Bryan, COE Student
    - **PROGRAM POLICY**
      - 4036 3243/4423 14 — E. Elkins, HSPA VI
        - **HEALTH TRACKS/ HEALTHY STEPS**
          - 4035 0251/3379 13 — J. Hulm, HSPA V
            - 4212 0452/3573 10 — D. Olson, Social Worker II
            - 4212 0453/3574 10 — Vacant, Social Worker II
            - 4212 0455/3576 10 — C. Bexell, Social Worker II
            - 4212 0775/3826 10 — L. Canode, Social Worker II
            - 4212 0219/3347 10 — D. Brossart, Social Worker II
            - 4212 2067/4088 10 — J. Nygord, Social Worker II
            - 4002 0110/3242 9 — A. Moos, Elig Worker II
            - 4001 2282/4243 8 — S. Dunbar, Elig Worker I
            - 4002 1021 8 — J. Edison, Elig Worker I
        - **MEDICAID POLICY**
          - 4035 0107/3239 13 — C. Volesky, HSPA V
            - 4033 0786/3837 11 — B. Peterson, HSPA III
            - 4033 0133/3264 11 — D. Masad, HSPA III
            - 4033 2528/4367 11 — S. Kuntz, HSPA III
            - 4030 0085/3217 7 — P. Patch, HSPS
        - **UTILIZATION REVIEW**
          - 4035 0353/3479 13 — Vacant, HSPA V
            - 3262 0059/3192 16 — B. Joyce, Pharmacist
            - 4034 0558/3658 12 — D. Johnson, HSPA IV
            - 4034 2537/4375 12 — J. Ehrhardt, HSPA IV
            - 4034 0065/3198 12 — M. Helmers, HSPA IV
            - 4032 2074/4095 10 — B. Koch, HSPA II
            - 4033 0152/3283 11 — R. Feist, HSPA III
              - 4031 0340/3467 9 — B. Locken, HSPA I
              - 4030 0094/3226 7 — L. Stockham, HSPS
              - 4030 0460/3581 7 — B. Wahl, HSPS
            - Professional Consultants: Luger, Mitchell, Betting
        - **DISEASE MGMT/ MANAGED CARE**
          - 4034 2301/4253 12 — Vacant, HSPA IV

Revised 2/22/07

(1)

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 9, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services. I am here today to provide you with an overview of the Traditional Medicaid and the State Children's Health Insurance Programs, as well as the administrative costs of the Medical Services Division. The Long-Term Care Continuum overview will be provided separately.

Programs

The Medical Services Division currently administers three programs, they are Medicaid, the State Children's Health Insurance Program (Healthy Steps), and Children's Special Health Services (CSHS). The 2007-2009 Budget proposes to fund the CSHS unit as part of the Department of Health. This area of the budget for Medicaid and Healthy Steps provides health care coverage for families and children, pregnant women, the elderly, and the disabled citizens of North Dakota. Attachment A shows the Medicaid Mandatory and Optional Services, and Attachment B shows the current services that have a co-payment.

Caseload

The Executive Budget for Traditional Medicaid was built on the April 2006 enrollment, which was 52,308. Attachment C shows the Medicaid Enrollment (eligibles) and the unduplicated count of recipients for each month of the current biennium.

Healthy Steps was built on an average caseload of 3,958 children. Attachment D shows the number of children enrolled each month in Healthy Steps since the beginning of the current biennium. As of December 2006, Healthy Steps enrollment has increased by 1,117 children since the beginning of the Biennium. This increase, which is greater than the current budget estimate, is attributable to several factors, including simplification and alignment of eligibility requirements, very effective outreach efforts through Dakota Medical Foundation (Covering Kids and Families Grant), and a streamlined application process.

Program Trends / Major Program Changes

The Federal Medical Assistance Percentage (FMAP) is calculated based on per capita income over a three-year period. The overall economy in North Dakota continues to see improvement a bit faster than other states; therefore, the FMAP for North Dakota has dropped over the past two years and will continue to fall through Federal Fiscal Year 2008. The current FMAP (through September 2007) is 64.72 percent. The percentage will drop to 63.75 percent for Federal Fiscal Year 2008 (October 1, 2007 - September 30, 2008) and is expected to be 64.08 percent for Federal Fiscal Year 2009 (October 1, 2008 – September 30, 2009). The impact to the Department's budget as a result of the FMAP reductions totals $9.1 million, of which $2.9 million is directly related to the services covered in this portion of my testimony.

Medicaid Payments	$2,694,040
Healthy Steps	$210,652
Total Impact	$2,904,692

As noted in my earlier comments, the 2007-2009 Budget proposes to fund Children's Special Health Services (CSHS) in the Department of Health. The question regarding the placement of CSHS has been raised in past Legislative Sessions; therefore, over the interim the Department held conversations with the Office of Management and Budget and with the Department of Health. It was determined, based on types of programs and the philosophical approach to those programs, that CSHS placement would be most appropriate in the Department of Health. Sections five through eleven of Senate Bill 2012 outline the changes necessary to facilitate this move. Both the Department of Human Services and Department of Health have and will continue to meet on "transition" issues that need to be considered as part of the move. This change would be effective July 1, 2007.

In January, Medicare Part D was implemented and the Medical Services Division assisted the nearly 10,000 dual-eligible individuals (those who qualify for both Medicare and Medicaid) manage issues that arose with the Medicare systems. Early on, Governor Hoeven directed the Department to ensure that no dual-eligible individual went without their needed medication. Medical Services processed 4,794 prescriptions for 1,724 dual-eligible individuals for a total of $292,412. To date, $266,498 has been reimbursed by the Centers for Medicare and Medicaid Services, and we await the final payment.

As of July 2006, individuals applying or recertifying for Medicaid enrollment are required to provide documentation of citizenship and identity. This is mandated by the Deficit Reduction Act, which passed in Congress in 2006. This new requirement and an improved economy has resulted in a decrease in enrollment over the past six months. The Department has implemented an interface with the Division of Vital Records of the North Dakota Department of Health, which should help ensure eligible individuals are not denied coverage, solely because of lack of citizenship documentation. It is too early to estimate the impact of this electronic match; however, the feedback from eligibility workers indicates this is a significant improvement.

In October, Altru Health Care Systems determined they were unable to accept the capitated payment rates, developed and certified by an actuary vendor that was under contract with the Department. Therefore, the managed care contract expired October 31, 2006 and the 750+ individuals enrolled in the managed care program were transitioned to the Medicaid fee-for-service program.

Medicaid is 42-years old and has become one of the fastest-growing state expenditures, nationwide. There are many ideas about how the program should be reformed and sustained. The Medical Services Division continues to review and analyze the provisions of the Deficit Reduction Act and has expanded the Medicaid Medical Advisory Committee to establish a long-term plan for Medicaid program operations.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	5,686,710	6,924,994	1,238,284
Operating	20,787,543	22,975,877	2,188,334
Grants	383,542,215	404,614,913	21,072,698
Total	410,016,468	434,515,784	24,499,316
General	110,092,728	128,147,839	18,055,111
Federal	273,154,025	274,819,703	1,665,678
Other	26,769,715	31,548,242	4,778,527
FTEs	64.00	64.00	-

The Salaries line item increased by $1,238,284 and can be attributed to the following changes:

- $500,182 in total funds, of which $260,127 is general funds, is due to the Governor's salary package for state employees.
- $335,444 in total funds, of which $167,823 is general funds, is related to organizational changes within the Medical Services Division. Over the interim, responsibilities for the Medicaid Waivers and Home and Community-Based Services were moved into the Medical Services Division. With these increased budget and program-related responsibilities, the Assistant Director position has been split into three areas: The Division now has an Assistant Director for the Long Term Care Continuum, an Assistant Director for Budget and Operations, and an Assistant Director of Program

and Policy. The Assistant Director changes resulted in the increase of one Full-Time Equivalent and the reclassification of another position. A position has also been added in the Home and Community-Based Service staff to assist with program policy and provider review responsibilities and a Certified Coder position has also been added to assist with claims review and audits. Since the reorganization of FTE occurred during the current biennium, the actual increase is not reflected in the FTE numbers; however, the salary authority needs to be increased to fund the changes.

- $59,141 in total funds, of which $29,588 is general funds, is for an increase in temporary salaries. This increase is related to the need for additional claims processing staff to ensure continued timely payments to providers, and for periodic assistance on special projects such as waiver applications and renewals.
- $36,721 in total funds is to provide for the annual and sick leave lump-sum payouts for three FTE expected to retire.
- The remaining $306,796 is a combination of increases and decreases needed to sustain the salary of the 64 FTE in this area of the budget.

The Operating Expenses had a net increase of $2.2 million. The combination of increases and decreases are as follows:

- The Medicare Part D Clawback payment is the most significant portion of this budget area. The Clawback is estimated at $19.15 million for 2007-2009. This is an increase of $3.3 million over the current budget of $15.85 million. The increase is almost exclusively the result of having 24 months of payments in 2007-2009 vs. 18 months in 2005-2007. The Clawback payment is 100 percent general funds.

- Operating expenses also include contracts for services, such as: medical consultants; utilization review and prior authorization; drug pricing; Medicaid Identification cards; nursing facility screenings; actuary services; and third party liability identification. In reviewing contracts, it was determined that the overall need in this area was less than the current biennium. In addition, Disease Management was funded as an Operating Expense in 2005-2007; however, based on CMS requirements, it will be implemented as health care program. Therefore, it is now funded in the Medicaid Grants. These changes resulted in a decrease of $1.1 million in this area, of which $.7 million is general funds.

The Executive Budget for the Grants in this area reflects an increase of $21.1 million in total funds, of which $14.3 million are general funds, and $4.8 million are other funds. The federal increase is only $2 million, because of the Excess Authority from the 2005-2007 Budget, which Brenda Weisz mentioned in her overview testimony. Overall, this $21.1 million increase is the net result of utilization changes ($-64.4 million), cost changes ($72.5 million), the 3 percent/3 percent inflationary increase ($12.1 million), addition of Nurse Aide Registry ($.3 million), and an increase in the Nursing Facility Survey costs ($.6 million).

- Utilization of Inpatient Hospital Services has continued to trend up. The Executive Budget requests $97.5 million, of which $35.1 million are general funds. This is an increase over the current biennium budget of $16.5 million, of which $7.4 million are general funds.
- Outpatient Hospital Services has trended up for both cost and utilization. This area of the Executive Budget request is $6.1 million higher than the 2005-2007 Budget request, of which $2.5 million are general funds.

- Physician Services utilization has also trended up. The Executive Budget requests $56.4 million, of which $20.3 million are general funds. This represents an increase of only $.5 million, as the average cost per Physician service has trended down over the current Biennium.
- For Prescription Drugs, the Executive Budget requests $60.8 million, of which $2.3 million are general funds, and $19.6 million are retained funds. This is a $27.8 million decrease over the budget for last biennium. Once the Excess Authority (-$26.7 million) is removed, this is a decrease of $1.1 million, which is the net result of cost changes ($72.3 million) and utilization changes (-$73.4). North Dakota Medicaid has seen tremendous growth in the average cost of brand name medications the last two years (11.6 percent and 13.6 percent - going from a low of $103.64 for a brand script in January 2005 to a high of $130.39 in August 2006). During this same time, we have experienced a tremendous shift in the brand/generic mix of drugs (54.3 percent generic in January 2005 to 68.4 percent generic in October 2006). The average cost of a generic is only $22. With the significant shifts resulting from Medicare Part D, it is very difficult to compare past growth rates with current growth since we are in a new era post Part D. The patient mix and medication mix is completely different since January 1, 2006. It will take a few years before any true trending can be based on actual post Part D populations. National estimates from a variety of sources allowed us to generate our expected growth of drug costs of 6.5 percent per year for each year of the 2007-2009 Biennium. This is also consistent with National Health Expenditure estimates.

- The Healthy Steps request is based on an average 3,958 premiums per month, at an average premium of $207.31 per child. This premium reflects an increase of 13.99 percent over the average premium paid for the current biennium. The total Healthy Steps request is $19.7 million of which $5 million are general funds. This represents an increase over the current budget of $7.6 million, of which $2 million are general funds.
- The Executive Budget requests $19.9 million for Psychiatric Residential Treatment Facilities (PRTF). This is an increase of $9.2 million over the budget for the current biennium. During the interim, the Centers for Medicare and Medicaid Services indicated that Medicaid payments could no longer be made for Residential Treatment Facilities, but rather, the facilities had to operate as PRTFs. This required significant work for the six facilities involved; however, all have successfully completed the steps necessary to operate as PRTFs. Therefore, this increase is primarily the result of shifting the room and board expenditure from Children and Family Services to Medicaid. This allows us to capture FMAP for the entire rate (room, board, and therapy services).
- The budget request for premium payments has increased significantly over the 2005-2007 Budget. We are requesting $23.7 million. This represents an increase of $8.1 million. The majority of the increase is due to both the number of individuals requesting assistance with premiums such as Qualified Medicare Beneficiary (QMB), Special Low Income Medicare Beneficiary (SLMB), and Qualified Individuals (QI-1) and to the federally established increase in the amount of the premiums. The "woodwork effect" of Medicare Part D implementation is at least partially responsible for

the increase in the number of individuals seeking premium assistance.

- The remaining $7 million change is the result of changes in the other services such as Durable Medical Equipment ($1.1 million increase), Dental ($1.3 million decrease), Workers with Disabilities ($2.9 million increase), Disease Management ($1.8 million increase), and Indian Health Services ($2.1 million decrease). Attachment E shows each Traditional Medicaid Service comparing the 2005-2007 Budget, 2005-2007 Projected Need, and the 2007-2009 Executive Budget request.

I would be happy to address any questions that you may have.

Attachment A

North Dakota Department of Human Services
Medical Services Division

MEDICAID MANDATORY AND OPTIONAL SERVICES

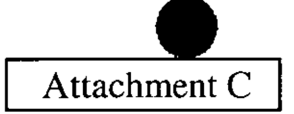
MANDATORY	OPTIONAL	OPTIONAL
Inpatient Hospital	Chiropractic Services	Mental Health Rehab / Stabilization
Outpatient Hospital	Podiatrist Services	Inpatient Hospital / Nursing Facility / ICF Services 65 and older in IMD
Laboratory X-ray	Optometrists / Eyeglasses	Intermediate Care Facility Services for MR
Nursing Facility Services for beneficiaries age 21 and older	Psychologists	Inpatient Psychiatric Services Under Age 21
EPSDT for under age 21	Nurse Anesthetist	Personal Care Services
Family Planning Services & Supplies	Private Duty Nursing	Targeted Case Management
Physician Services	Clinic Services	Primary Care Case Management
Nurse Mid-wife Services	Home Health Therapy	Hospice Care
Pregnancy Related Services and services for other conditions that might complicate pregnancy	Dental & Dentures	Non-Emergency Transportation Services
60 Days Post Partum Pregnancy-Related Services	Physical Therapy & Occupational Therapy	Nursing Facility Services Under Age 21
Home Health Services (Nursing), including Durable Medical Equipment and Supplies	Speech, Hearing, Language Therapy	Emergency Hospital Services in Non-Medicare Participating
Medical and Surgical Services of a Dentist	Prescribed Drugs	Prosthetic Devices
Emergency Medical Transportation	Diagnostic/Screening/Preventative Services	
Federal Qualified Health Center (FQHC) / Rural Health Center (RHC)		

Note: ALL Optional services are available to children under the age of 21, if medically necessary (Required through EPSDT)

North Dakota Department of Human Services
Medical Services Division

CURRENT MEDICAID SERVICE LIMITS AND COPAYMENTS

SERVICE LIMITS	COPAYMENTS
Chiropractic Manipulations 12/year	$2 Occupational Therapy
Chiropractic X-rays 2/year	$2 Optometry Service
Physical / Occupational / Speech Therapy Evaluation 1/year	$2 Psychological Service
Occupational Therapy 20 visits/year	$1 Speech Therapy
Psychological Testing 4 hours/year	$2 Physical Therapy
Psychological Therapy 40 visits/year	$3 Podiatry Service
Speech Therapy 30 visits/year	$2 Hearing Test
Physical Therapy 15 visits/year	$3 Hearing Aid
Eyeglasses for Individuals 21 & Older once every 3 years	$75 Inpatient Hospital
Eye exams for Individuals 21 & Older once every 3 years	$6 non-emergent use of Emergency Room
Ambulatory Behavioral Health – limited based on level of care	$2 Physician Visit
Inpatient Psychiatric – 21 days per admission, not to exceed 45 days per year	$3 Federally Qualified Health Center / Rural Health Center Visit
Inpatient Rehabilitation Services – 30 days per admission	$3 Brand Prescriptions
Nursing facilities – 15 days hospital leave; 24 therapeutic leave days per year	$1 Chiropractic Services
Wheelchairs – limited to once every 5 years	$2 Dental Services
Nebulizers limited to once every 5 years	
Dentures – limited to once every 5 years	
Dietitian – 4 visits per year	
Biofeedback – 6 visits per year	



Attachment C

Comparison of Net Medicaid Eligibles (Less QMB's Only, SLMB's Only & QI's) and Unduplicated Recipients 2005 - 2007 Biennium (August '05 - July '07)

Legend: Unduplicated Recipients; Medicaid Eligibles

Month	Medicaid Eligibles	Unduplicated Recipients
Aug '05	52,361	38,174
Sep '05	52,316	36,736
Oct '05	52,068	38,198
Nov '05	51,805	39,808
Dec '05	51,749	38,286
Jan '06	51,757	39,891
Feb '06	51,835	38,547
Mar '06	52,573	39,281
Apr '06	52,308	39,406
May '06	52,123	42,527
Jun '06	51,706	38,299
Jul '06	49,949	37,388
Aug '06	49,949	40,577
Sep '06	49,202	37,773
Oct '06	49,133	39,971
Nov '06	48,952	36,752
Dec '06		
Jan '07		
Feb '07		
Mar '07		
Apr '07		
May '07		
Jun '07		
Jul '07		

Y-axis: 25,000; 30,000; 35,000; 40,000; 45,000; 50,000; 55,000

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North Dakota Department of Human Services

Healthy Steps Enrollment by Month

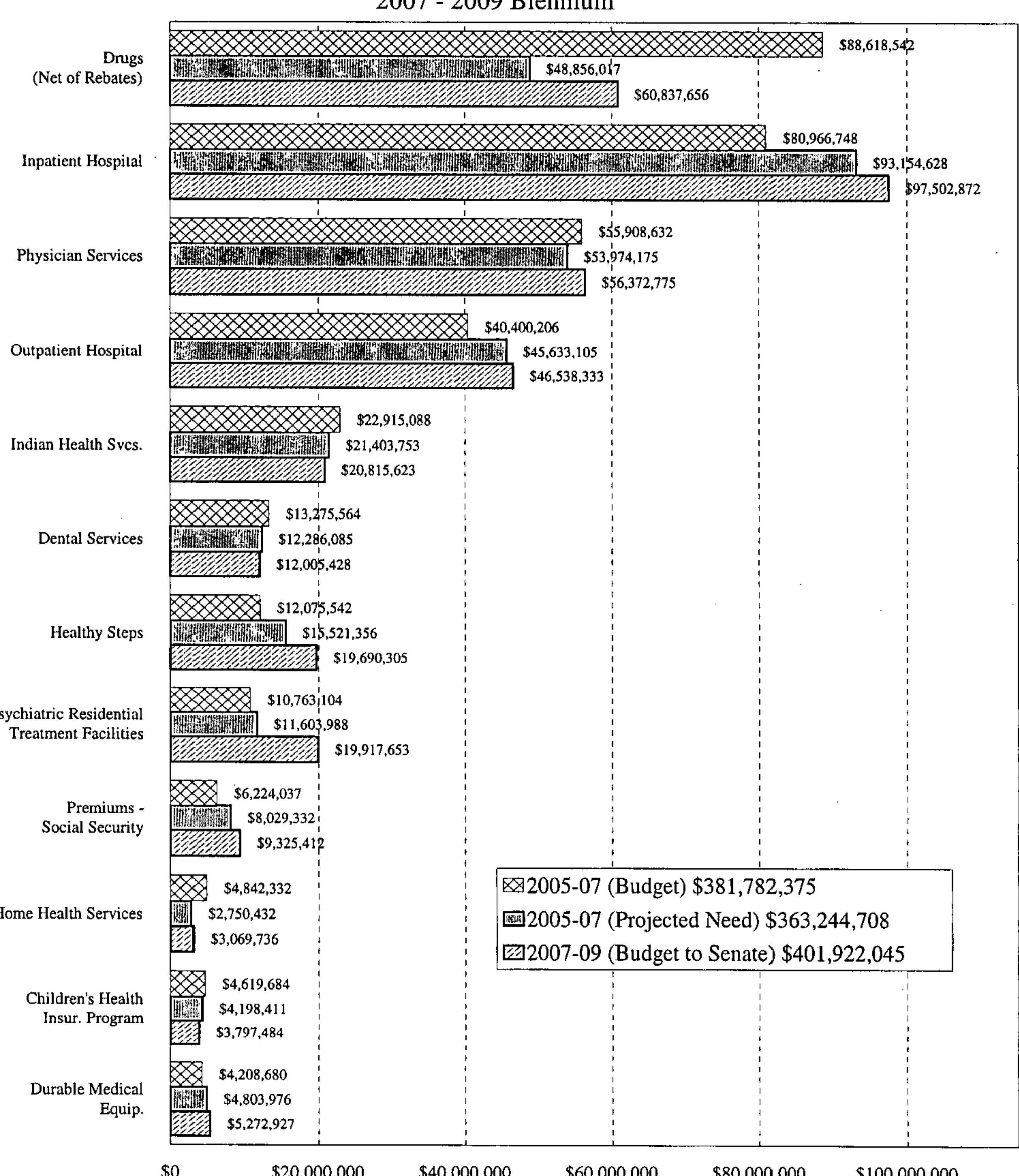
August 2005 - December 2006

Aug '05	Sep '05	Oct '05	Nov '05	Dec '05	Jan '06	Feb '06	Mar '06	Apr '06	May '06	Jun '06	Jul '06	Aug '06	Sep '06	Oct '06	Nov '06	Dec '06
2,631	2,818	2,977	3,104	3,199	3,295	3,240	3,472	3,508	3,607	3,699	3,791	3,760	3,820	3,726	3,688	3,748

12/28/06-cj-hgw\0709legis\hlthy steps

Attachment E

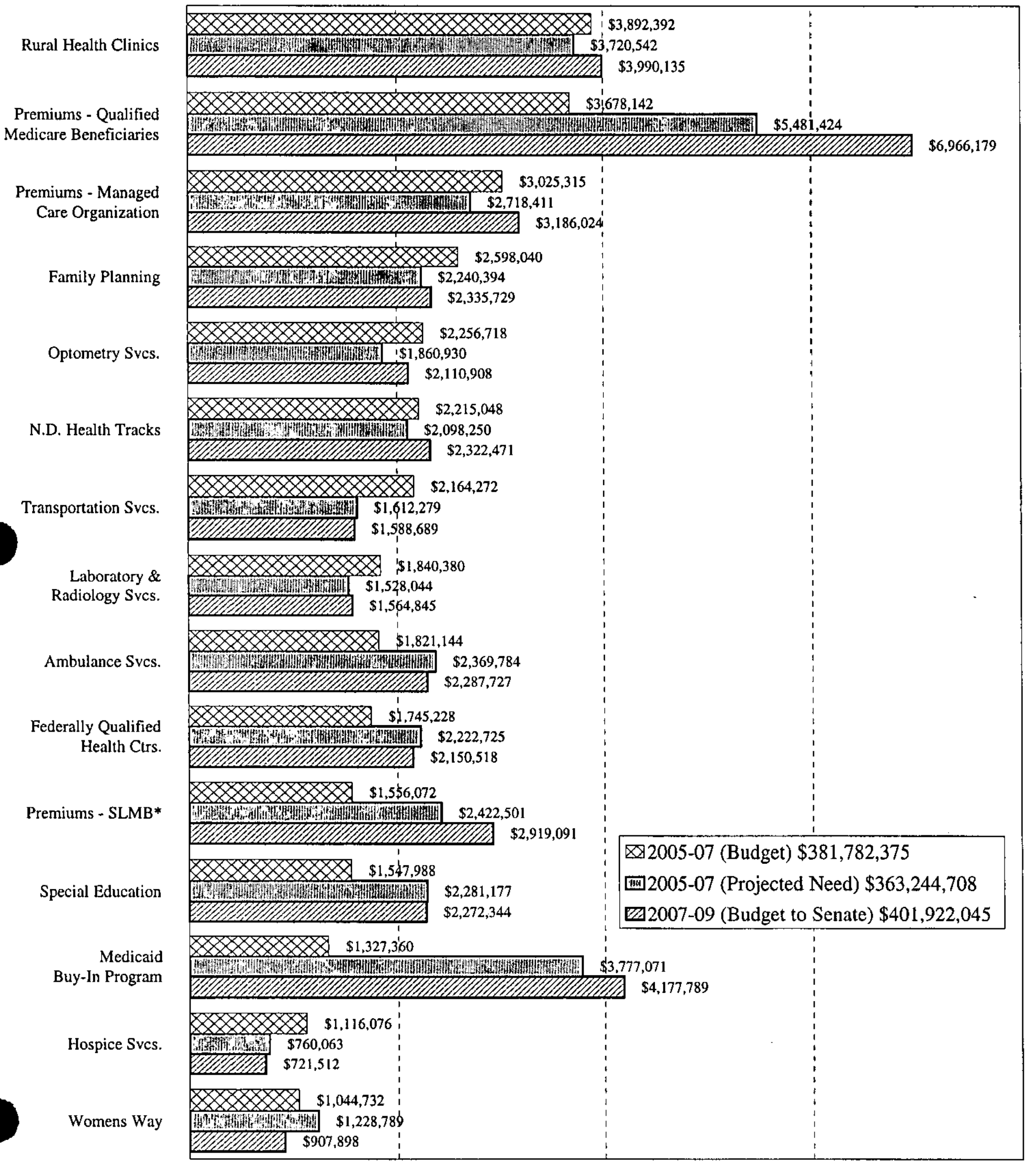
North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012
2007 - 2009 Biennium



North Dakota Department of Human Services

Attachment E

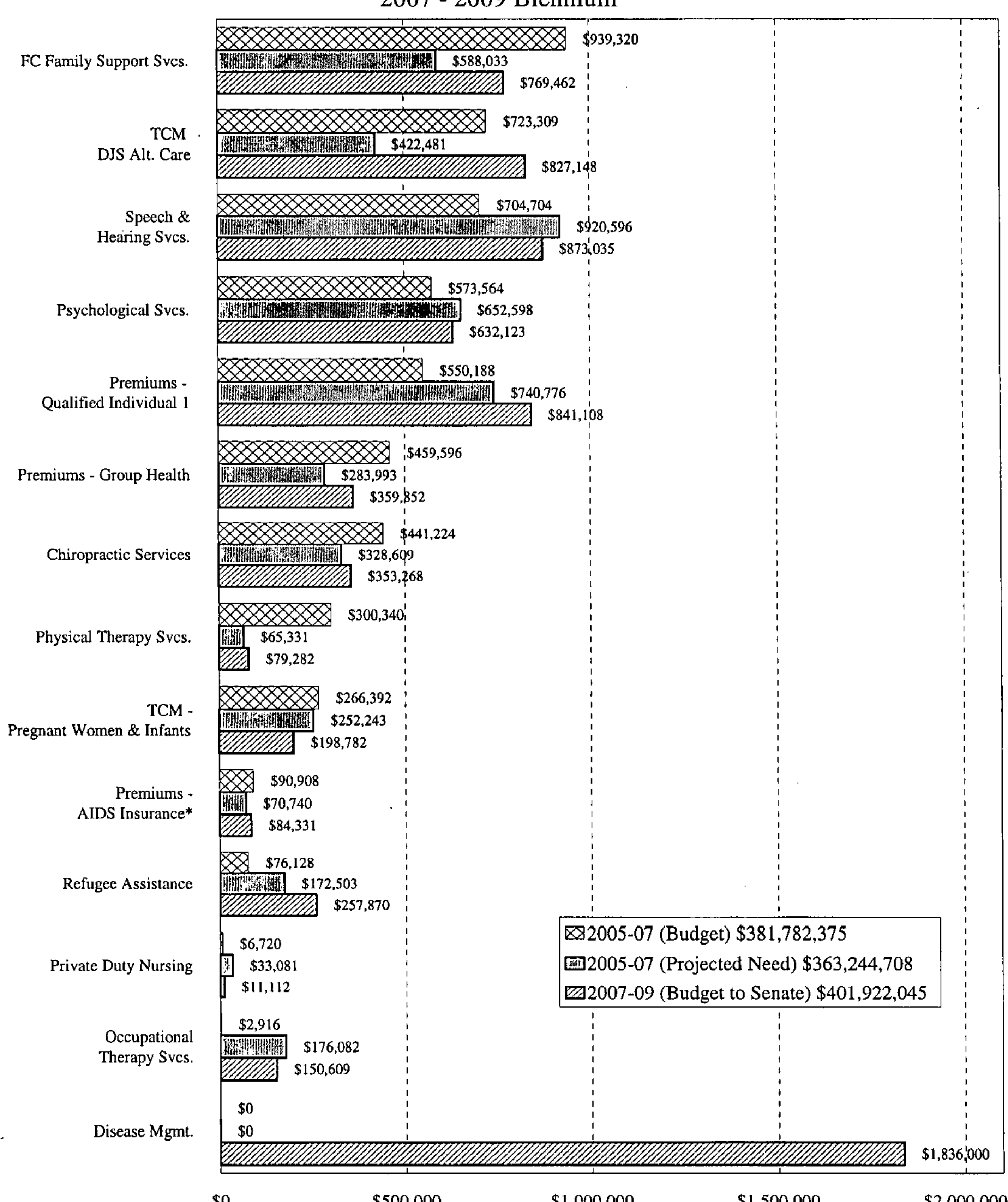
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012
2007 - 2009 Biennium



*SLMB (Special Low-Income Medicare Beneficiaries)

North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012
2007 - 2009 Biennium

Attachment E



* AIDS (Acquired Immune Deficiency Syndrome)

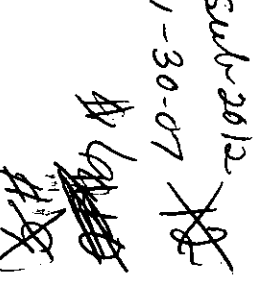
al Assistance

	Description	2005-2007 Appropriation	Cost Changes	IGT Funding Switch	Caseload/Utilization Changes	FMAP	No Enhanced Rate for CHIPS Change	3% Inflationary Increase Changes	Total Changes	2007-2009 To Senate
2	Inpatient Hospital	80,966,748	(5,990,748)		18,314,448	0		4,212,424	16,536,124	97,502,872
3	Outpatient Hospital	40,400,206	824,482		3,306,717	0		2,006,928	6,138,127	46,538,333
4	Physician Services	55,908,632	(3,683,992)		1,728,148	0		2,419,987	464,143	56,372,775
5	Drugs - NET (Includes Rebates)	88,618,542	45,577,901		(73,358,787)	0		0	(27,780,886)	60,837,656
5a	Drugs (Excludes Rebates)	103,164,585	72,273,205		(93,115,971)	0		0	(20,842,766)	82,321,819
5b	Drug Rebates	(14,546,043)	(26,695,304)		19,757,184	0		0	(6,938,120)	(21,484,163)
6	Ambulance Services	1,821,144	354,256		14,057	0		98,270	466,583	2,287,727
7	Womens Way	1,044,732	1,079,316		(1,255,386)	0		39,236	(136,834)	907,898
8	Children's Health Ins. Program	4,619,684	(2,936,196)		1,948,688	0		165,308	(822,200)	3,797,484
9	Chiropractic Services	441,224	52,752		(155,943)	0		15,235	(87,956)	353,268
10	Collections from Estates	0	0		0	0		0	0	0
11	Dental Services	13,275,564	1,978,220		(3,766,672)	0		518,316	(1,270,136)	12,005,428
12	Durable Medical Equipment	4,208,680	(727,816)		1,564,268	0		227,795	1,064,247	5,272,927
13	Family Planning	2,598,040	2,029,192		(2,392,270)	0		100,767	(262,311)	2,335,729
14	Federally Qualified Health Centers	1,745,228	(446,212)		851,502	0		0	405,290	2,150,518
16	Home Health Services	4,842,332	2,094,092		(3,999,319)	0		132,631	(1,772,596)	3,069,736
17	Hospice Services	1,116,076	1,168,662		(1,563,226)	0		0	(394,564)	721,512
18	Indian Health Services	22,915,088	1,516,128		(4,514,901)	0		899,308	(2,099,465)	20,815,623
19	Laboratory & Radiology	1,840,380	214,444		(557,392)	0		67,413	(275,535)	1,564,845
20	N.D. Health Tracks	2,215,048	112,952		(5,529)	0		0	107,423	2,322,471
21	Occupational Therapy	2,916	(1,396)		142,671	0		6,418	147,693	150,609
22	Optometry Services	2,256,718	(327,414)		90,215	0		91,389	(145,810)	2,110,908
23	Physicial Therapy	300,340	(92,156)		(132,290)	0		3,388	(221,058)	79,282
24	Premiums - AIDS	90,908	24,841		(31,418)	0		0	(6,577)	84,331
25	Premiums - Group Health	459,596	293,413		(393,157)	0		0	(99,744)	359,852
26	Premiums - M.C.O.	3,025,315	257,249		(96,540)	0		0	160,709	3,186,024
27	Premiums - Qualified Individual 1	550,188	334,046		(43,126)	0		0	290,920	841,108
28	Premiums - QMB	3,678,142	972,665		2,315,372	0		0	3,288,037	6,966,179
29	Premiums - SLMB	1,556,072	997,173		365,846	0		0	1,363,019	2,919,091
30	Premiums - SSA	6,224,037	4,086,574		(985,199)	0		0	3,101,375	9,325,412
31	Private Duty Nursing	6,720	3,912		0	0		480	4,392	11,112
32	Psychological Services	573,564	200,076		(168,851)	0		27,334	58,559	632,123
33	Refugee Assistance	76,128	170,609		0	0		11,133	181,742	257,870
34	Rural Health Clinics	3,892,392	277,444		(179,701)	0		0	97,743	3,990,135
35	Special Education	1,547,988	625,572		0	0		98,784	724,356	2,272,344
36	Speech & Hearing Services	704,704	1,844,128		(1,713,592)	0		37,795	168,331	873,035
37	TCM - DJS Alt. Care	723,309	67,875		0	0		35,964	103,839	827,148
38	TCM - Pregnant Women & Infants	266,392	4,683,952		(4,760,147)	0		8,585	(67,610)	198,782
39	Transportation Services	2,164,272	442,696		(1,082,578)	0		64,299	(575,583)	1,588,689
40	Psychiatric Residential Treatment Facilities	10,763,104	8,572,409		0	0		582,140	9,154,549	19,917,653
41	Foster Care Family Support	939,320	(904,544)		701,529	0		33,157	(169,858)	769,462
42	Federal Funding Reimbursement Option	0	0		0	0		0	0	0
43	Medicaid Buy-In Program	1,327,360	2,725,584		(55,640)	0		180,485	2,850,429	4,177,789
44	Disease Management	0	1,836,000		0	0		0	1,836,000	1,836,000
	Total Title XIX	**369,706,833**	**70,308,141**		**(69,868,203)**	**0**		**12,084,969**	**12,524,907**	**382,231,740**
	Healthy Steps	12,075,542	2,217,027		5,397,736	0		0	7,614,763	19,690,305
	Total	**381,782,375**	**72,525,168**		**(64,470,467)**	**0**		**12,084,969**	**20,139,670**	**401,922,045**
	General Funds	**90,071,369**	**26,515,919**	**846,712**	**(20,032,287)**	**2,511,925**	**392,767**	**3,931,101**	**14,166,137**	**104,237,506**

North Dakota Department of Human Services
Medical Services Division
SB 2012

1-30-2007

State Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Phasedown %	90	88.3	86.7	85	83.3	81.7	80	78.3	76.7	75	75	75	75	75	75
Historical Growth Rate of Medicaid (state funds)															
Based on 99-05 trend	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Projected Medicare Growth															
(determined with Don Muse)	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
$ amount comes from following assumptions:															
	Medicaid growth of 6% per year (this is the trend from 99-05)														
	Medicare growth of 7% per year (based on national predictions)														
Savings in 06-07 from:															
	Rebates on drugs paid during 2005 calendar year were collected during the 06-07 fiscal years														



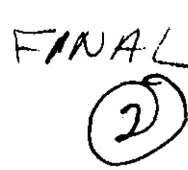
North Dakota Department of Human Services
Medical Services
Detail of Selected Services
2007-2009 Budget to House

	Budget	% of Budget
Medical Services		
Top Ten Services		
Inpatient Hospital	$ 98,925,215	23.38%
Drugs - NET (Includes Rebates)	60,837,656	14.38%
Physician Services	57,772,931	13.66%
Outpatient Hospital	47,219,767	11.16%
Premiums	23,681,997	5.60%
Indian Health Services	21,119,368	4.99%
Healthy Steps	18,657,028	4.41%
Psychiatric Residential Treatment Facilities	20,113,320	4.75%
Dental Services	12,180,758	2.88%
Durable Medical Equipment	5,352,750	1.27%
Total of Selected Services	**365,860,790**	**86.48%**
Senate Policy Changes		
Increase Medically Needy from 61% to 83%	7,023,015	1.66%
Continuous Eligibility for Children under 19	6,332,899	1.50%
Increase Poverty Level from 133% for 6 to 19	4,127,018	0.98%
Total of Senate Policy Changes	**17,482,932**	**4.13%**
Total of Above Services	**383,343,722**	**90.61%**
Remaining Programs	**39,700,617**	**9.39%**
Total Traditional Medicaid	**423,044,339**	**100.00%**
Total 2005-2007 Budget	**423,044,339**	**100.00%**

2007-2009 Budget

Remaining Services, 9.39%

Top Ten Services & Senate Policy Changes, 90.61%



Senate Bill 2012
Department of Human Services
OAR – Medically Needy Income Level Increases

February 5, 2007

The medically needy income levels establish the amount of income individuals, couples, and families can keep to meet their maintenance needs. The current level for a one person household is $500 (about 61% of the poverty level) and for a two person household is $516 (about 47% of the poverty level). All excess income is considered recipient liability that must be applied toward monthly medical expenses.

The medically needy income levels have not increased since January 1, 2003. Annual income increases that individuals and families receive often reduce other assistance benefits (such as housing) while the medically needy income level requires the entire increase to go to recipient liability. This results in a net loss of available income to the household.

This OAR would increase the medically needy income level to 83% of poverty level, which will allow the medically needy level to be at least as high as the SSI levels, and will provide a modest annual increase as the poverty level increases in order to stay at least as high as the SSI levels. Based on the current poverty level, 83% of that level for a one person household is $679 and for a two person household is $913.

The proposed increases will positively affect about 4451 current Medicaid recipients, and may result in additional individuals becoming eligible. We are estimating a total of 4900 recipients. The income level increase will not affect recipients in long-term-care facilities, or those recipients who are currently eligible with no recipient liability.

Increasing the medically needy income level would allow HCBS recipients to keep more of their income to meet their personal needs. It would lower their recipient liability which either applies toward the personal care services they receive, or the HCBS services. (While this increases the amount Medicaid pays toward those services, the increased costs are included in the fiscal note.) Allowing recipients to keep more income to meet their maintenance needs may allow, or encourage, more individuals to seek HCBS over more costly nursing care services, as they will be better able to meet costs for food, shelter, and other necessities. Also, recipients become eligible for Medicaid coverage only if their recipient liability exceeds their medical expenses. An individual with higher income may not qualify for Medicaid as their recipient liability may exceed the cost of their HCBS. These individuals may then turn to the SPED program for coverage. Increasing the medically needy income level will effectively reduce that recipient liability. For some, it may reduce it to the point where those individuals qualify for Medicaid. Their services could then be covered by Medicaid funds, with federal match, instead of with 100% general funds.

Cost to implement:	Total	$7,023,015
	General Funds	$2,529,690
	Federal Funds	$4,493,325

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 21, 2007

Chairman Pollert, members of the House Appropriations - Human Resources Division, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services. I am here today to provide you with an overview of the Traditional Medicaid and the State Children's Health Insurance Programs, as well as the administrative costs of the Medical Services Division. The Long-Term Care Continuum overview will be provided separately.

Programs

The Medical Services Division currently administers three programs, they are Medicaid, the State Children's Health Insurance Program (Healthy Steps), and Children's Special Health Services (CSHS). The 2007-2009 Budget proposes to fund the CSHS unit as part of the Department of Health. This area of the budget for Medicaid and Healthy Steps provides health care coverage for families and children, pregnant women, the elderly, and the disabled citizens of North Dakota. Attachment A shows the Medicaid Mandatory and Optional Services, and Attachment B shows the current services that have a co-payment.

Caseload

The Executive Budget for Traditional Medicaid was built on the April 2006 enrollment, which was 52,308. Attachment C shows the Medicaid

Enrollment (eligibles) and the unduplicated count of recipients for each month of the current biennium.

Healthy Steps was built on an average caseload of 3,958 children. Attachment D shows the number of children enrolled each month in Healthy Steps since the beginning of the current biennium. As of January 2007, Healthy Steps enrollment has increased by 1,135 children since the beginning of the biennium. This increase, which is greater than the current budget estimate, is attributable to several factors, including simplification and alignment of eligibility requirements, very effective outreach efforts through Dakota Medical Foundation (Covering Kids and Families Grant), and a streamlined application process.

Program Trends / Major Program Changes

The Federal Medical Assistance Percentage (FMAP) is calculated based on per capita income over a three-year period. The overall economy in North Dakota continues to see improvement a bit faster than other states; therefore, the FMAP for North Dakota has dropped over the past two years and will continue to fall through Federal Fiscal Year 2008. The current FMAP (through September 2007) is 64.72 percent. The percentage will drop to 63.75 percent for Federal Fiscal Year 2008 (October 1, 2007 - September 30, 2008) and is expected to be 64.08 percent for Federal Fiscal Year 2009 (October 1, 2008 – September 30, 2009). The impact to the Department's budget as a result of the FMAP reductions totals $9.1 million, of which $2.9 million is directly related to the services covered in this portion of my testimony.

Medicaid Payments	$2,694,040
Healthy Steps	$210,652
Total Impact	$2,904,692

As noted in my earlier comments, the 2007-2009 Budget proposes to fund Children's Special Health Services (CSHS) in the Department of Health. The question regarding the placement of CSHS has been raised in past Legislative Sessions; therefore, over the interim the Department held conversations with the Office of Management and Budget and with the Department of Health. It was determined, based on types of programs and the philosophical approach to those programs, that CSHS placement would be most appropriate in the Department of Health. Sections eleven through fourteen and Sections sixteen and seventeen of Senate Bill 2012 outline the changes necessary to facilitate this move. Both the Department of Human Services and Department of Health have and will continue to meet on "transition" issues that need to be considered as part of the move. This change would be effective July 1, 2007.

In January, Medicare Part D was implemented and the Medical Services Division assisted the nearly 10,000 dual-eligible individuals (those who qualify for both Medicare and Medicaid) manage issues that arose with the Medicare systems. Early on, Governor Hoeven directed the Department to ensure that no dual-eligible individual went without their needed medication. Medical Services processed 4,794 prescriptions for 1,724 dual-eligible individuals for a total of $292,412. To date, $266,498 has been reimbursed by the Centers for Medicare and Medicaid Services (CMS), and we await the final payment.

As of July 2006, individuals applying or recertifying for Medicaid enrollment are required to provide documentation of citizenship and identity. This is mandated by the Deficit Reduction Act, which passed in Congress in 2006. This new requirement and an improved economy has resulted in a decrease in enrollment over the past six months. The Department has implemented an interface with the Division of Vital Records of the North Dakota Department of Health, which should help ensure eligible individuals are not denied coverage, solely because of lack of citizenship documentation. It is too early to estimate the impact of this electronic match; however, the feedback from eligibility workers indicates this is a significant improvement.

In October, Altru Health Care Systems determined they were unable to accept the capitated payment rates, developed and certified by an actuary vendor that was under contract with the Department. Therefore, the managed care contract expired October 31, 2006 and the 750+ individuals enrolled in the managed care program were transitioned to the Medicaid fee-for-service program.

Medicaid is 42-years old and has become one of the fastest-growing state expenditures, nationwide. There are many ideas about how the program should be reformed and sustained. The Medical Services Division continues to review and analyze the provisions of the Deficit Reduction Act and has expanded the Medicaid Medical Advisory Committee to establish a long-term plan for Medicaid program operations.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	5,686,710	1,238,284	6,924,994	75,046	7,000,040
Operating	20,787,543	2,188,334	22,975,877	453,000	23,428,877
Grants	383,542,215	21,072,698	404,614,913	20,822,037	425,436,950
Total	410,016,468	24,499,316	434,515,784	21,350,083	455,865,867
General	110,092,728	18,055,111	128,147,839	7,640,395	135,788,234
Federal	273,154,025	1,665,678	274,819,703	13,709,688	288,529,391
Other	26,769,715	4,778,527	31,548,242	-	31,548,242
FTEs	64.00	-	64.00	1.00	65.00

Budget Changes from Current Budget to Executive Budget

The Salaries line item increased by $1,238,284 and can be attributed to the following changes:

- $500,182 in total funds, of which $260,127 is general funds, is due to the Governor's salary package for state employees.
- $335,444 in total funds, of which $167,823 is general funds, is related to organizational changes within the Medical Services Division. Over the interim, responsibilities for the Medicaid Waivers and Home and Community-Based Services were moved into the Medical Services Division. With these increased budget and program-related responsibilities, the Assistant Director position has been split into three areas: The Division now has an Assistant Director for the Long Term Care Continuum, an Assistant Director for Budget and Operations, and an Assistant Director of Program

and Policy. The Assistant Director changes resulted in the increase of one Full-Time Equivalent and the reclassification of another position. A position has also been added in the Home and Community-Based Service staff to assist with program policy and provider review responsibilities and a Certified Coder position has also been added to assist with claims review and audits. Since the reorganization of FTE occurred during the current biennium, the actual increase is not reflected in the FTE numbers; however, the salary authority needs to be increased to fund the changes.

- $59,141 in total funds, of which $29,588 is general funds, is for an increase in temporary salaries. This increase is related to the need for additional claims processing staff to ensure continued timely payments to providers, and for periodic assistance on special projects such as waiver applications and renewals.
- $36,721 in total funds is to provide for the annual and sick leave lump-sum payouts for three FTE expected to retire.
- The remaining $306,796 is a combination of increases and decreases needed to sustain the salary of the 64 FTE in this area of the budget.

The Operating Expenses had a net increase of $2.2 million. The combination of increases and decreases are as follows:

- The Medicare Part D Clawback payment is the most significant portion of this budget area. The Clawback is estimated at $19.15 million for 2007-2009. This is an increase of $3.3 million over the current budget of $15.85 million. The increase is almost exclusively the result of having 24 months of payments in 2007-2009 vs. 18 months in 2005-2007. The Clawback payment is 100 percent general funds.

- Operating expenses also include contracts for services, such as: medical consultants; utilization review and prior authorization; drug pricing; Medicaid Identification cards; nursing facility screenings; actuary services; and third party liability identification. In reviewing contracts, it was determined that the overall need in this area was less than the current biennium. In addition, Disease Management was funded as an Operating Expense in 2005-2007; however, based on CMS requirements, it will be implemented as health care program. Therefore, it is now funded in the Medicaid Grants. These changes resulted in a decrease of $1.1 million in this area, of which $.7 million is general funds.

The Executive Budget for the Grants in this area reflects an increase of $21.1 million in total funds, of which $14.3 are general funds, and $4.8 are other funds. The federal increase is only $2 million, because of the Excess Authority from the 2005-2007 Budget, which Brenda Weisz mentioned in her overview testimony. Overall, this $21.1 million increase is the net result of utilization changes ($-64.4 million), cost changes ($72.5 million), the 3 percent/3 percent inflationary increase ($12.1 million), addition of Nurse Aide Registry ($.3 million), and an increase in the Nursing Facility Survey costs ($.6 million).

- Utilization of Inpatient Hospital Services has continued to trend up. The Executive Budget requests $97.5 million, of which $35.1 million are general funds. This is an increase over the current biennium budget of $16.5 million, of which $7.4 million are general funds.
- Outpatient Hospital Services has trended up for both cost and utilization. This area of the Executive Budget request is $6.1 million higher than the 2005-2007 Budget request, of which $2.5 million are general funds.

- Physician Services utilization has also trended up. The Executive Budget requests $56.4 million, of which $20.3 million are general funds. This represents an increase of only $.5 million, as the average cost per Physician service has trended down over the current Biennium.
- For Prescription Drugs, the Executive Budget requests $60.8 million, of which $2.3 million are general funds, and $19.6 million are retained funds. This is a $27.8 million decrease over the budget for last biennium. Once the Excess Authority (-$26.7 million) is removed, this is a decrease of $1.1 million, which is the net result of cost changes ($72.3 million) and utilization changes (-$73.4 million) (See Attachments E and E1). North Dakota Medicaid has seen tremendous growth in the average cost of brand name medications the last two years (11.6 percent and 13.6 percent - going from a low of $103.64 for a brand script in January 2005 to a high of $130.39 in August 2006). During this same time, we have experienced a tremendous shift in the brand/generic mix of drugs (54.3 percent generic in January 2005 to 68.4 percent generic in October 2006). The average cost of a generic is only $22. With the significant shifts resulting from Medicare Part D, it is very difficult to compare past growth rates with current growth since we are in a new era post Part D. The patient mix and medication mix is completely different since January 1, 2006. It will take a few years before any true trending can be based on actual post Part D populations. National estimates from a variety of sources allowed us to generate our expected growth of drug costs of 6.5 percent per year for each year of the 2007-2009 Biennium. This is also consistent with National Health Expenditure estimates.

- The Healthy Steps request is based on an average 3,958 premiums per month, at an average premium of $207.31 per child. This premium reflects an increase of 13.99 percent over the average premium paid for the current biennium. The total Healthy Steps request is $19.7 million of which $5 million are general funds. This represents an increase over the current budget of $7.6 million, of which $2 million are general funds.
- The Executive Budget requests $19.9 million for Psychiatric Residential Treatment Facilities (PRTF). This is an increase of $9.2 million over the budget for the current biennium. During the interim, the Centers for Medicare and Medicaid Services indicated that Medicaid payments could no longer be made for Residential Treatment Facilities, but rather, the facilities had to operate as PRTFs. This required significant work for the six facilities involved; however, all have successfully completed the steps necessary to operate as PRTFs. Therefore, this increase is primarily the result of shifting the room and board expenditure from Children and Family Services to Medicaid. This allows us to capture FMAP for the entire rate (room, board, and therapy services).
- The budget request for premium payments has increased significantly over the 2005-2007 Budget. We are requesting $23.7 million. This represents an increase of $8.1 million. The majority of the increase is due to both the number of individuals requesting assistance with premiums such as Qualified Medicare Beneficiary (QMB), Special Low Income Medicare Beneficiary (SLMB), and Qualified Individuals (QI-1) and to the federally established increase in the amount of the premiums. The "woodwork effect" of Medicare Part D implementation is at least partially responsible for

the increase in the number of individuals seeking premium assistance.

- The remaining $7 million change is the result of changes in the other services such as Durable Medical Equipment ($1.1 million increase), Dental ($1.3 million decrease), Workers with Disabilities ($2.9 million increase), Disease Management ($1.8 million increase), and Indian Health Services ($2.1 million decrease). Attachment F shows each Traditional Medicaid Service comparing the 2005-2007 Budget, 2005-2007 Projected Need, and the 2007-2009 Executive Budget request.

Senate Changes

Provider Inflation - $4.6 million in total funds, of which $1.5 are general funds were added to provide a 4% annual inflation increase.

Medically Needy Income Levels - $7.0 million in total funds, of which $2.5 million are general funds were added to increase the Medically Needy Income Levels from 61% of the federal poverty level to 83% of the federal poverty level.

Continuous Eligibility - $6.3 million in total funds, of which $2.3 million are general funds were added to implement 12-month continuous Medicaid eligibility for children under 19 years of age in the Categorically Needy and Optional Categorically Needy groups. The Senate amendments also added Section 5, which provides legislative intent surrounding the monitoring and reporting of expenditures and using these funds only if the change in policy warrants the expenditure.

House Bill 1463 - $1.5 million in total funds, of which $.8 million are general funds were added to fund the Medicaid and SCHIP changes proposed in House Bill 1463. House Bill 1463 would increase the Medicaid eligibility level to 133% of poverty for 6 to 19 year olds and would increase the SCHIP eligibility level to 150% of poverty.

SCHIP Policy Changes - $1.6 million in total funds, of which $.4 million are general funds were added to allow for certain income disregards for SCHIP applicants.

SCHIP Outreach - $.5 million in total funds, of which $.1 million are general funds was added for providing outreach services for SCHIP. The Senate amendments also added Section 9, which indicates legislative intent would be for the Department to contract with entity that focuses on statewide community health care initiatives and issues.

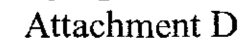
SCHIP Full-Time Equivalent - $75,046 in total funds, of which $18,919 are general funds, as well as authorization for the addition of an FTE was added.

Certified Nurse Registry - $300,257 in total funds, of which $75,081 in general funds was removed.

Rebasing Medicaid Inpatient Hospital Payment Rates – The Senate Amendments also added Section 6, which requires the Department to determine, during the 2007-08 Interim, the estimated cost of rebasing Medicaid inpatient hospital payment rates.

This concludes my testimony on the 2007-2009 budget request for Traditional Medicaid, the State's Children Health Insurance Program and the Administrative Expenses of Medical Services Division. I would be happy to address any questions that you may have.

Attachments A-C same as given to the Senate



North Dakota Department of Human Services
Healthy Steps Enrollment by Month
August 2005 - January 2007

Aug '05	Sep '05	Oct '05	Nov '05	Dec '05	Jan '06	Feb '06	Mar '06	Apr '06	May '06	Jun '06	Jul '06	Aug '06	Sep '06	Oct '06	Nov '06	Dec '06	Jan '07
2,631	2,818	2,977	3,104	3,199	3,295	3,240	3,472	3,508	3,607	3,699	3,791	3,760	3,820	3,726	3,688	3,748	3,766

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Attachment E

North Dakota Department of Human Services
Comparison of Drug Budget and Clawback Budget
Senate Bill 2012 to House

$88,618,542

$61,881,502 Drugs | $15,851,709 Clawback | $26,737,040 Excess Authority | $104,470,251

$48,856,017 Drugs | $13,164,666 Clawback | $62,020,683

$60,837,656 Drugs | $19,149,615 Clawback | $79,987,271

2005-07 (Budget)
2005-07 (Projected Need)
2007-09 (Budget to Senate)

$0 | $20,000,000 | $40,000,000 | $60,000,000 | $80,000,000 | $100,000,000

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North Dakota Department of Human Services
General Fund (Savings) Cost Due to Part D
State Fiscal Years 2006 - 2020
Senate Bill 2012 to House

State Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	-2,568,927	-1,823,516	1,212,450	1,012,532	-1,373,275	-1,530,279	-1,809,323	-2,037,172	-2,151,466	-2,074,406	-1,832,016	-1,526,740	-1,152,800	-706,518	-183,582

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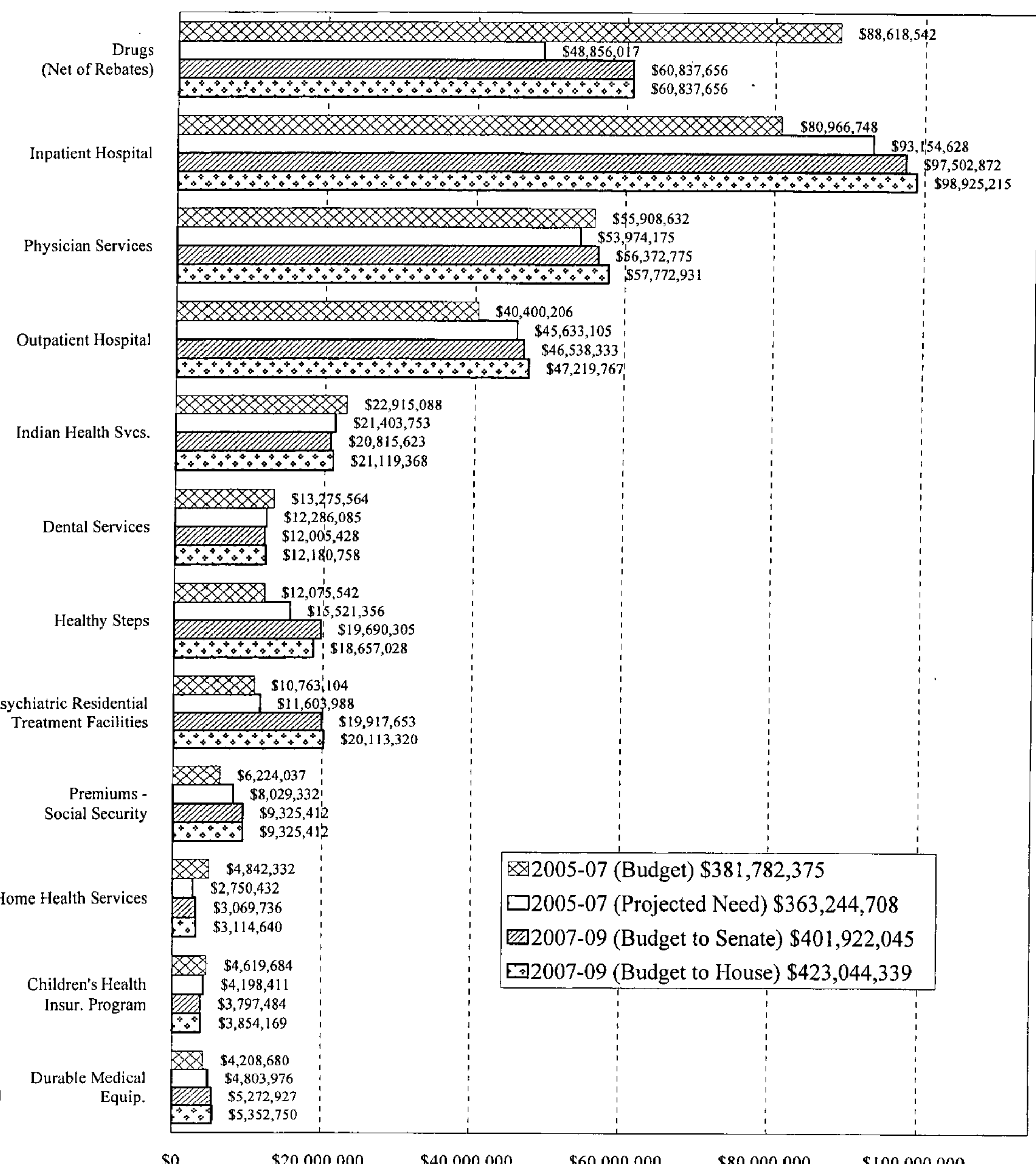
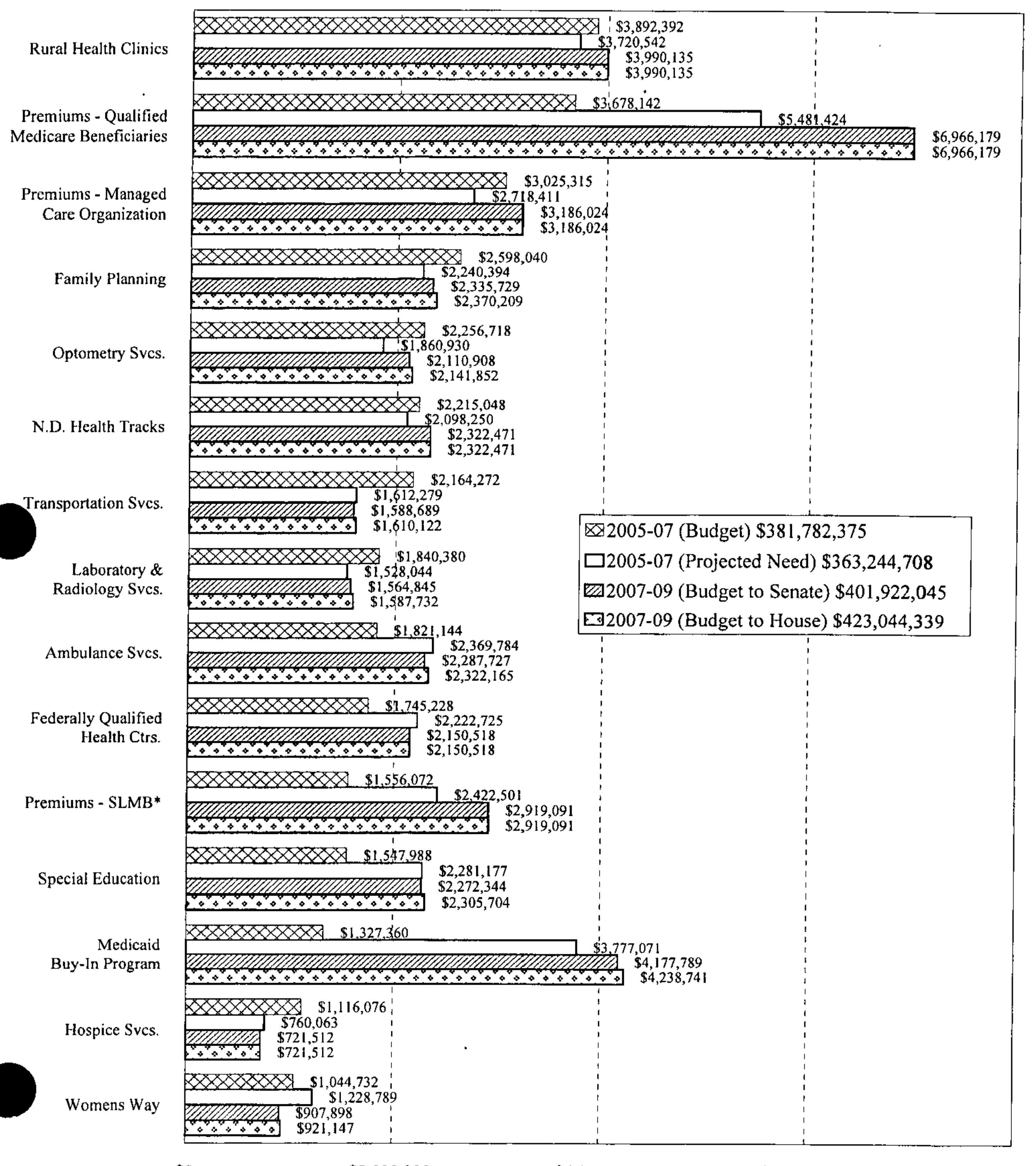
Attachment F

North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012 to House
2007 - 2009 Biennium



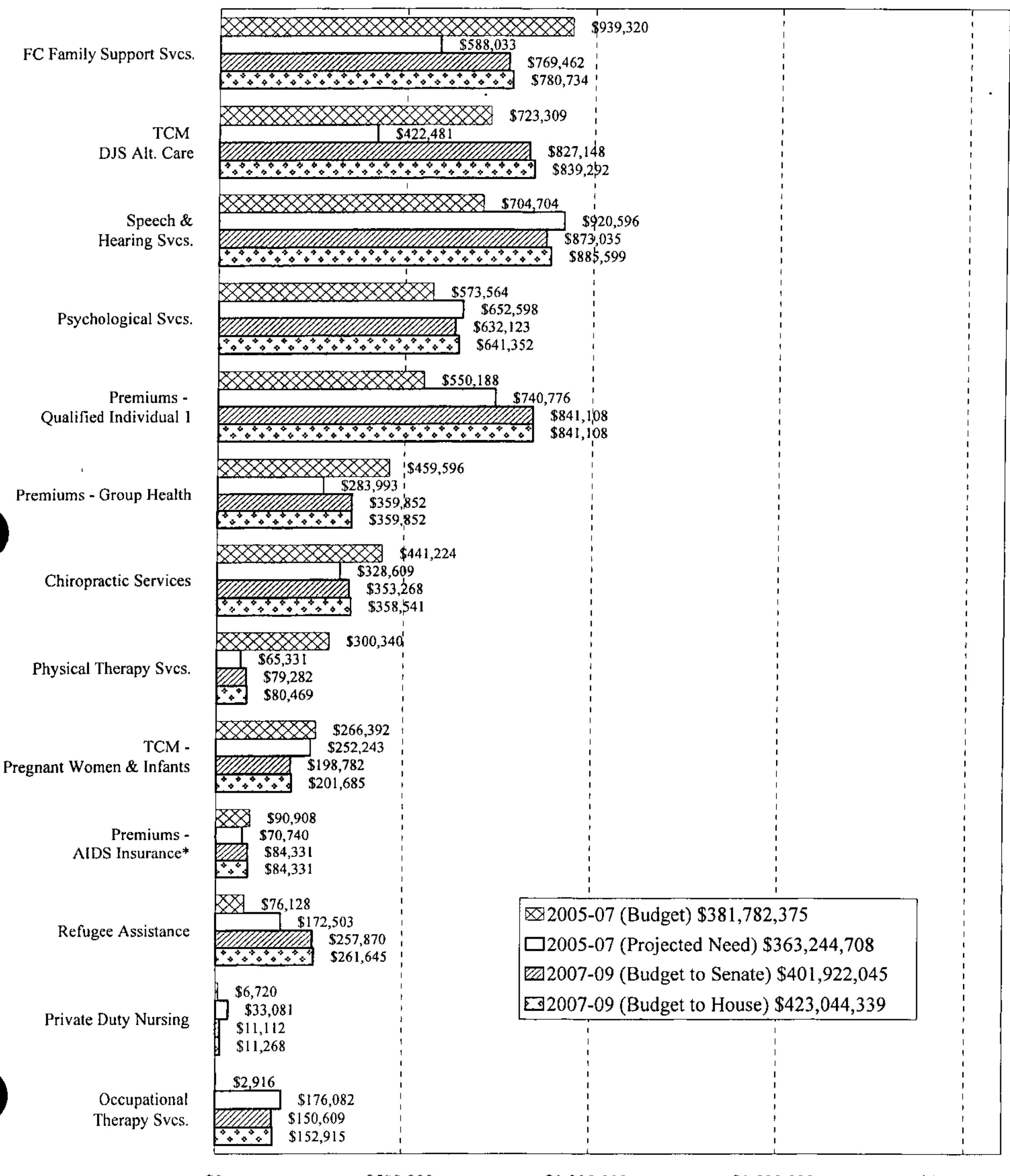
Attachment F-1

North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012 to House
2007 - 2009 Biennium



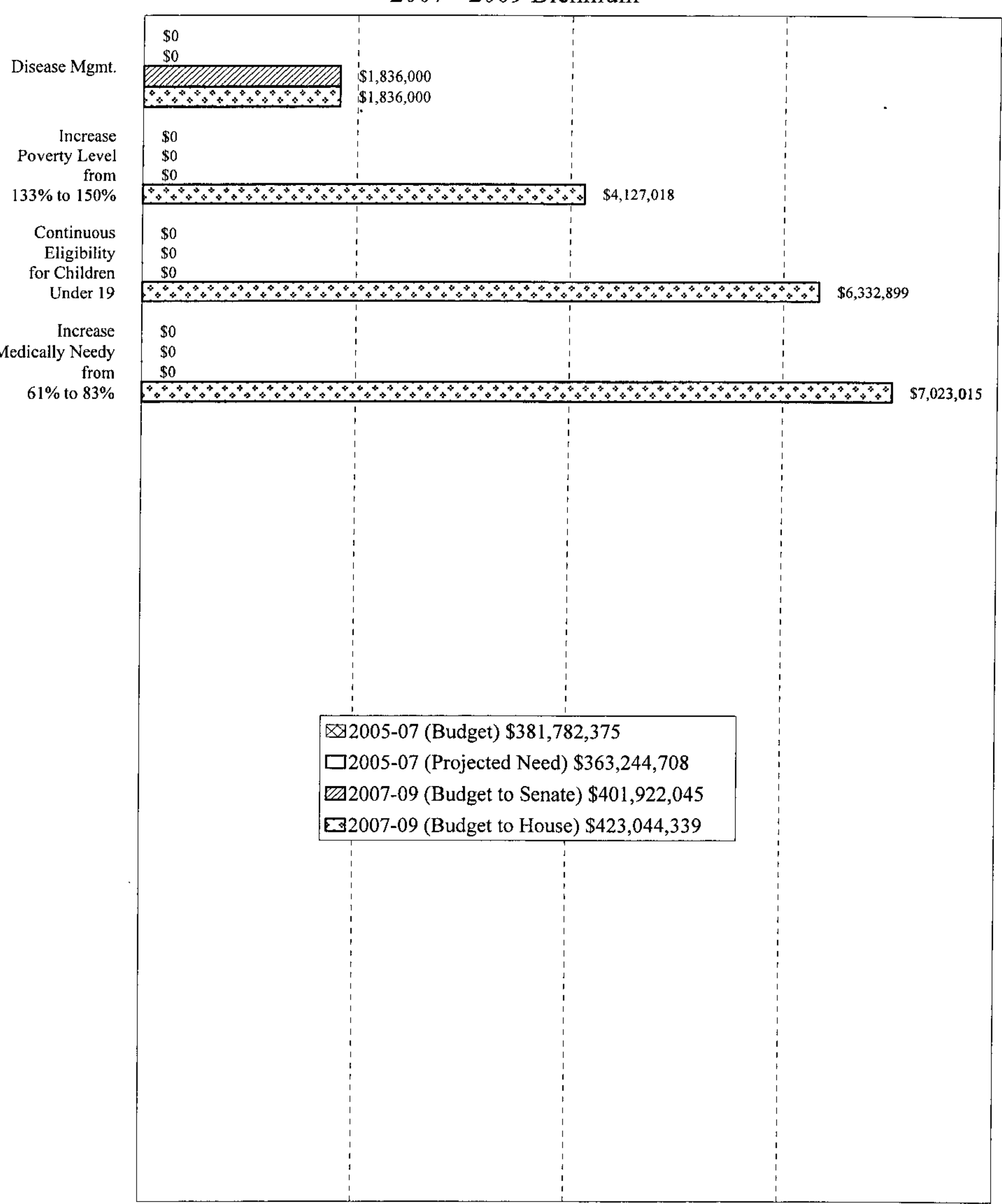
*SLMB (Special Low-Income Medicare Beneficiaries)

North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012 to House
2007 - 2009 Biennium



* AIDS (Acquired Immune Deficiency Syndrome)

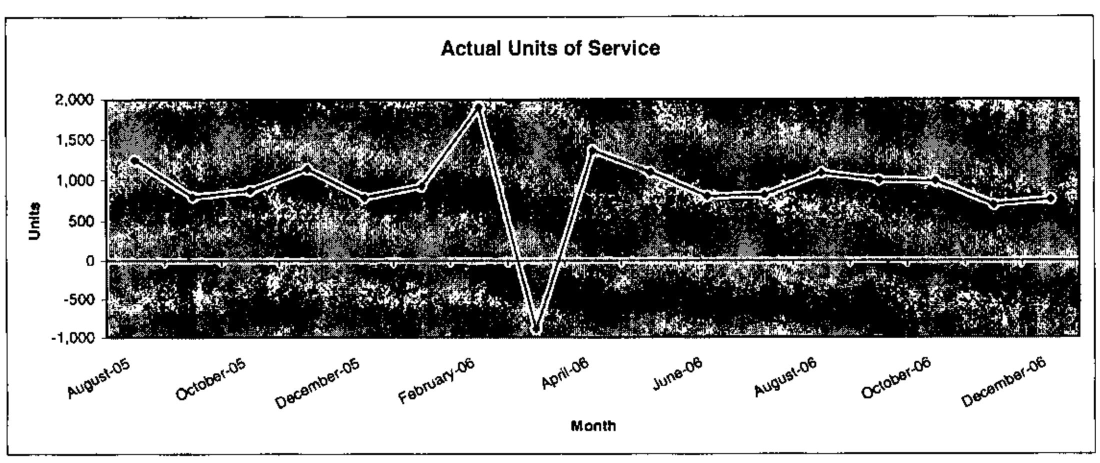
North Dakota Department of Human Services
Medical Services
2005-07 and 2007-09 Biennium Comparisons
Senate Bill 2012 to House
2007 - 2009 Biennium

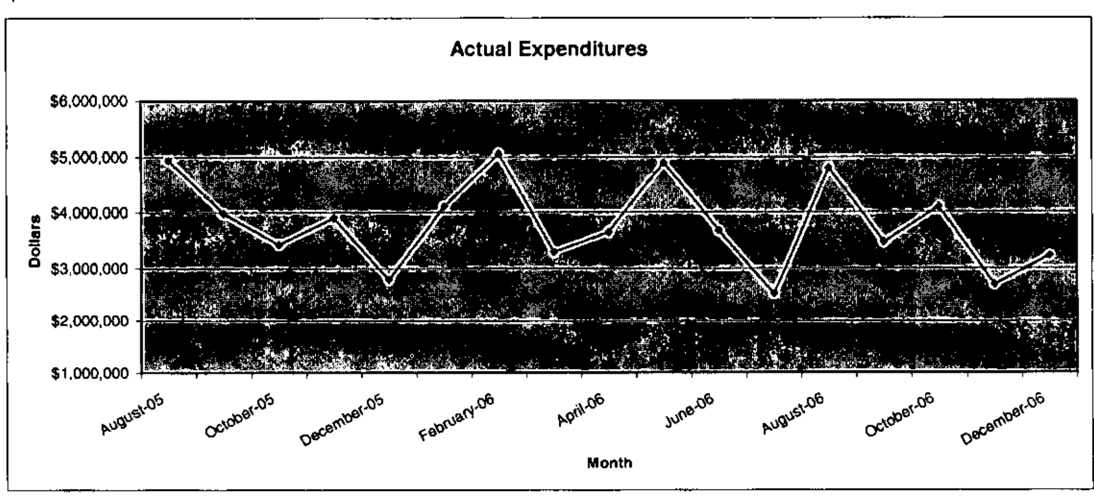


North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Inpatient Hospital

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	1,147	$4,305.41	1,247	$3,960.15	$4,938,305
September-05	804	4,957.28	794	5,019.71	3,985,650
October-05	853	4,022.64	875	3,921.50	3,431,313
November-05	1,084	3,600.94	1,137	3,433.08	3,903,417
December-05	745	3,750.65	787	3,550.49	2,794,236
January-06	745	5,503.85	925	4,432.83	4,100,370
February-06	979	5,163.89	1,904	2,655.17	5,055,453
March-06	942	3,496.79	-883	-3,730.44	3,293,979
April-06	937	3,894.72	1,362	2,679.41	3,649,355
May-06	1,140	4,290.51	1,095	4,466.83	4,891,183
June-06	748	4,921.39	799	4,607.26	3,681,199
July-06	778	3,254.58	818	3,095.43	2,532,065
August-06	1,041	4,607.16	1,084	4,424.40	4,796,051
September-06	931	3,729.93	995	3,490.02	3,472,568
October-06	987	4,145.75	982	4,166.86	4,091,852
November-06	707	3,818.22	695	3,884.15	2,699,483
December-06	742	4,344.71	758	4,253.00	3,223,777
Monthly Averages less March, 06	898	$4,269.48	1,016	$3,429.99	$3,890,392



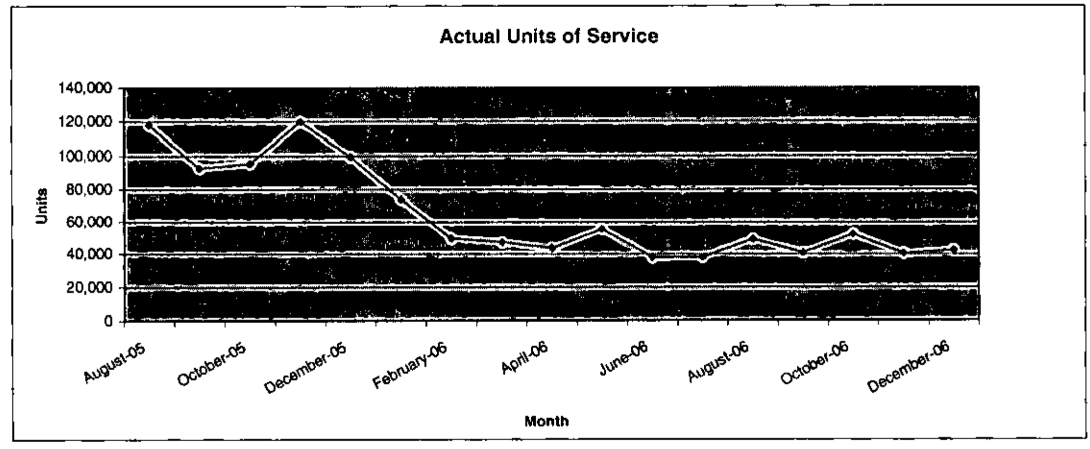


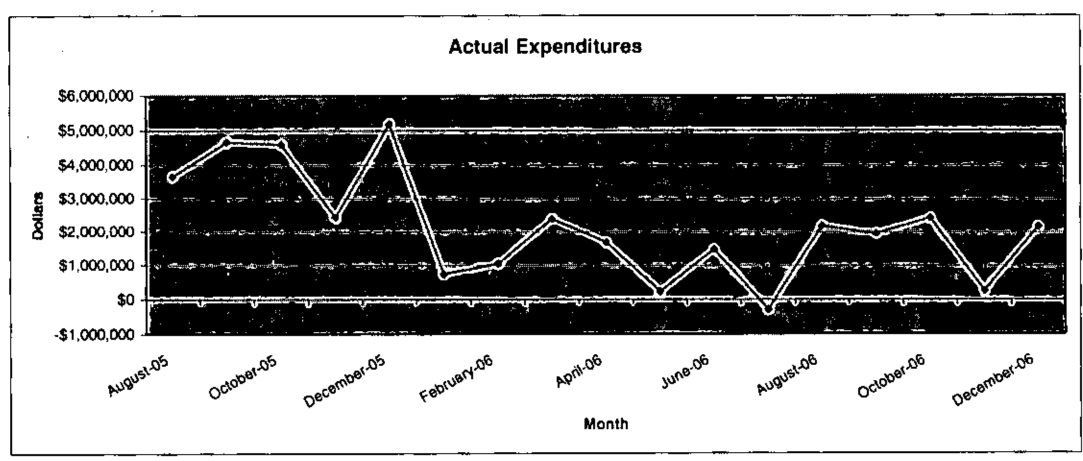
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted eight months.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Drugs (Net of Rebates)

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures	Actual Rebates
August-05	24,246	$151.07	118,194	$30.99	$3,662,752	($3,587,851)
September-05	22,642	206.06	92,785	50.28	4,665,628	(120,513)
October-05	22,946	200.50	95,516	48.17	4,600,751	(372,993)
November-05	25,264	96.69	119,945	20.37	2,442,855	(3,884,062)
December-05	23,556	220.43	99,676	52.09	5,192,356	(20,308)
January-06	21,010	35.31	74,035	10.02	741,842	(2,815,207)
February-06	18,403	56.62	49,949	20.86	1,041,938	(1,291,276)
March-06	18,062	132.72	47,650	50.31	2,397,156	(34,372)
April-06	16,428	102.94	43,642	38.75	1,691,166	(585,036)
May-06	17,999	12.89	55,647	4.17	231,976	(2,854,358)
June-06	14,196	104.55	38,073	38.98	1,484,234	(546,958)
July-06	13,841	-20.53	38,011	-7.48	-284,190	(2,393,173)
August-06	16,273	134.27	49,593	44.06	2,185,029	(348,079)
September-06	14,876	131.85	41,032	47.80	1,961,355	(26,426)
October-06	17,100	142.22	52,660	46.18	2,431,879	(200,456)
November-06	14,762	17.68	40,634	6.42	260,996	(1,815,448)
December-06	15,133	143.82	42,622	51.06	2,176,491	(56,915)
Monthly Averages	18,632	$109.95	64,686	$32.53	$2,169,660	($1,232,555)





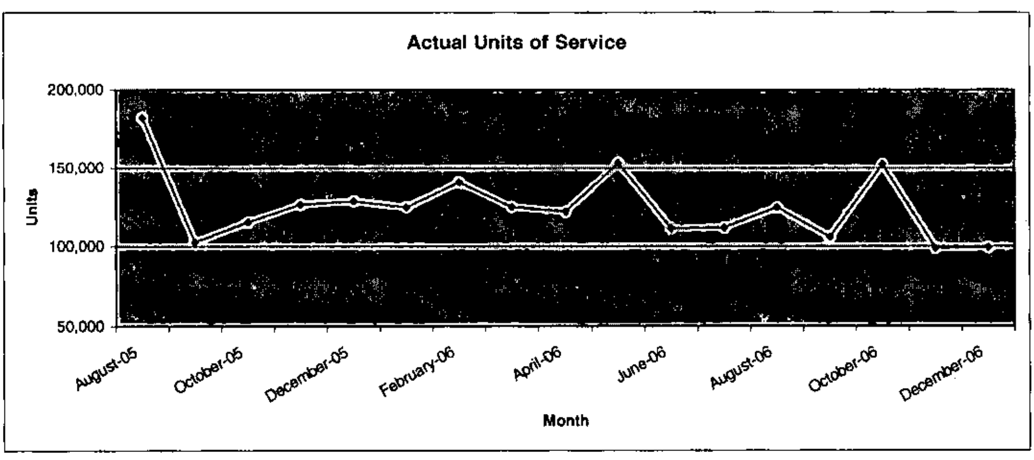
**** Due to system problems expenditures may be understated.

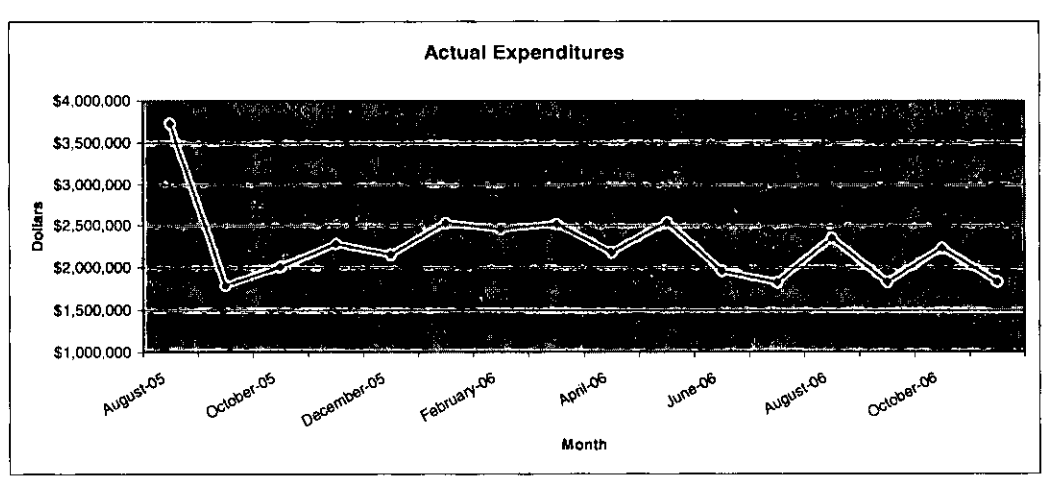
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months with an inflator of 6.5%.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Physician Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	19,626	$190.11	181,968	$20.50	$3,731,094
September-05	15,074	119.01	102,593	17.49	1,793,912
October-05	15,590	128.75	115,439	17.39	2,007,230
November-05	18,279	124.74	126,676	18.00	2,280,066
December-05	17,359	123.98	128,665	16.73	2,152,095
January-06	18,758	135.11	124,877	20.30	2,534,468
February-06	17,066	143.99	140,908	17.44	2,457,307
March-06	18,148	139.11	125,127	20.18	2,524,546
April-06	17,754	122.64	122,322	17.80	2,177,391
May-06	19,809	128.45	153,223	16.61	2,544,510
June-06	18,068	108.40	111,329	17.59	1,958,642
July-06	16,475	110.92	111,969	16.32	1,827,416
August-06	17,405	134.88	124,999	18.78	2,347,511
September-06	13,171	138.68	105,969	17.24	1,826,569
October-06	15,071	148.03	152,355	14.64	2,230,999
November-06	12,634	144.93	98,663	18.56	1,831,031
December-06	12,888	130.07	99,463	16.85	1,676,385
Monthly Averages	16,657	$133.64	125,091	$17.79	$2,229,481





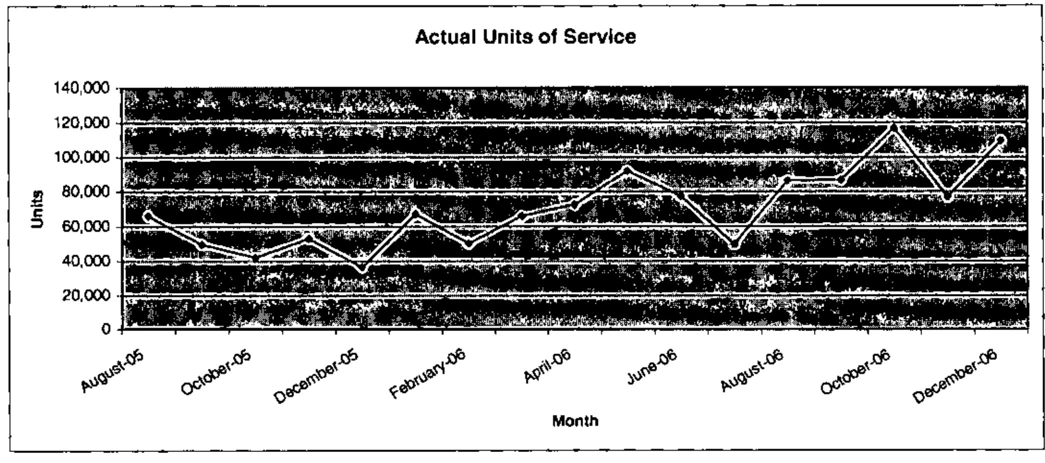
**** Due to system problems expenditures may be understated.

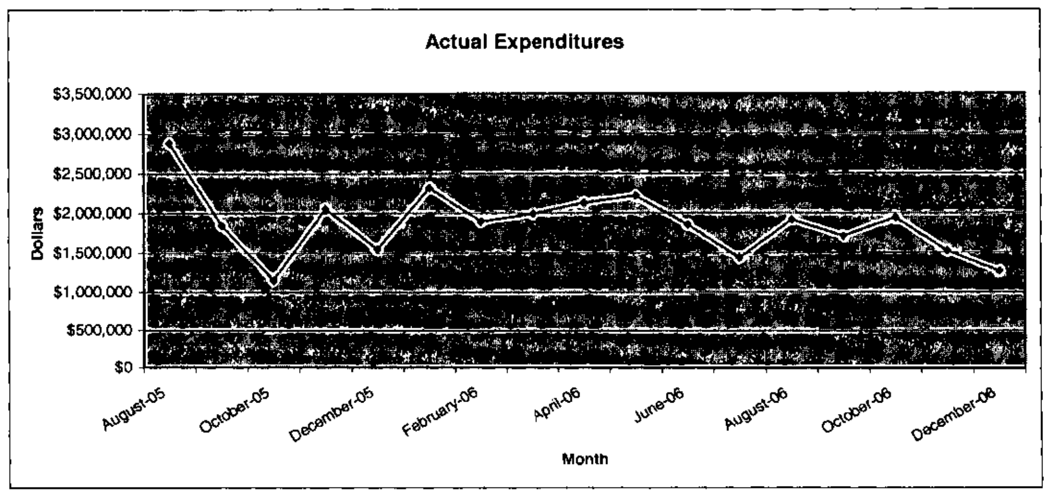
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months. Units of service were reduced by 32,168 for J Code rebate collections and 61,232 units were added due the additional vacinations implemented.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Outpatient Hospital

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	7,545	$382.61	66,063	$43.70	$2,886,777
September-05	6,019	306.89	49,793	37.10	1,847,141
October-05	5,160	224.02	42,245	27.36	1,155,925
November-05	7,404	277.67	52,997	38.79	2,055,865
December-05	5,449	284.04	36,497	42.41	1,547,743
January-06	6,928	334.91	67,048	34.61	2,320,280
February-06	5,976	317.07	50,314	37.66	1,894,804
March-06	6,742	295.57	66,069	30.16	1,992,710
April-06	6,388	333.94	72,736	29.33	2,133,195
May-06	7,335	303.02	92,154	24.12	2,222,622
June-06	6,451	287.35	77,541	23.91	1,853,686
July-06	5,359	267.55	49,716	28.84	1,433,783
August-06	6,579	291.07	86,632	22.10	1,914,960
September-06	4,916	347.94	86,851	19.69	1,710,482
October-06	5,453	356.11	116,911	16.61	1,941,888
November-06	3,897	390.49	77,017	19.76	1,521,731
December-06	4,103	308.60	109,531	11.56	1,266,172
Monthly Averages	5,983	$312.29	70,595	$28.69	$1,864,692



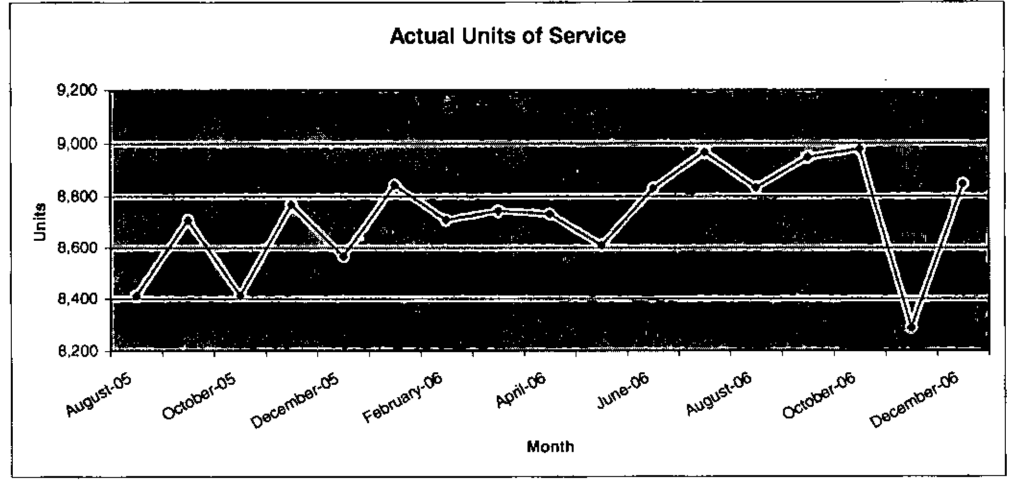


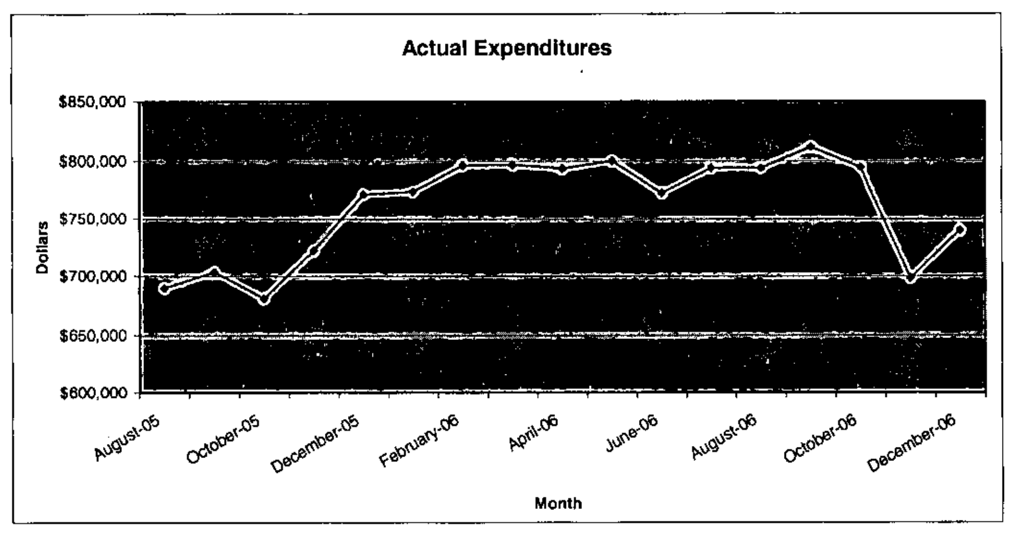
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Premiums *(AIDS, Group, HMO, QI1, QMB, SLMB & SSA)*

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	-	-	8,412	$82.00	$689,794
September-05	-	-	8,710	$80.77	703,513
October-05	-	-	8,413	$80.93	680,825
November-05	-	-	8,771	$82.34	722,234
December-05	-	-	8,567	$90.12	772,053
January-06	-	-	8,844	$87.55	774,336
February-06	-	-	8,710	$91.45	796,536
March-06	-	-	8,745	$91.14	796,997
April-06	-	-	8,733	$90.91	793,948
May-06	-	-	8,610	$92.94	800,209
June-06	-	-	8,831	$87.56	773,255
July-06	-	-	8,968	$88.55	794,159
August-06	-	-	8,834	$89.92	794,332
September-06	-	-	8,949	$90.69	811,556
October-06	-	-	8,979	$88.51	794,715
November-06	-	-	8,290	$84.24	698,350
December-06	-	-	8,847	$83.66	740,121
Monthly Averages	-	-	8,718	$87.25	$760,996





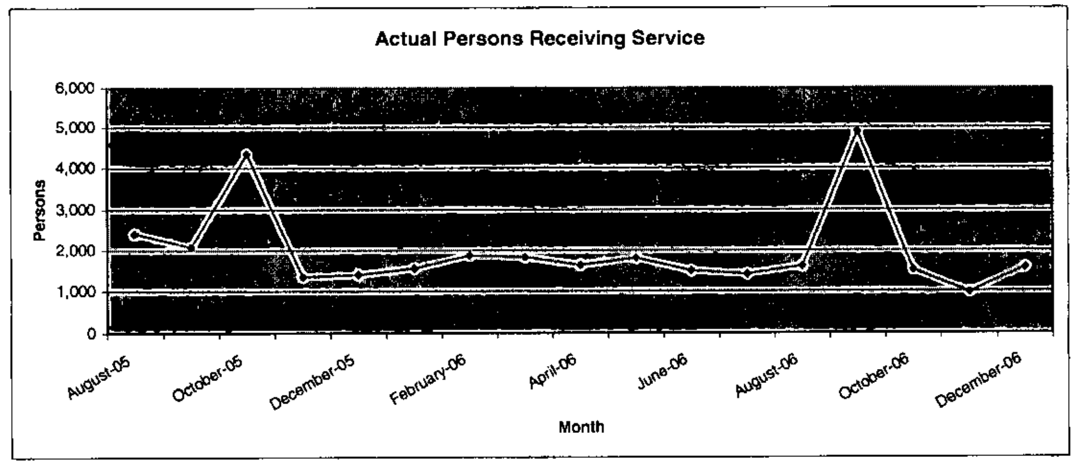
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

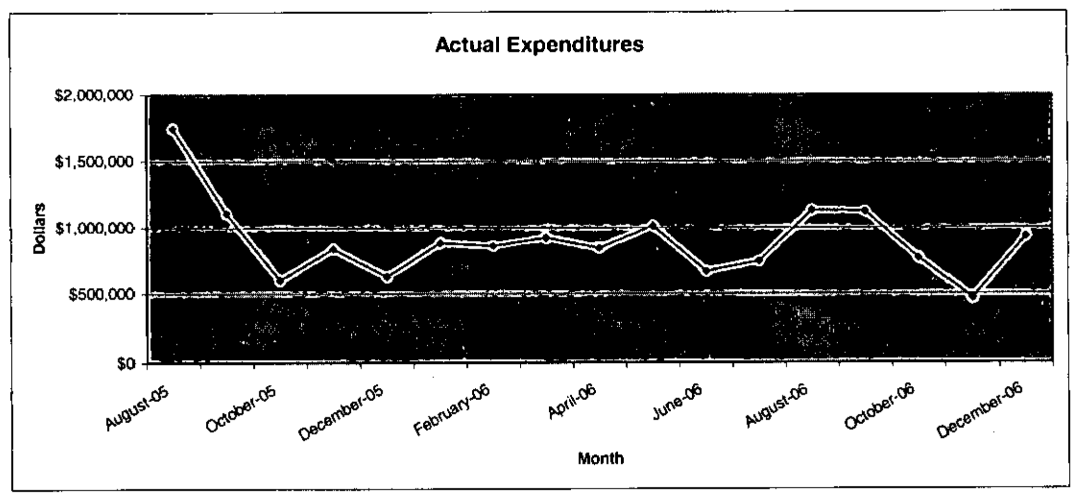
North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Indian Health Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	2,413	$724.46	-	-	$1,748,132
September-05	2,083	533.12	-	-	1,110,484
October-05	4,350	137.99	-	-	600,236
November-05	1,342	623.73	-	-	837,043
December-05	1,401	447.81	-	-	627,377
January-06	1,555	566.84	-	-	881,436
February-06	1,871	460.01	-	-	860,676
March-06	1,834	502.91	-	-	922,331
April-06	1,634	516.67	-	-	844,237
May-06	1,808	560.81	-	-	1,013,950
June-06	1,497	445.52	-	-	666,942
July-06	1,417	526.02	-	-	745,365
August-06	1,609	701.38	-	-	1,128,525
September-06	4,899	228.84	-	-	1,121,070
October-06	1,517	506.46	-	-	768,304
November-06	975	479.68	-	-	467,685
December-06	1,583	591.01	-	-	935,566

Monthly Averages	1,988	$503.13	-	-	$898,786



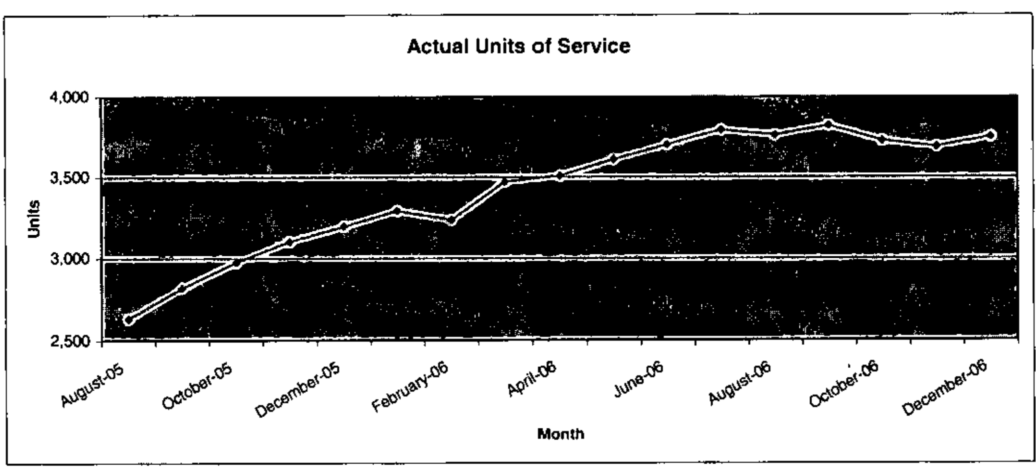


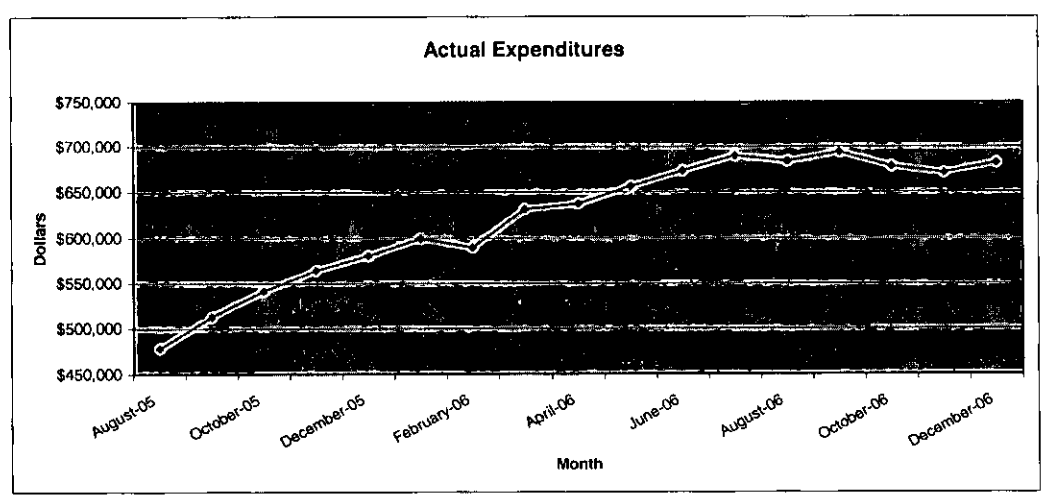
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Healthy Steps

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	2,649	$180.69	2,631	$181.93	$478,647
September-05	2,832	181.04	2,818	181.94	512,716
October-05	3,014	179.69	2,977	181.92	541,581
November-05	3,124	180.70	3,104	181.86	564,499
December-05	3,235	179.55	3,199	181.57	580,852
January-06	3,345	179.25	3,295	181.97	599,588
February-06	3,439	171.63	3,240	182.17	590,242
March-06	3,497	180.58	3,472	181.88	631,496
April-06	3,547	179.73	3,508	181.73	637,496
May-06	3,647	179.95	3,607	181.94	656,275
June-06	3,773	178.38	3,699	181.95	673,026
July-06	3,841	179.59	3,791	181.95	689,786
August-06	3,786	180.56	3,760	181.81	683,609
September-06	3,835	180.95	3,820	181.66	693,947
October-06	3,767	179.97	3,726	181.95	677,933
November-06	3,774	177.80	3,688	181.95	671,032
December-06	3,796	179.59	3,748	181.89	681,735
Monthly Averages	3,465	$179.39	3,417	$181.89	$621,439



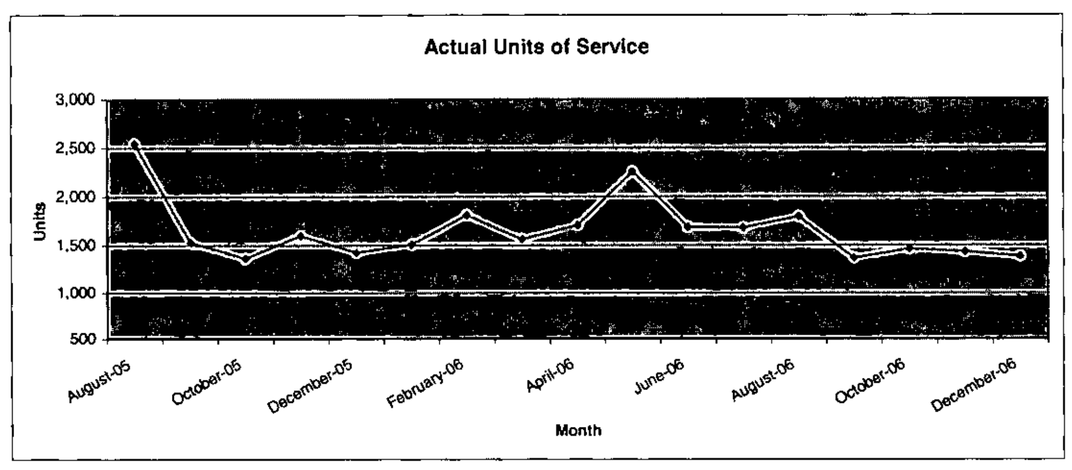


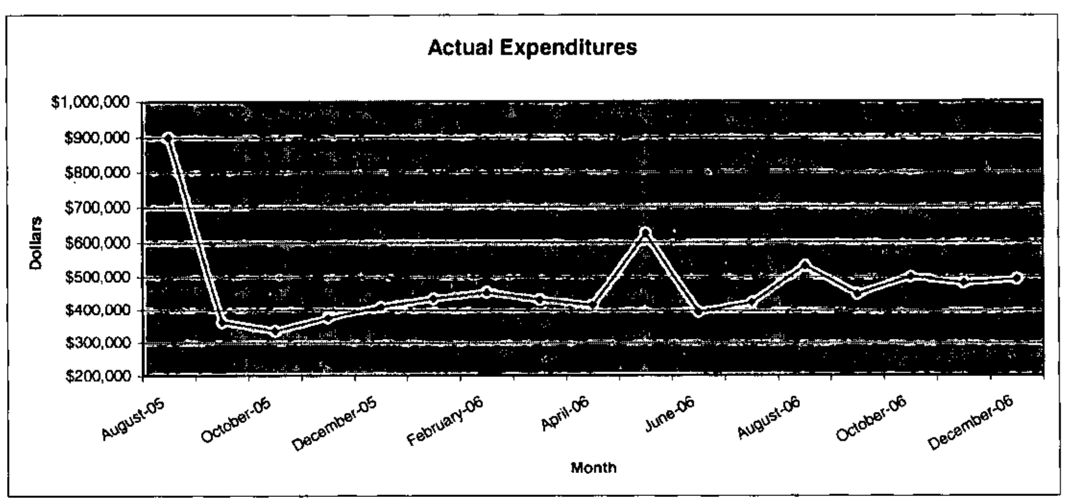
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Medical Services
2005-2007 Actual

PRTF

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	92	$9,797.04	2,547	$353.88	$901,328
September-05	55	6,606.49	1,535	236.71	363,357
October-05	47	7,157.21	1,368	245.90	336,389
November-05	58	6,486.47	1,600	235.13	376,215
December-05	55	7,452.75	1,428	287.05	409,901
January-06	60	7,257.42	1,510	288.37	435,445
February-06	64	7,093.11	1,812	250.53	453,959
March-06	62	6,982.10	1,564	276.78	432,890
April-06	102	4,076.63	1,711	243.03	415,816
May-06	68	9,196.26	2,259	276.82	625,346
June-06	62	6,361.26	1,691	233.23	394,398
July-06	67	6,331.42	1,685	251.75	424,205
August-06	60	8,890.03	1,798	296.66	533,402
September-06	52	8,639.88	1,369	328.18	449,274
October-06	55	9,109.84	1,463	342.48	501,041
November-06	53	9,103.04	1,435	336.21	482,461
December-06	50	9,860.44	1,383	356.49	493,022
Monthly Averages	62	$7,670.67	1,656	$284.66	$472,262





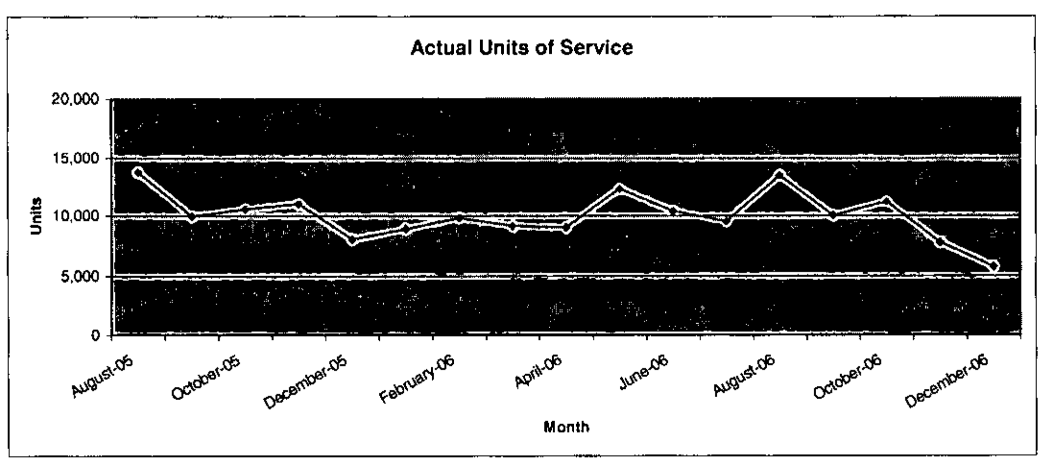
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

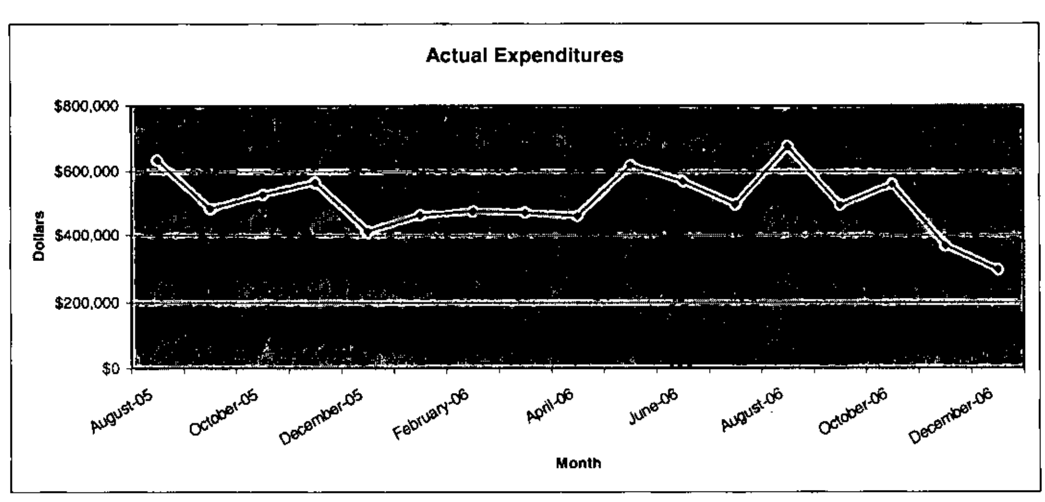
North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Dental Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	3,634	$174.80	13,777	$46.11	$635,208
September-05	2,838	170.06	9,970	48.41	482,620
October-05	3,105	169.47	10,566	49.80	526,207
November-05	3,150	179.37	11,017	51.29	565,022
December-05	2,288	180.16	8,025	51.37	412,217
January-06	2,551	181.21	8,886	52.02	462,265
February-06	2,716	174.83	9,850	48.21	474,834
March-06	2,629	179.18	9,147	51.50	471,066
April-06	2,586	178.00	9,025	51.00	460,317
May-06	3,452	179.59	12,342	50.23	619,953
June-06	3,025	188.21	10,399	54.75	569,324
July-06	2,745	180.59	9,544	51.94	495,715
August-06	3,594	188.83	13,503	50.26	678,645
September-06	2,900	170.44	10,017	49.34	494,278
October-06	3,220	174.04	11,219	49.95	560,400
November-06	2,087	176.59	7,763	47.48	368,551
December-06	1,640	180.99	5,733	51.78	296,829

Monthly Averages	2,833	$178.02	10,046	$50.32	$504,321





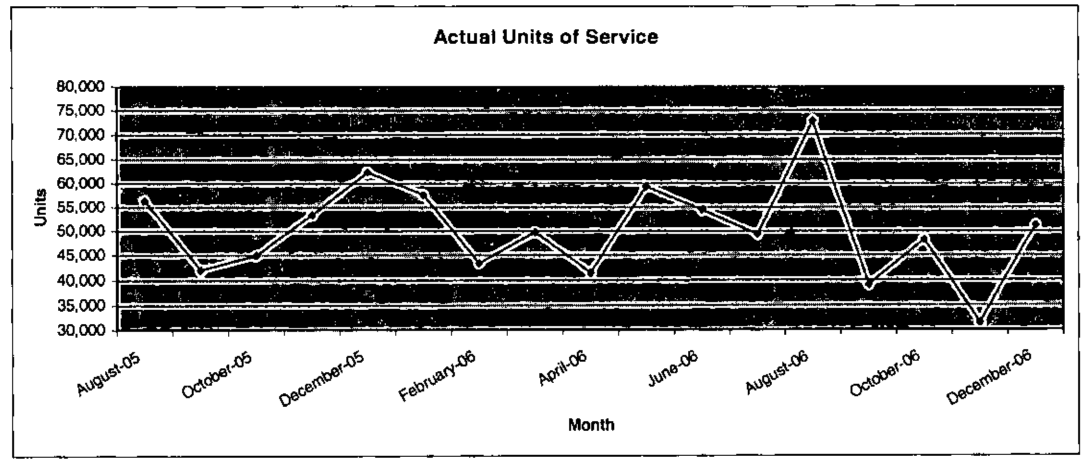
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

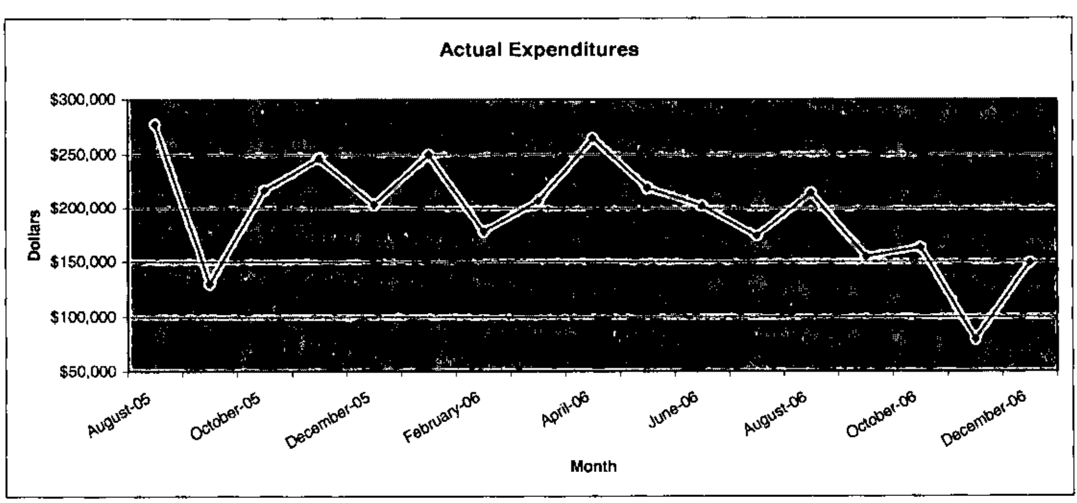
North Dakota Department of Human Services
Medical Services
2005-2007 Actual

Durable Medical Equipment

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	1,841	$150.82	56,375	$4.93	$277,663
September-05	1,369	95.00	42,042	3.09	130,053
October-05	1,663	130.46	44,942	4.83	216,960
November-05	1,730	142.23	53,403	4.61	246,063
December-05	1,693	120.49	62,379	3.27	203,989
January-06	1,777	140.58	57,638	4.33	249,804
February-06	1,626	109.54	43,368	4.11	178,118
March-06	1,661	124.51	49,817	4.15	206,819
April-06	1,540	171.90	41,426	6.39	264,725
May-06	1,892	115.81	59,351	3.69	219,121
June-06	1,303	155.30	54,472	3.71	202,361
July-06	1,501	116.00	49,382	3.53	174,110
August-06	1,623	132.13	72,864	2.94	214,442
September-06	1,033	149.62	39,041	3.96	154,560
October-06	1,203	135.54	48,250	3.38	163,050
November-06	933	85.40	31,504	2.53	79,679
December-06	1,254	118.94	51,329	2.91	149,152

Monthly Averages	1,508	$129.07	50,446	$3.90	$195,922





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**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

Medical Services

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General	Federal/Other
Professional Consultants	368,140	127,035	241,105
North Dakota Healthcare Review	601,159	150,290	450,869
Health Information Design, Inc.	172,536	43,134	129,402
Prescription Drug Monitoring Program	397,000		397,000
First Data Bank Contract	92,400	46,802	45,598
Noridian	25,000	12,500	12,500
Graphic Art Productions	25,056	12,528	12,528
Prime Therapeutics	204,000	102,000	102,000
Permedion - External Quality Reviews	100,000	50,000	50,000
Independent Assessment	50,000	25,000	25,000
Actuary Services	250,000	125,000	125,000
Public Consulting Group	25,000	12,500	12,500
PASAR - Dual Diagnosis	1,166,165	291,541	874,624
Medicare Clawback	19,149,615	19,149,615	
SCHIP Outreach	453,000	114,201	338,799
Other Miscellaneous Fees & Services	12,508	6,390	6,118
Total Operating Fees & Services Budget Account Code	23,091,579	20,268,536	2,823,043

Testimony on Senate Bill No. 2012
Senate Appropriations Committee
January 9, 2007

Chairman Holmberg and other Committee members, I'm Bruce Levi, Executive Director and General Counsel of the North Dakota Medical Association. NDMA is the professional membership organization for North Dakota's physicians, residents and medical students. I also represent the North Dakota Medical Group Management Association which is the membership organization for medical group practice administrators and clinic managers in North Dakota.

Last session we expressed the concern of North Dakota's medical community that the Medicaid payment methodology has systematically resulted in payments being substantially less than the actual cost of service to Medicaid beneficiaries.

Physicians are ethically bound to support access to medical care for all people, and we have been very much involved in efforts to ensure the long-term sustainability of the medical assistance program in North Dakota. Prior to the 2005 legislative session, we participated in the Governor's Medicaid work group – a group comprised of all Medicaid service providers, legislators, private insurers and others supported by staff of the Department of Human Services, OMB and the Department of Health -- which resulted in a number of recommendations including one that requested that actuarially-based methodologies be used for (1) setting Medicaid payment rates and developing agency budget recommendations, (2) performing and reviewing data analyses, (3) tracking program service utilization, and (4) determining the effectiveness of quality and cost containment initiatives. In part, we hoped that this focus would lead to an actuarially-based executive budget process and a fair and equitable payment system that funds medical services to appropriate levels, helping to ensure that there is continued access to quality care for Medicaid beneficiaries.

You acted on the work group's recommendation last session when you passed 2005 HB 1460 which appropriated $100,000 to the Department of Human Services

for obtaining actuarial services. That bill also required the Department of Human Services to provide a biennial report to the Legislative Council using those actuarial tools to project estimated usage trends and budget estimates for the succeeding five-year period. As recounted in the report of the Legislative Council's interim Budget Committee on Human Services (attached), the Department contracted with Milliman, Inc. for actuarial services to complete that report.

We appreciate the assistance provided by the Department staff in helping us understand its baseline budget request and the Milliman report. While the Department did not use the Milliman report in preparing its 2007-09 biennium budget request, we propose that as you review the medical services appropriation in SB 2012 that the Milliman report be used to consider a legislative commitment this session to moving all traditional Medicaid service providers up to the Medicare fee schedule.

Based on the Milliman study, the 2007-09 budget for all traditional Medicaid service providers, if increased by $13.25 million in general funds to leverage additional federal funds of over $23 million, would bring Medicaid payments for these service providers to the level of the Medicare fee schedule.

[Milliman projects that North Dakota Medicaid expenditures would total $438.3 million if claims were paid based on the Medicare fee schedule compared to the executive budget at $401.9 million.]

In conversation with Department staff, we are well aware of the limitations in the Milliman study; however, the 2005 Legislative Assembly's investment in the actuarial services that were provided during the interim provides an appropriate basis to analyse the specific amount of general funds necessary to bring the traditional Medicaid providers to the Medicare fee schedule. During the interim, the Budget Committee on Human Services expressed some appreciation for the actuarial analysis in its study of the Medicaid medical reimbursement system. The Budget Committee on Human Services recommended that "the 2007 Legislative Assembly consider the value of the biennial medical assistance report and the importance of continuing funding for the report for the actuarial analysis and other information that may be useful for the Legislative Assembly and its Appropriations Committees in the development of the Department of Human Services' appropriation."

The interim Budget Committee's report also notes that as a result of an increased FMAP for 2007, the Department anticipates collecting an additional $8.8 million of federal Medicaid funds, which will result in an estimated $8.8 million of general fund savings for the 2007-09 biennium [Report of the 2005-06 Budget Committee on Human Services, p. 8]. This savings could serve as one source of funding for the necessary $13.25 million increase in general funds for 2007-09 to accomplish the move to the Medicare fee schedule for all traditional Medicaid service providers.

One additional item - In preparing its budget request to OMB, the Department reduced the 2005-07 baseline budget for physician services by $1,955,843 from $55,908,632 to 53,952,789 based on analysis of an 8-month historical trend indicating that while utilization of physician services is increasing, the "cost of services" is decreasing. The Department staff has walked us through that trend information. I have asked some clinics to review their experience along the lines of that trend and hope to have additional information for the subcommittee if there is in fact any concern with that baseline adjustment.

Physicians in North Dakota do their part in providing good access to quality medical care for Medicaid beneficiaries while receiving reimbursement well below the cost for that care. Our Association and individual physicians are committed to the long-term sustainability of the Medicaid program. We have participated well in the Department's prescription drug cost containment initiative through the Medicaid Drug Use Review Board, in the 2004 Medicaid work group I mentioned earlier, in discussions with the Department and others about future Medicaid reform options, and in resolving service issues for medical assistance providers and recipients as they arise. Our concern is that low reimbursement rates and administrative burdens do not continue to create any more difficulty in treating Medicaid patients.

We look forward to working with the subcommittee in addressing payment for Medicaid medical services.

Recommendations

The committee made no recommendation regarding its study of public health units. The public health task force, established to review and analyze data and develop strategies for building local public health capabilities, may have recommendations for the 2007 Legislative Assembly to assist in implementing these strategies.

MEDICAID STUDY AND REPORTS

The committee was assigned a Medicaid medical reimbursement system study as well as the responsibility to receive reports from the Department of Human Services relating to a five-year Medicaid analysis, asset disregard for long-term care insurance, prescription drug monitoring program, Medicaid management initiatives, and Medicare prescription drug implementation.

Medicaid Study

Section 5 of House Bill No. 1459 (2005) provided for a study of the Medicaid medical reimbursement system, including costs of providing services, fee schedules, parity among provider groups, and access to services.

2005-07 Funding

For the 2005-07 biennium, the Legislative Assembly appropriated $976.1 million for medical assistance, of which $307 million is from the general fund. Of the $976.1 million total, $385.6 million is for medical services, $343 million is for nursing home services, $211.6 million is for developmental disabilities grants, $12.1 million is for Healthy Steps, and $23.8 million is for other services, including personal care services, targeted case management, and waiver services. The 2005 Legislative Assembly provided funding for 2.65 percent annual inflationary increases for Medicaid providers for the 2005-07 biennium. In addition, the Legislative Assembly added $170,940, of which $60,000 was from the general fund for increasing ambulance services payment rates.

Federal Medical Assistance Percentage

Medicaid costs are shared between the federal and state governments. The federal medical assistance percentage determines the federal share of Medicaid costs with the state paying the remaining amount. The FMAP changes each October 1 and is based on the federal fiscal year (October through September). The FMAP is calculated using a three-year average of state per capita personal income compared to the national average per capita personal income. A state with an average per capita personal income has an FMAP of 55 percent. A state's FMAP may not be less than 50 percent nor more than 83 percent. Two programs have an enhanced FMAP--the children's health insurance program and breast and cervical cancer treatment services. The enhanced FMAP is calculated by reducing each state's share of the regular FMAP by 30 percent.

North Dakota's estimated and actual FMAPs for the 2005-07 biennium are:

	Estimated	Actual
2005	67.49%	67.49%
2006	65.85%	65.85%
2007	62.37%	64.72%

As a result of the increased FMAP for 2007, the department anticipates collecting an additional $8.8 million of federal Medicaid funds, which will result in an estimated $8.8 million of general fund savings for the biennium.

Payment Methodology

The committee learned Medicaid pays based on a fee-for-service concept. Payments for physicians and their allied providers are based on a relative value process. Each procedure is assigned a value based on the type of procedure being performed. The relative value for each procedure is multiplied by a conversion factor to arrive at the payment amount. The rate for fiscal year 2006 was $34.02 per unit, compared to the Medicare rate of $37.90 per unit.

Dentists, ambulances, and other similar providers are also paid on the basis of established procedure codes. Fees were established decades ago and generally increase only when the department receives specific direction regarding inflation or other increases from the Legislative Assembly.

Inpatient services are paid based on a diagnostic-related group (DRG) which classifies each hospital stay based on the diagnosis and procedures that are performed. Currently, there are about 540 different groups. Each group has a particular value based on its complexity. That value is multiplied by the established rate to arrive at the payment for each hospital stay.

Outpatient hospital services are based on the established cost-to-charge ratio for each facility with no cost settlements.

Pharmacies are paid on the basis of average wholesale price (AWP) minus 10 percent plus a dispensing fee of $5.60 for a generic drug and $4.60 for a brand name drug. In addition, payments for approximately 12,000 generic drugs are based on the maximum allowable cost process that estimates the actual cost of the drug. This pricing process has saved the state an estimated $3.8 million per year since it was implemented in 2002.

Nursing facilities are paid based on allowable costs that are submitted annually. Facilities that have costs below established limits will receive these costs plus inflation, operating margins, and incentives. Providers over the limits have their cost reimbursed only up to the limit recognized for the ratesetting process. The limits are currently calculated based on costs submitted by providers for the cost reporting year ending June 30, 2003, and will be "rebased" for the rate year beginning January 1, 2006.

The committee learned the Medicaid payment process is similar to systems used by other third-party payers; however, a concern expressed by providers is that the Medicaid program pays less for similar services than Medicare or other third-party payers.

Medicaid Expenditures - Medical Services

The committee received a report on final medical assistance-related expenditures by category for the 2003-05 biennium compared to the 2003-05 biennium budget and to appropriations provided for the 2005-07 biennium. In total, actual 2003-05 medical assistance-related expenditures for medical services totaled $407.8 million, $37.8 million more than the $370 million appropriated for the 2003-05 biennium. Compared to the 2005-07 appropriations, including Healthy Steps of $397.6 million, 2003-05 actual expenditures were $10.2 million more; however, the 2003-05 actual expenditures include $28.3 million of intergovernmental transfer payments that will not occur in the 2005-07 biennium.

For long-term care expenditures, the committee learned 2003-05 actual expenditures totaled $336.2 million, which is $21.9 million less than the 2003-05 appropriation of $358.1 million. For the 2005-07 biennium, appropriations for long-term care are $394 million, $57.8 million more than the 2003-05 actual expenditures.

The committee reviewed Medicaid prescription drug expenditures since fiscal year 2000 as follows:

Fiscal Year	Expenditures	Percentage Increase From Previous Year
2000	$30,186,107	
2001	$35,162,327	16.5%
2002	$41,599,151	18.3%
2003	$40,759,110	(2.0%)
2004	$45,974,797	12.8%
2005	$47,031,726	2.3%

Medicaid Provider Testimony

The committee received testimony from providers receiving payments under the Medicaid program on the availability and accessibility of services across the state and on the appropriateness of the amounts paid by Medicaid.

Regarding pharmacy services, the committee learned the North Dakota Pharmacists Association is recommending increasing the dispensing fee for generic medication from $5.60 to $15. The committee learned this increase would cost an estimated $6.8 million for the 2007-09 biennium, of which $2.5 million would be from the general fund.

The committee learned the following concerns affect the future of community pharmacies in North Dakota:

1. Payment levels under the Medicare Part D prescription drug program.
2. Reductions in pharmacy reimbursements effective January 2006 by Blue Cross Blue Shield of North Dakota.
3. The impact of decreases affecting state Medicaid programs included in the federal Deficit Reduction Act of 2005.

The committee was provided information on a cost of dispensing study by Dr. Michael Rupp, Midwestern University, Phoenix, Arizona, involving 43 community pharmacies in North Dakota. Dispensing costs of these pharmacies ranged from $4.77 to $15.04, with the median cost being $8.59.

The State Board of Pharmacy anticipates over 50 percent of the licensed, practicing pharmacy owners in North Dakota will retire during the next 10 years and unless pharmacy payment rates are increased, it is likely that many of these pharmacies will close when the current owners retire. The committee received information on a proposed medication therapy management services initiative. Medication therapy management is a collaborative effort involving physicians and pharmacists to resolve drug therapy problems for Medicaid patients. The committee learned these initiatives have lowered health care costs in several states.

Regarding long-term care services, the committee learned North Dakota operates under a rate equalization system, meaning the amounts paid by Medicaid for long-term care services determine the amounts paid by all payers, except Medicare. The North Dakota Long Term Care Association testified that the 2.65 percent annual inflationary increases approved by the 2005 Legislative Assembly have not been adequate to meet the increasing costs incurred by nursing homes. Concerns of the long-term care industry include the ability to recruit and retain staff and facilities' actual costs exceeding payment rates. The North Dakota Long Term Care Association suggested the 2007 Legislative Assembly consider providing larger inflationary increases for long-term care service providers.

Regarding developmental disabilities services, the committee learned developmental disabilities service providers are concerned with their ability to recruit and retain staff. Providers are experiencing a turnover rate of 46 percent. The developmental disabilities service providers plan to ask the 2007 Legislative Assembly to provide inflationary increases of at least 4 percent for each year of the 2007-09 biennium to provide funding to increase wages by at least $1.15 per hour for all community provider staff and to allow a 3 percent increase in the allowable fringe benefit rate for providers.

Regarding hospital services, the committee learned North Dakota residents expect physician and hospital services to be available close to home and 24 hours a day 7 days a week. Based on a 2004 study, the committee learned that in North Dakota Medicaid pays 70 percent of the actual costs incurred by a hospital in providing services. In the past, hospitals have been able to shift this payment shortfall to commercial payers and the self-insured; however, commercial insurers are no longer willing to pay increased rates to offset the low payments paid by the Medicaid program. The North Dakota Healthcare Association suggested that adequate inflationary adjustments are needed for hospitals to cover their actual cost of services.

Regarding physician services, the committee learned the primary concern of physicians is that the Medicaid payment methodology has systematically resulted in payments being substantially less than the actual cost of service. Medicaid payments for physician services are estimated to cover only 74 percent of the actual cost of providing the services. The North Dakota Medical

Association suggested the 2007 Legislative Assembly address payment rates for physicians and hospitals to more adequately cover the cost of services.

The committee received a copy of a September 2005 resolution relating to medical assistance rates in North Dakota prepared by the North Dakota Medical Association. The resolution, approved by the 2005 House of Delegates of the North Dakota Medical Association, encouraged the Governor and legislative leaders to address the unfairness of state Medicaid rates that do not cover practice costs for physicians and hospitals in North Dakota.

Other Reports

The committee heard other reports, including a report by Dr. Stephen Schondelmeyer, University of Minnesota, on issues and research findings relating to prescription drugs and pharmacy services. The committee learned the cost of prescription drugs as a percentage of the total United States Medicaid program expenditures increased from 5.5 percent in 1990 to 14.1 percent in 2005. The average United States Medicaid prescription drug product cost has increased from $17.72 in 1990 to $67.68 in 2004, while the average dispensing fee payment has increased from $3.81 to $4.15 for the same period. The primary factors contributing to the change in drug expenditures are increases in utilization and the drug manufacturer's prices.

The committee reviewed schedules of total billed charges by provider type, the amount of billed charges paid by Medicaid, and the percentage of the billed amount paid. For 2004 the percentage of billed amount paid by provider type varied from 30.5 percent for ambulance services to 95.5 percent for hearing aid dealers. For 2005 the total percentage of billed amount paid by provider type varied from 32.4 percent for ambulance services to 92.7 percent for hearing aid dealers.

Five-Year Medicaid Analysis Report

North Dakota Century Code Section 50-06-25 requires the Department of Human Services to present a biennial report to the Legislative Council providing a five-year historical analysis of the number of persons receiving services under the medical assistance (Medicaid) program, the cost of the services by program appropriations, the budget requested, the budget appropriated, and actual expenditures for each of the five preceding fiscal years. The report is to include a comparison of the state's experience to surrounding states and, using actuarial tools, must project estimated usage trends and budget estimates for meeting those trends for the succeeding five-year period.

The committee received the biennial Medicaid report from the department. The committee learned the department contracted with Milliman, Inc., for actuarial services for completing the report at a cost of $100,000, $50,000 of which is from the general fund and $50,000 is from federal Medicaid administrative funding.

The report includes information on medical-related costs of the Medicaid program but does not include information on long-term care or developmental disabilities services. The report includes schedules comparing North Dakota medical assistance funding to similar funding in South Dakota, Minnesota, and Montana and information on the unduplicated number of recipients by eligibility categories. The following schedule compares selected North Dakota payment rates to South Dakota, Minnesota, and Montana:

Service Category	Ratio of South Dakota to North Dakota	Ratio of Minnesota to North Dakota	Ratio of Montana to North Dakota
Dental*	N/A	103.5%	110.4%
Laboratory	96.6%	95.2%	100.6%
Mental health	53.2%	127.0%	98.0%
Outpatient hospital	97.8%	110.0%	99.9%
Physical therapy	77.0%	153.6%	146.8%
Physician	85.3%	81.8%	103.4%
Radiology	100.1%	141.8%	99.9%
Speech therapy	82.1%	144.3%	141.7%

*Minnesota figures are relative to 2005 fee-for-service experience. Dental services in South Dakota are provided through a capitated, managed care program.

The following schedule compares North Dakota payment rates to payment rates of Medicare, Workforce Safety and Insurance, and Blue Cross Blue Shield of North Dakota:

Service Category	Ratio of Medicare to North Dakota Medicaid	Ratio of North Dakota Workforce Safety and Insurance to North Dakota Medicaid	Ratio of Blue Cross Blue Shield (BCBS) of North Dakota to North Dakota Medicaid
Dental*	N/A	167.2%	222.9%
Inpatient hospital	107.0%	130.6%	134.7%
Laboratory	100.0%	203.8%	169.8%
Mental health**	106.4%	124.0%	N/A
Outpatient hospital	113.9%	252.4%	236.4%
Patient therapy**	135.0%	175.8%	N/A
Physician	113.5%	156.3%	168.8%
Radiology	110.6%	185.3%	180.6%
Speech therapy**	105.6%	162.1%	N/A

*Medicare does not cover dental services.

**Mental health care, physical therapy, and speech therapy (BCBS) - Fee schedule not provided by BCBS.

Based on the actuary's baseline forecast for Medicaid expenditures through fiscal year 2011, projected expenditures for the 2005-07 biennium are $378 million and projections for the 2007-09 biennium are $417.7 million, an increase of 10 percent. Factoring in a 1 percent inflationary rate, 2007-09 projected expenditures would total $422 million. The following schedule presents the Milliman, Inc., baseline annual forecast for the North Dakota Medicaid program:

State Fiscal Year	Expenditures	Percentage of Growth
2005	$184,923,700	
2006	$193,360,600	4.6%
2007	$184,238,300	(4.7%)
2008	$198,860,300	7.9%
2009	$218,831,300	10.0%
2010	$230,488,200	5.3%
2011	$247,337,100	7.3%

NOTES:
The lower growth rates in state fiscal years 2006 and 2007 correspond to implementation of Medicare Part D pharmacy benefits, effective January 1, 2006.
The increased growth rate for paid state fiscal year 2009 corresponds to a 53-week payment pattern (i.e., 53 Tuesdays) for the fiscal year.

For the 2007-09 biennium, Milliman, Inc., projects that North Dakota Medicaid expenditures would total $438.3 million if it paid claims based on the Medicare fee schedule compared to the North Dakota Medicaid baseline forecast for the same period of $417.7 million. The additional cost is estimated to total $20.6 million for the 2007-09 biennium, of which $7.5 million would be from the general fund.

The committee learned the department does not anticipate using the Milliman, Inc., projections as it prepares its 2007-09 biennium budget request. The department plans to use the same methodology involving historical trend data it has used for preparing previous budget requests.

Asset Disregard for Long-Term Care Insurance Report

Section 2 of House Bill No. 1217 (2005) required the Department of Human Services to report to the Legislative Council before November 1, 2005, regarding the status of an amendment to North Dakota's Medicaid state plan allowing the disregard of assets if an individual has received or is entitled to receive benefits under a long-term care insurance policy. House Bill No. 1217 (2005) allows individuals to own and retain assets and still be eligible for Medicaid benefits if the individuals own a long-term care insurance policy. The section becomes effective on the date the department certifies to the committee that an amendment to the Medicaid state plan has been approved by the federal government allowing these provisions.

The committee learned the department is collaborating with the Insurance Department to develop a long-term care insurance partnership program. The program will allow a person who purchases long-term care insurance to protect assets equal to the amount the insurance has paid if the person needs to apply for Medicaid. The Insurance Department's role is to ensure the insurance policies meet the criteria required by the federal Deficit Reduction Act of 2005. The program will not begin until acceptable insurance policies are available in North Dakota and a state plan amendment has been approved by the federal Centers for Medicare and Medicaid Services.

Prescription Drug Monitoring Report

House Bill No. 1459 (2005) established a prescription drug monitoring working group and required the Department of Human Services and the working group to provide periodic status reports to the Legislative Council regarding the activities of the working group and the implementation of the prescription drug monitoring program. According to provisions of the bill, the working group was to:

1. Identify problems relating to the abuse and diversion of controlled substances and how a prescription drug monitoring program could address these problems.
2. Identify a strategy and propose a prescription drug monitoring program to address the problems.
3. Establish how the program will be implemented, the fiscal requirements of the program, and the timeline for implementation.
4. Consider possible performance measures the state could use to assess the impact of the program.
5. Provide proposed administrative rules to the department to implement the program.

The committee learned the department received a $372,315 grant from the federal Department of Justice for implementation of the prescription drug monitoring program. The working group determined the program would be administered by the State Board of Pharmacy and the working group may propose legislation for consideration by the 2007 Legislative Assembly to:

1. Allow the program to require medications in addition to controlled substances to be submitted.
2. Address liability concerns.
3. Ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA).

The department and the State Board of Pharmacy will be releasing a request for proposal to secure a vendor to develop and operate the necessary computer and data services for the program. To expedite the development and implementation of the program, the working group is considering asking the Governor to allow emergency rules for the program.

Medicaid Management Initiatives Report

Section 4 of House Bill No. 1459 (2005) provided that the Legislative Council receive a report from and provide input to the Department of Human Services regarding the development of recommendations relating to the management of the Medicaid program. A number of recommendations resulted from the report provided to the 2005 Legislative Assembly by Muse and Associates, the consultants that conducted a review of the North Dakota Medicaid program during the 2003-04 interim. House Bill No. 1459 (2005) includes the following management initiatives for the Medicaid program:

1. Provide statewide targeted case management services focusing on the 2000 Medicaid recipients with the highest cost for treatment of chronic diseases and the families of neonates which can benefit from case management services. The case management services must focus on the recipients in these groups which will result in the most cost-savings considering available resources and may include a primary

3. Joint development with another state.
4. Use of a fiscal agent.
5. Outsourcing the billing and payment components.

In addition, the motion encouraged the Department of Human Services to contract for an independent analysis of the above options, including a cost-benefit analysis, and to arrange for the information to be available to the Legislative Assembly by January 8, 2007.

The committee learned the department has submitted and received approval from the Centers for Medicare and Medicaid Services of the proposed MMIS contract and the department entered into an agreement with Affiliated Computer Services, Inc., in June 2006. The department selected a vendor to complete an independent analysis of the various options to be considered by the 2007 Legislative Assembly, began Phase 1 of the project, and established a stakeholder committee to gather input regarding the development of a new system and to provide communications regarding the design and operations of the new system.

Other Medicaid-Related Reports

The committee received a report regarding the activities associated with the Real Choice Rebalancing Grant. The grant funds will be used to assist the state in complying with provisions of the Olmstead decision and the President's New Freedom Initiative, both of which are intended to improve access and choice of continuum of care services for the elderly and people with disabilities. The committee learned the goal of the grant is to:

1. Develop a mechanism to balance state resources for continuum of care services, including long-term care and home and community-based services.
2. Develop a system to provide a single point of entry for continuum of care services.
3. Develop practical and sustainable public information services for all continuum of care services in North Dakota.

Recommendations

The committee recommends the 2007 Legislative Assembly consider the value of the biennial medical assistance report and the importance of continuing funding for the report for the actuarial analysis and other information that may be useful for the Legislative Assembly and its Appropriations Committees in the development of the Department of Human Services' appropriation.

HEALTHY NORTH DAKOTA STUDY

Section 20 of Senate Bill No. 2004 (2005) provided for a Legislative Council study of the costs and benefits of adopting a comprehensive Healthy North Dakota and workplace wellness program in collaboration with the State Department of Health, health insurers, other third-party payers, Workforce Safety and Insurance, interested nonprofit health-related agencies, and others who have an interest in establishing accident and disease prevention programs.

Background

The committee learned Governor John Hoeven initiated the Healthy North Dakota program in January 2002. The mission of the initiative is to inspire and support North Dakotans to improve physical, mental, and emotional health for all by building innovative statewide partnerships. The Healthy North Dakota Advisory Committee was formed in March 2002. Priority areas of Healthy North Dakota include:

1. Tobacco use.
2. Substance abuse - Mental health.
3. Healthy weight - Nutrition.
4. Healthy weight - Physical activity.
5. Health disparities.
6. Worksite wellness.
7. Community engagement.
8. Third-party payers - Insurance.

Committees have been formed to focus on each of these areas across the state.

Funding

For the 2005-07 biennium, the Legislative Assembly appropriated $485,746 of federal and other funds for the State Department of Health's Healthy North Dakota and worksite wellness program. Federal funds of $350,746 are from the federal preventive health block grant and are used, in part, for funding 1.5 full-time equivalent (FTE) positions within the department. The $135,000 of other funds was to be raised by the department for the worksite wellness program. For the 2007-09 biennium, the State Department of Health is requesting $200,000 to $300,000 from the community health trust fund to provide a more consistent source of funding for the program.

Status of Focus Areas

The committee received a report on the status of the focus areas of Healthy North Dakota, including:

1. Healthy weight - Healthy North Dakota has involved more than 500 state, local, and county government employees in the "five-a-day challenge" program designed to increase the amount of fruits and vegetables eaten daily. In addition, 17 community coalitions promote healthy eating and physical activity with the potential to reach more than 70 percent of the state's population.
2. Health disparities - The Health Disparities Committee received a grant to establish an office of special populations within the State Department of Health. The Tribal/State Health Task Force was formed at the request of the Indian Affairs Commission to identify the common health needs of North Dakota's American Indian population. Key issues identified include:
   a. Little public health infrastructure exists on the reservations.
   b. State/tribal communications are problematic.
   c. Access to health care is poor.

Traditional Medicaid Appropriation
2005-2007 Appropriation as compared to 2007-2009 Budget Request To Senate
(In Millions)

	Description	05-07 Budget	2007-2009 To Senate	Changes	% Change
1	Inpatient Hospital	81.0	97.5	16.5	20.37%
2	Drugs - NET (Includes Rebates)	88.6	60.8	(27.8)	-31.38%
3	Physician Services	55.9	56.4	0.5	0.89%
4	Outpatient Hospital	40.4	46.5	6.1	15.10%
5	Premiums	15.6	23.7	8.1	51.92%
6	Indian Health Services	22.9	20.8	(2.1)	-9.17%
7	Healthy Steps	12.1	19.7	7.6	62.81%
8	Psychiatric Residential Treatment Facilities	10.8	19.9	9.1	84.26%
9	Dental Services	13.3	12.0	(1.3)	-9.77%
10	Durable Medical Equipment	4.2	5.3	1.1	26.19%
	Medicaid Buy-In Program	1.3	4.2	2.9	223.08%
	Rural Health Clinics	3.9	4.0	0.1	2.56%
	Children's Health Ins. Program	4.6	3.8	(0.8)	-17.39%
	Home Health Services	4.9	3.1	(1.8)	-36.73%
	N.D. Health Tracks	2.2	2.3	0.1	4.55%
	Family Planning	2.6	2.3	(0.3)	-11.54%
	Ambulance Services	1.8	2.3	0.5	27.78%
	Special Education	1.6	2.3	0.7	43.75%
	Federally Qualified Health Centers	1.7	2.1	0.4	23.53%
	Optometry Services	2.3	2.1	(0.2)	-8.70%
	Disease Management	0.0	1.8	1.8	N/A
	Transportation Services	2.2	1.6	(0.6)	-27.27%
	Laboratory & Radiology	1.8	1.6	(0.2)	-11.11%
	Womens Way	1.0	0.9	(0.1)	-10.00%
	Speech & Hearing Services	0.7	0.9	0.2	28.57%
	TCM - DJS Alt. Care	0.7	0.8	0.1	14.29%
	Foster Care Family Support	0.9	0.8	(0.1)	-11.11%
	Hospice Services	1.1	0.7	(0.4)	-36.36%
	Psychological Services	0.6	0.6	0.0	0.00%
	Chiropractic Services	0.4	0.4	0.0	0.00%
	Refugee Assistance	0.1	0.3	0.2	200.00%
	TCM - Pregnant Women & Infants	0.3	0.2	(0.1)	-33.33%
	Occupational Therapy	0.0	0.1	0.1	N/A
	Physicial Therapy	0.3	0.1	(0.2)	-66.67%
	Private Duty Nursing	0.0	0.0	0.0	N/A
	Total Title XIX	381.8	401.9	20.1	5.26%
	General Funds	**90.1**	**104.2**	**14.1**	**15.65%**

The top 10 services highlighted above account for 90.2% of the 2007-2009 To OMB Traditional Medicaid Services.

Traditional Medicaid Appropriation
2005-2007 Appropriation as compared to 2007-2009 Budget Request To Senate
(In Millions)

	Description	05-07 Budget	Changes	2007-2009 To Senate
1	Inpatient Hospital	81.0	16.5	97.5
2	Drugs - NET (Includes Rebates)	88.6	(27.8)	60.8
3	Physician Services	55.9	0.5	56.4
4	Outpatient Hospital	40.4	6.1	46.5
5	Premiums	15.6	8.1	23.7
6	Indian Health Services	22.9	(2.1)	20.8
7	Healthy Steps	12.1	7.6	19.7
8	Psychiatric Residential Treatment Facilities	10.8	9.1	19.9
9	Dental Services	13.3	(1.3)	12.0
10	Durable Medical Equipment	4.2	1.1	5.3
	Medicaid Buy-In Program	1.3	2.9	4.2
	Rural Health Clinics	3.9	0.1	4.0
	Children's Health Ins. Program	4.6	(0.8)	3.8
	Home Health Services	4.9	(1.8)	3.1
	N.D. Health Tracks	2.2	0.1	2.3
	Family Planning	2.6	(0.3)	2.3
	Ambulance Services	1.8	0.5	2.3
	Special Education	1.6	0.7	2.3
	Federally Qualified Health Centers	1.7	0.4	2.1
	Optometry Services	2.3	(0.2)	2.1
	Disease Management	0.0	1.8	1.8
	Transportation Services	2.2	(0.6)	1.6
	Laboratory & Radiology	1.8	(0.2)	1.6
	Womens Way	1.0	(0.1)	0.9
	Speech & Hearing Services	0.7	0.2	0.9
	TCM - DJS Alt. Care	0.7	0.1	0.8
	Foster Care Family Support	0.9	(0.1)	0.8
	Hospice Services	1.1	(0.4)	0.7
	Psychological Services	0.6	0.0	0.6
	Chiropractic Services	0.4	0.0	0.4
	Refugee Assistance	0.1	0.2	0.3
	TCM - Pregnant Women & Infants	0.3	(0.1)	0.2
	Occupational Therapy	0.0	0.1	0.1
	Physicial Therapy	0.3	(0.2)	0.1
	Private Duty Nursing	0.0	0.0	0.0
	Total Title XIX	381.8	20.1	401.9
	General Funds	**90.1**	**14.1**	**104.2**

The top 10 services highlighted above account for 90.2% of the 2007-2009 To OMB Traditional Medicaid Services.

The large decrease in the drug budget is due to the implementation of Medicare Part D. If the decrease in the drug budget is not considered there is an overall increase in other areas of the 2007-2009 Traditional Medicaid budget request to OMB of $47.9 million. That increase is $40.3 million when excluding Healthy Steps.

SB 2012

North Dakota Department of Human Services
Comparison of Traditional Medicaid Appropriations
(For Comparison Purposes Does Not Include Intergovernmental Transfer Pool Payments)
(In Millions)

	Description	2001-2003 Appropriation	Changes		2003-2005 Appropriation	Changes		2005-2007 Appropriation	Changes		2007-2009 To Senate
1	Inpatient Hospital	55.9	7.6	13.6%	63.5	17.5	27.6%	81.0	16.5	20.4%	97.5
2	Drugs - NET (Includes Rebates)	75.6	20.5	27.1%	96.1	(7.5)	-7.8%	88.6	(27.8)	-31.4%	60.8
3	Physician Services	36.7	12.6	34.3%	49.3	6.6	13.4%	55.9	0.5	0.9%	56.4
4	Outpatient Hospital	29.0	7.6	26.2%	36.6	3.8	10.4%	40.4	6.1	15.1%	46.5
5	Premiums	10.2	1.8	17.7%	12.0	3.6	30.0%	15.6	8.1	51.9%	23.7
6	Indian Health Services	17.4	1.0	5.8%	18.4	4.5	24.5%	22.9	(2.1)	-9.2%	20.8
7	Healthy Steps	9.9	(0.4)	-4.0%	9.5	2.6	27.4%	12.1	7.6	62.8%	19.7
8	Psychiatric Residential Treatment Facilities	7.1	2.2	31.0%	9.3	1.5	16.1%	10.8	9.1	84.3%	19.9
9	Dental Services	10.6	1.6	15.1%	12.2	1.1	9.0%	13.3	(1.3)	-9.8%	12.0
10	Durable Medical Equipment	4.1	(0.8)	-19.5%	3.3	0.9	27.3%	4.2	1.1	26.2%	5.3
	Medicaid Buy-In Program	0.0	1.3	N/A	1.3	0.0	0.0%	1.3	2.9	223.1%	4.2
	Rural Health Clinics	3.6	0.2	5.6%	3.8	0.1	2.6%	3.9	0.1	2.6%	4.0
	Children's Health Ins. Program	0.3	0.6	200.0%	0.9	3.7	411.1%	4.6	(0.8)	-17.4%	3.8
	Home Health Services	5.0	(0.1)	-2.0%	4.9	0.0	0.0%	4.9	(1.8)	-36.7%	3.1
	N.D. Health Tracks	1.4	0.0	0.0%	1.4	0.8	57.1%	2.2	0.1	4.6%	2.3
	Family Planning	1.4	0.8	57.1%	2.2	0.4	18.2%	2.6	(0.3)	-11.5%	2.3
	Ambulance Services	1.2	0.2	16.7%	1.4	0.4	28.6%	1.8	0.5	27.8%	2.3
	Special Education	1.1	0.4	36.4%	1.5	0.1	6.7%	1.6	0.7	43.8%	2.3
	Federally Qualified Health Centers	1.0	0.4	40.0%	1.4	0.3	21.4%	1.7	0.4	23.5%	2.1
	Optometry Services	2.0	0.0	0.0%	2.0	0.3	15.0%	2.3	(0.2)	-8.7%	2.1
	Disease Management	0.0	0.0	N/A	0.0	0.0	N/A	0.0	1.8	N/A	1.8
	Transportation Services	1.7	0.7	41.2%	2.4	(0.2)	-8.3%	2.2	(0.6)	-27.3%	1.6
	Laboratory & Radiology	1.2	0.7	58.3%	1.9	(0.1)	-5.3%	1.8	(0.2)	-11.1%	1.6
	Womens Way	0.5	0.1	20.0%	0.6	0.4	66.7%	1.0	(0.1)	-10.0%	0.9
	Speech & Hearing Services	1.2	0.0	0.0%	1.2	(0.5)	-41.7%	0.7	0.2	28.6%	0.9
	TCM - DJS Alt. Care	0.1	0.5	500.0%	0.6	0.1	16.7%	0.7	0.1	14.3%	0.8
	Foster Care Family Support	0.0	1.0	N/A	1.0	(0.1)	-10.0%	0.9	(0.1)	-11.1%	0.8
	Hospice Services	1.5	(0.2)	-13.3%	1.3	(0.2)	-15.4%	1.1	(0.4)	-36.4%	0.7
	Psychological Services	0.7	(0.1)	-14.3%	0.6	0.0	0.0%	0.6	0.0	0.0%	0.6
	Chiropractic Services	0.4	(0.1)	-25.0%	0.3	0.1	33.3%	0.4	0.0	0.0%	0.4
	Refugee Assistance	1.5	(0.5)	-33.3%	1.0	(0.9)	-90.0%	0.1	0.2	200.0%	0.3
	TCM - Pregnant Women & Infants	0.1	0.0	0.0%	0.1	0.2	200.0%	0.3	(0.1)	-33.3%	0.2
	Occupational Therapy	0.0	0.0	N/A	0.0	0.0	N/A	0.0	0.1	N/A	0.1
	Physicial Therapy	0.1	0.3	300.0%	0.4	(0.1)	-25.0%	0.3	(0.2)	-66.7%	0.1
	SED - (Seriously Emotionally Disturbed)	0.0	0.1	N/A	0.1	(0.1)	-100.0%	0.0	0.0	N/A	0.0
	Private Duty Nursing	0.0	0.0	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.0
	Total Title XIX	282.5	60.0	21.2%	342.5	39.3	11.5%	381.8	20.1	5.3%	401.9
	General Funds	**73.2**	17.2	23.5%	**90.4**	(0.3)	-0.3%	**90.1**	14.1	15.7%	**104.2**

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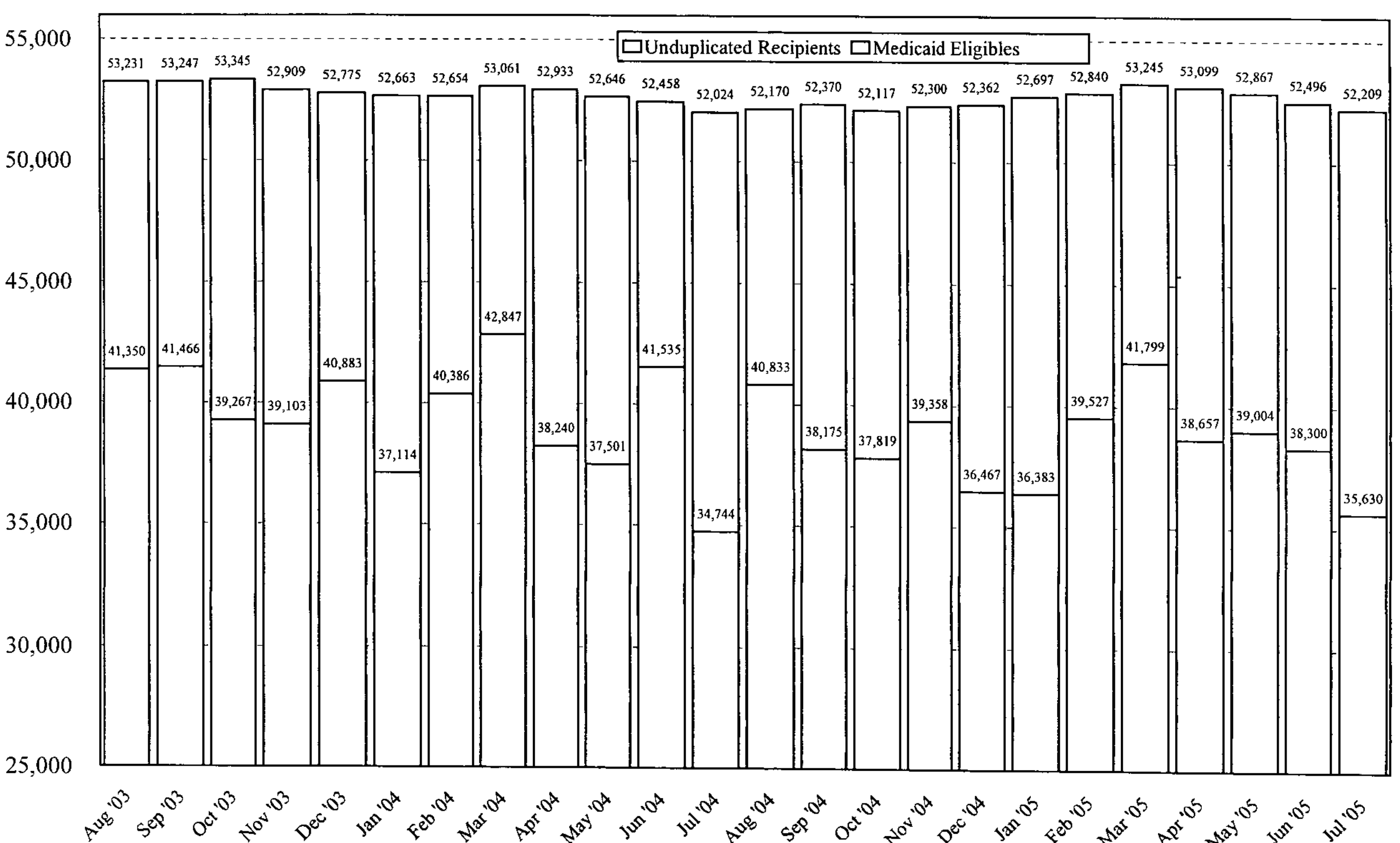
An Amendment To HB 2012

Requires the Department of Human Services to develop a method for rebasing medical service provider's payment rates under the Medicaid program

- Provides funding for the Department of Human Services to contract with a health care consultant expert in analyzing reimbursement systems to determine what funding—federal match/ state general funds-- would be required for rebasing Medicaid rates for hospitals, physicians, chiropractors and ambulance services.
- The analysis and recommendations would be provided to the Appropriations Committees in 09.
- Fifty percent of the study cost would be eligible for federal funding.
- Rebasing has not occurred since 1994.
- The three hundred and fifty thousand dollar estimate for the analysis and recommendations is based on discussions with the Department of Human Services, Blue Cross/Blue Shield, and Eide Bailey.
- The consultant analysis and recommendations would comply with all Federal requirements.
- The analysis would provide a factual framework for addressing Medicaid's rates for Medical Service providers in the 09 session.

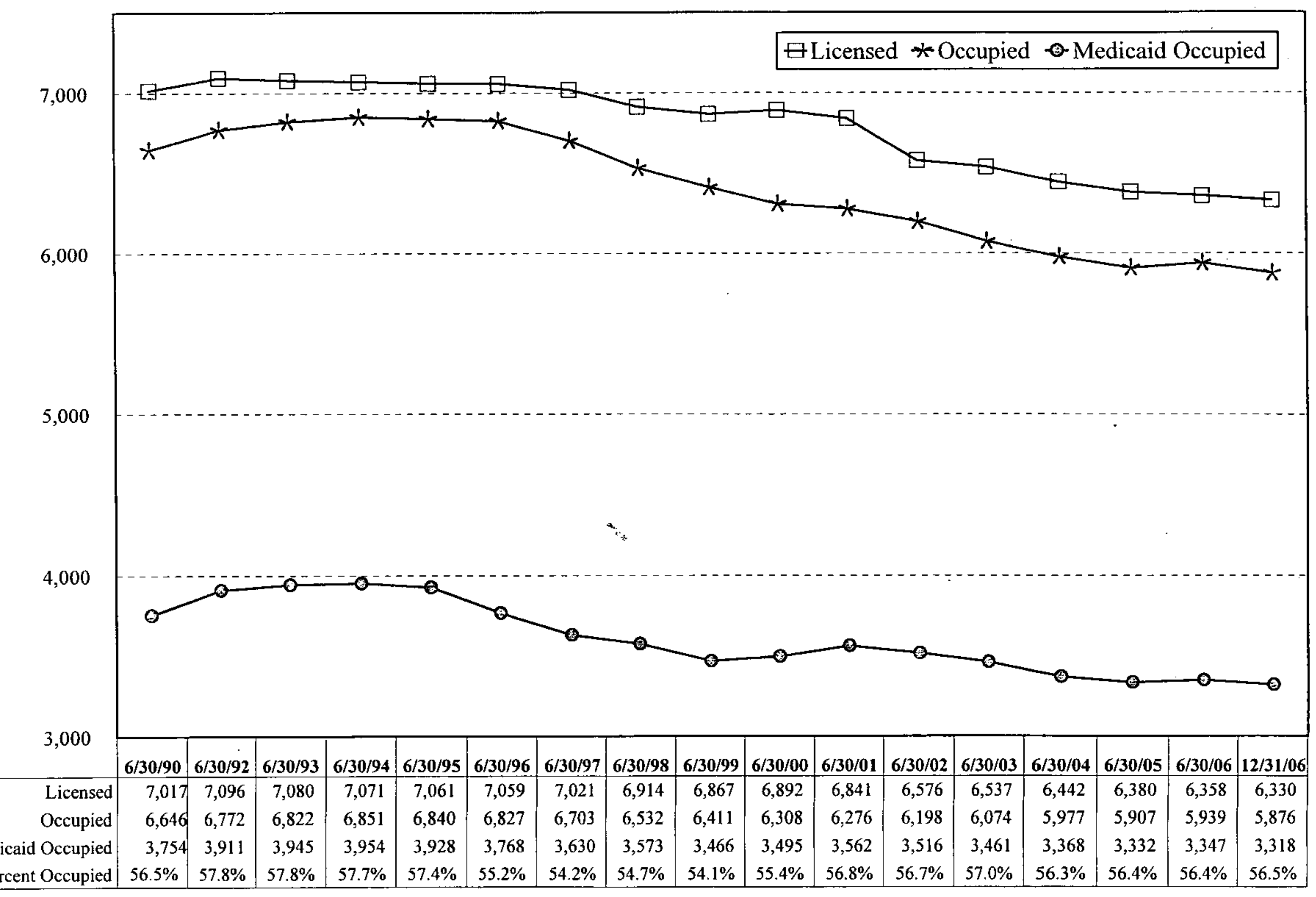
Comparison of Net Medicaid Eligibles (Less QMB's Only, SLMB's Only & QI's) and Unduplicated Recipients 2003 - 2005 Biennium (August '03 - July '05)



North Dakota Department of Human Services

Medicaid Participating Nursing Facilities

Number of Beds Licensed, Occupied, and Medicaid Occupied as of Dates Specified



	6/30/90	6/30/92	6/30/93	6/30/94	6/30/95	6/30/96	6/30/97	6/30/98	6/30/99	6/30/00	6/30/01	6/30/02	6/30/03	6/30/04	6/30/05	6/30/06	12/31/06
Licensed	7,017	7,096	7,080	7,071	7,061	7,059	7,021	6,914	6,867	6,892	6,841	6,576	6,537	6,442	6,380	6,358	6,330
Occupied	6,646	6,772	6,822	6,851	6,840	6,827	6,703	6,532	6,411	6,308	6,276	6,198	6,074	5,977	5,907	5,939	5,876
Medicaid Occupied	3,754	3,911	3,945	3,954	3,928	3,768	3,630	3,573	3,466	3,495	3,562	3,516	3,461	3,368	3,332	3,347	3,318
Medicaid Percent Occupied	56.5%	57.8%	57.8%	57.7%	57.4%	55.2%	54.2%	54.7%	54.1%	55.4%	56.8%	56.7%	57.0%	56.3%	56.4%	56.4%	56.5%

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Summary of Selected Medicaid Rate Methodologies

Service	Nursing Facilities	Swing Beds	Out of State Nursing Facilities	Hospice Room and Board	Basic Care	Hospice Service	ICF/MR	DD Group Homes	Inpatient Hospital	Outpatient Hospital	Physician	Drugs	Home Health	HCBS
Payment Method	Provider Specific Prospective	Prospective	Provider Specific Prospective	CMS required - at least 95% of NF rate	Provider Specific Prospective	CMS Fee Schedule	Provider Specific Retrospective	Provider Specific Retrospective	Provider Specific Prospective	Provider Specific Prospective	Fee Schedule	Maximum Allowable Cost	Provider Specific Prospective	Provider Specific Prospective
Final Rate based on	Cost	Average Medicaid NF rate prior year	Foreign state Medicaid rate	Cost	Cost	CMS calculated	Cost	Cost	Cost	Cost to charge ratio	Conversion Factor	Prime Therapeutics	Medicare Rates	Budget/charge when enrolling
Frequency of Rebasing Rates	Annually	Annually	As billed	Annually	Annually	Annually	Annually	Annually	1994	2001		Weekly	2000	None
Rate Includes Room and Board	Yes	Yes	Yes	Yes	Yes		Yes		Yes					
Rates for Provider vary by client	Case Mix			Case Mix					DRG		RVRVU			
Rate Limits	Direct Other Direct Indirect Occupancy Per Bed			Direct Other Direct Indirect Occupancy Per Bed	80th percentile		Targeted Budget/direct staff hourly allowance/fringe benefits	Targeted Budget/direct staff hourly allowance/fringe benefits	Maximum base rate					Maximum rate per individual or agency
Frequency on Limits rebase	Direct 3-4years Other Direct 3-4 yrs Indirect 3-4 years Occupancy None Per Bed 1994			Direct 3-4years Other Direct 3-4 yrs Indirect 3-4 years Occupancy None Per Bed 1994	Annually		Annually	Annually	Same year as cost rebase					None
Basis for Inflation Applied to Rate calculation	D/OD/I costs and D/OD/I Limits	None	None	D/OD/I costs and D/OD/I Limits	Costs	CMS calculated	Prior Year Targets	Prior Year Targets	Prior year base Rate	None -payment is fixed percent of charge	Prior year conversion factor	None - adjusted to cost weekly	Prior year rate	Prior year rate

Traditional Medicaid

Line	Description	2005-2007 Appropriation	Cost Changes	Caseload/ Utilization Changes	FMAP	3%/3% Inflationary Increase	Total Changes	2007-2009 To Senate	Senate Adj. 4%/4% Inflation & Other	2007-2009 To House	Line
1	Inpatient Hospital	80,966,748	(5,990,748)	18,314,448		4,212,424	16,536,124	97,502,872	1,422,343	98,925,215	1
2	Outpatient Hospital	40,400,206	824,482	3,306,717		2,006,928	6,138,127	46,538,333	681,434	47,219,767	2
3	Physician Services	55,908,632	(3,683,992)	1,728,148		2,419,987	464,143	56,372,775	1,400,156	57,772,931	3
4	Ambulance Services	1,821,144	354,256	14,057		98,270	466,583	2,287,727	34,438	2,322,165	4
5	Womens Way	1,044,732	1,079,316	(1,255,386)		39,236	(136,834)	907,898	13,249	921,147	5
6	Children's Health Ins. Program	4,619,684	(2,936,196)	1,948,688		165,308	(822,200)	3,797,484	56,685	3,854,169	6
7	Chiropractic Services	441,224	52,752	(155,943)		15,235	(87,956)	353,268	5,273	358,541	7
8	Dental Services	13,275,564	1,978,220	(3,766,672)		518,316	(1,270,136)	12,005,428	175,330	12,180,758	8
9	Durable Medical Equipment	4,208,680	(727,816)	1,564,268		227,795	1,064,247	5,272,927	79,823	5,352,750	9
10	Family Planning	2,598,040	2,029,192	(2,392,270)		100,767	(262,311)	2,335,729	34,480	2,370,209	10
11	Federally Qualified Health Centers	1,745,228	(446,212)	851,502			405,290	2,150,518		2,150,518	11
12	Home Health Services	4,842,332	2,094,092	(3,999,319)		132,631	(1,772,596)	3,069,736	44,904	3,114,640	12
13	Hospice Services	1,116,076	1,168,662	(1,563,226)			(394,564)	721,512		721,512	13
14	Indian Health Services	22,915,088	1,516,128	(4,514,901)		899,308	(2,099,465)	20,815,623	303,745	21,119,368	14
15	Laboratory & Radiology	1,840,380	214,444	(557,392)		67,413	(275,535)	1,564,845	22,887	1,587,732	15
16	N.D. Health Tracks	2,215,048	112,952	(5,529)			107,423	2,322,471		2,322,471	16
17	Occupational Therapy	2,916	(1,396)	142,671		6,418	147,693	150,609	2,306	152,915	17
18	Optometry Services	2,256,718	(327,414)	90,215		91,389	(145,810)	2,110,908	30,944	2,141,852	18
19	Physicial Therapy	300,340	(92,156)	(132,290)		3,388	(221,058)	79,282	1,187	80,469	19
20	Premiums - AIDS	90,908	24,841	(31,418)			(6,577)	84,331		84,331	20
21	Premiums - Group Health	459,596	293,413	(393,157)			(99,744)	359,852		359,852	21
22	Premiums - M.C.O.	3,025,315	257,249	(96,540)			160,709	3,186,024		3,186,024	22
23	Premiums - Qualified Individual 1	550,188	334,046	(43,126)			290,920	841,108		841,108	23
24	Premiums - QMB	3,678,142	972,665	2,315,372			3,288,037	6,966,179		6,966,179	24
25	Premiums - SLMB	1,556,072	997,173	365,846			1,363,019	2,919,091		2,919,091	25
26	Premiums - SSA	6,224,037	4,086,574	(985,199)			3,101,375	9,325,412		9,325,412	26
27	Private Duty Nursing	6,720	3,912			480	4,392	11,112	156	11,268	27
28	Psychological Services	573,564	200,076	(168,851)		27,334	58,559	632,123	9,229	641,352	28
29	Refugee Assistance	76,128	170,609			11,133	181,742	257,870	3,775	261,645	29
30	Rural Health Clinics	3,892,392	277,444	(179,701)			97,743	3,990,135		3,990,135	30
31	Special Education	1,547,988	625,572			98,784	724,356	2,272,344	33,360	2,305,704	31
32	Speech & Hearing Services	704,704	1,844,128	(1,713,592)		37,795	168,331	873,035	12,564	885,599	32
33	TCM - DJS Alt. Care	723,309	67,875			35,964	103,839	827,148	12,144	839,292	33
34	TCM - Pregnant Women & Infants	266,392	4,683,952	(4,760,147)		8,585	(67,610)	198,782	2,903	201,685	34
35	Transportation Services	2,164,272	442,696	(1,082,578)		64,299	(575,583)	1,588,689	21,433	1,610,122	35
36	Psychiatric Residential Treatment Facilities	10,763,104	8,572,409			582,140	9,154,549	19,917,653	195,667	20,113,320	36
37	Foster Care Family Support	939,320	(904,544)	701,529		33,157	(169,858)	769,462	11,272	780,734	37
38	Medicaid Buy-In Program	1,327,360	2,725,584	(55,640)		180,485	2,850,429	4,177,789	60,952	4,238,741	38
39	Disease Management		1,836,000				1,836,000	1,836,000		1,836,000	39
	Senate Adjustments:										
40	Continuous Eligibility								6,332,899	6,332,899	40
41	Increase Poverty Level to 133% (6 - 19 yr olds)								4,127,018	4,127,018	41
42	Increase Medical Needy from 61% to 83%								7,023,015	7,023,015	42
43	**Subtotal XIX (Drugs Excluded)**	**281,088,291**	**24,730,240**	**3,490,584**		**12,084,969**	**40,305,793**	**321,394,084**	**22,155,571**	**343,549,655**	43
44	Drugs - NET (Includes Rebates)	88,618,542	45,577,901	(73,358,787)			(27,780,886)	60,837,656		60,837,656	44
45	**Total Title XIX**	**369,706,833**	**70,308,141**	**(69,868,203)**		**12,084,969**	**12,524,907**	**382,231,740**	**22,155,571**	**404,387,311**	45
46	Healthy Steps	12,075,542	2,217,027	5,397,736			7,614,763	19,690,305	(1,033,277)	18,657,028	46
47	**Total Traditional Medicaid**	**381,782,375**	**72,525,168**	**(64,470,467)**		**12,084,969**	**20,139,670**	**401,922,045**	**21,122,294**	**423,044,339**	47
48	**General Funds**	**90,071,369**	**27,362,631**	**(20,032,287)**	**2,904,692**	**3,931,101**	**14,166,137**	**104,237,506**	**7,582,356**	**111,819,862**	48

Note:

Healthy Steps Senate adjustments include income disregards and changing poverty level to 150%.

Testimony for SB 2012

Chairman Pollert and Members of the Human Resources Division of the Appropriations Committee:

Thank you for the opportunity to speak to you about Medicaid reimbursement. I am Kimber Wraalstad, Administrator of Presentation Medical Center, located in Rolla.

Presentation Medical Center is a 25 bed Critical Access Hospital providing medical services to citizens in Rolette and Towner Counties. My comments today will focus on Medicaid's impact upon Presentation Medical Center, because that is the subject I know well. As Presentation Medical Center is a Critical Access Hospital, and one of 31 hospitals in North Dakota so designated, I would like to briefly describe this designation and its importance.

A Critical Access Hospital is a licensed hospital, designated by the State and meets the following criteria:

1. Rural public hospital.
2. Located in a state that has an established state plan with the Centers for Medicare and Medicaid Services (CMS) for the Medicare Rural Hospital Flexibility Program.
3. Is located more than a 35 mile drive from any other hospital or if in an area where only secondary roads are available, the mileage criteria is then 15 miles.
4. Makes available 24 hour emergency services 7 days a week.
5. Provides no more than 25 inpatient beds that can be used interchangeably for acute or skilled level care, provided that not more than more than 15 beds are used at any one time for acute care.
6. The annual average length of stay for acute patients is not any greater than 96 hours.

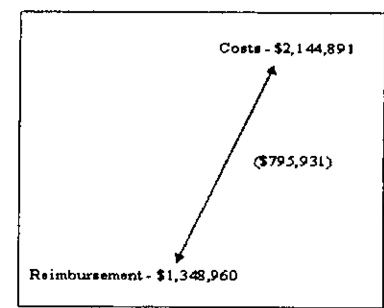
Why would a hospital want designation as a Critical Access Hospital? The reason: Medicare provides cost based reimbursement to Critical Access Hospitals. Essentially, this means that Medicare pays for the cost of services for Medicare patients. When I speak about costs, however, please realize that the cost recognized or accepted are not all the costs incurred by the facility. Costs not recognized by Medicare for example, include bad debt, charity care, cable TV and the cost of physician recruitment.

For instance, Presentation Medical Center provided $61,887 of Charity Care and had $203,526 of Bad Debt expense during our last fiscal year.

At the end of each fiscal year, Presentation Medical Center completes and files a Medicare cost report with the Centers for Medicare and Medicaid Services (CMS). This report is used to determine the actual costs we incurred in caring for Medicare patients. Our payment is based at 101% of those allowed costs.

It is expected that income from other payers, i.e., Medicaid and Blue Cross, will cover the costs that are not allowed from Medicare. This is known as cost shifting. Shifting costs to other payers may work in some communities when the payer mix has a higher volume of commercial payers. This is not the case in our area because of the high percentage of people covered by Medicare and Medicaid and the low percentage of people with commercial insurance.

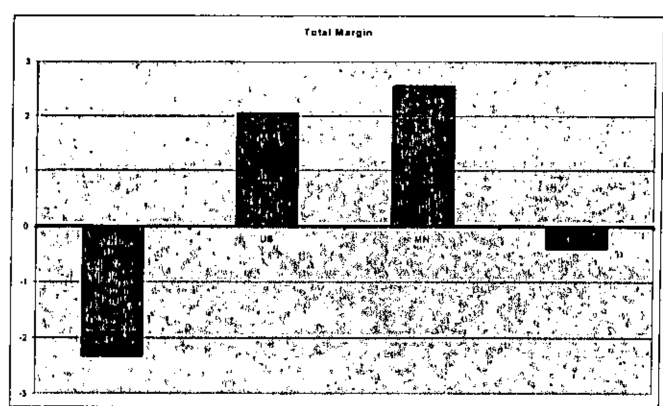
North Dakota's Medicaid program no longer requires cost reports for setting its reimbursement levels for hospitals. However, in an effort to determine the costs Presentation Medical Center experienced in caring for our Medicaid patients in FYE September 30, 2006, our Chief Financial Officer, Paula Wilkie, calculated the information using the Medicaid Remittance Advices and applying the Medicare payment methodology. We essentially completed our own Medicaid cost report. For last fiscal year, we determined that the total cost, not charges, for Presentation Medical Center to care for our Medicaid patients was $2,144,891. Medicaid paid $1,348,960 for the services that we provided to those Medicaid patients. That resulted in a total cost not paid or a shortfall of $795,931. Based upon our calculations, again using Medicare's payment methodology, this is a 37% discount or we were paid 63% of our costs.



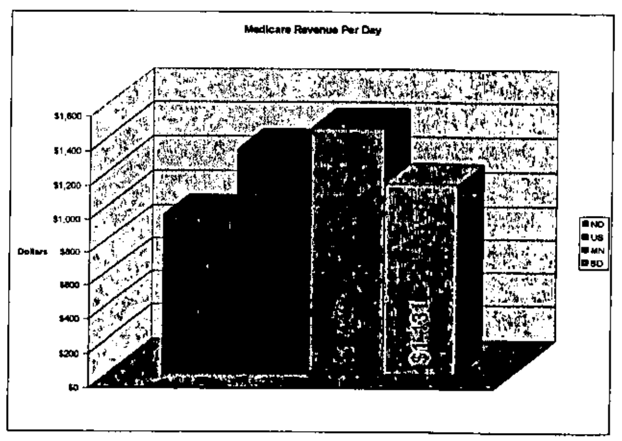
For the year ending September 30, 2006, Presentation Medical Center experienced an operating loss of $710,185.

Obviously, Presentation Medical Center cannot continue to experience a loss of this magnitude in caring for our Medicaid patients. We cannot continue to experience this type of shortfall and remain in existence.

With this type of loss, some might conclude that Presentation Medical Center is not an efficient provider of care. In that regard, I would like to comment on a study of Critical Access Hospitals margins that was completed by Stroudwater and Associates and was presented at the 2006 North Dakota Healthcare Association Annual Convention. This report addressed the question "Why is the average total margin in North Dakota Critical Access Hospitals a -2.33% while the average Critical Access Hospital margin in South Dakota is -.41% and Minnesota is 2.55%?"



When Stroudwater completed the peer comparison report, it was noted that North Dakota Critical Access Hospitals Medicare revenue per day is below peer averages. Please note that the average Medicare revenue per day in North Dakota is $948. The U.S. average is $1,327; Minnesota is $1,449; and South Dakota is $1,131. This means that North Dakota hospitals are low cost providers. However, this is not to be interpreted to mean that we provide low quality care because North Dakota hospitals are reported to be high quality providers.



So, why is North Dakota's Critical Access Hospital Medicare reimbursement so low? The answer – Aggressive third party (which for North Dakota means Medicaid and Blue Cross of North Dakota) reimbursement forces Critical Access Hospitals, actually all hospitals, to minimize their costs because that is what drives profitability. There is no margin in Medicare services and the Medicare per unit revenue decreases as Critical Access Hospitals incur fewer costs. Stroudwater and Associates stated that the number one opportunity for Critical Access Hospital profitability is in our third party contracts and reimbursement.

Blue Cross responded to the pleas of hospitals with increases to various fee schedules and an overall increase to inpatient services of 4.6% in 2007. While I don't think the changes to the fee schedules went far enough, Blue Cross did listen to our concerns and made changes.

We continue to advocate in Washington, DC, for Medicare payment equity. We continue to advocate with Blue Cross for payment equity. In both environments we are making progress. We cannot say the same for Medicaid.

I would like to review why this issue is significantly important to Presentation Medical Center and why Medicaid's payments need to cover costs at my facility. Based upon Department of Human Services' data, the following chart shows the percentage of Medicaid patients for each hospital with a Medicaid volume greater than 15%.

Organization	2001	2002	2003	2004	2005	2006	2007
Presentation Medical Center, Rolla	30.98%	28.12%	34.71%	27.96%	40.21%	40.39%	44.84%
Mercy Hospital , Devils Lake	20.06%	17.39%	16.01%	17.14%	30.47%	31.73%	29.82%
Garrison Memorial Hospital, Garrison	20.01%						
SCCI, Mandan	19.26%				25.35%	37.27%	22.74%
McKenzie County Hospital, Watford City	16.76%						
UniMed, Minot		15.07%					
Unity Medical Center, Grafton			21.24%				
Prairie St. John, Fargo			19.91%	15.21%			
Stadter Center, Grand Forks			18.61%				30.73%
Mercy Hospital, Williston						22.94%	
Heart of America Medical Center, Rugby						25.04%	
Towner County Medical Center, Cando						22.49%	
Trinity St. Joe's, Minot						22.23%	22.41%
Jacobson Memorial Hospital, Elgin						8.07%	
Jamestown Hospital, Jamestown							23.3%

Note that on April 1, 2004, the Department of Human Services changed their calculations to include patients who have Medicaid as a supplemental insurance. That is why the percentages increased substantially. Prior data identified only patients whose primary insurance was Medicaid.

As you can see, various facilities serve a significant number of Medicaid patients. As you can also see, the percentage of patients served changes over time, given patient volume and their payer source in any given year. However, two facilities remain on the list every year with the highest Medicaid percentage – Presentation Medical Center in Rolla and Mercy Hospital in Devils Lake.

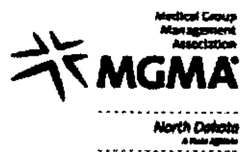
The number of Medicaid patients we serve and expect to serve is the reason why I am here today to express my concern about Medicaid reimbursement. If Presentation Medical Center is to continue to provide medical services in our geographic area, we need to be reimbursed our costs by Medicaid. If our costs are not covered, and we are unable to continue our mission, who will meet the medical needs of the people in our area?

This is my request:

> Reimburse all medical services providers (this would include hospitals, physicians, ambulance services, home health and other providers) so that we are reimbursed in a manner that covers our costs.

I hope that I have been able to share with you the absolute critical importance this issue is to Presentation Medical Center. Medicaid reimbursement at a level that recognizes our costs is a major step in ensuring our ability to meet the medical needs of our citizens.

I appreciate your attention and I would be happy to address your questions. Thank you.



Testimony on Engrossed Senate Bill No. 2012
House Appropriations Committee – Human Resources Division
February 28, 2007

Chairman Pollert and other Human Resource Division members, I'm Bruce Levi, Executive Director and General Counsel of the North Dakota Medical Association. NDMA is the professional membership organization for North Dakota's physicians, residents and medical students. I also represent the North Dakota Medical Group Management Association which is the membership organization for medical group practice administrators and clinic managers in North Dakota.

Last session we expressed the concern of North Dakota's medical community that the Medicaid payment methodology has systematically resulted in payments for Medicaid providers being substantially less than the actual cost of service to Medicaid beneficiaries. Our concern is that low reimbursement rates and administrative burdens do not continue to create any more difficulty in treating Medicaid patients, or create unintended barriers in the future to access to care for those patients.

The interim Budget Committee on Human Services on which several of you served studied the Medicaid medical reimbursement system during the 2005-06 interim. The Department of Human Services presented information to the interim committee indicating that physicians are paid at 44.27% of the billed amount. According to the actuary Milliman, Inc. with which the Department of Human Services contracted for actuary services, BlueCross BlueShield of North Dakota pays for physician services at 168.8% of what ND Medicaid pays. ND Workforce Safety & Insurance payments are at 156.3% of ND Medicaid. Medicare is at 113.5% of ND Medicaid.

Physicians support access to medical care for all people, and we have been actively involved in efforts to ensure the long-term sustainability of the medical assistance program in North Dakota. Prior to the 2005 legislative session, we participated in the Governor's Medicaid work group – a group comprised of all Medicaid service

providers, legislators, private insurers and others supported by staff of the Department of Human Services, OMB and the Department of Health -- which resulted in a number of recommendations including one that requested that actuarially-based methodologies be used for setting Medicaid payment rates and developing agency budget recommendations. In part, we had hoped back in 2004 that this focus would lead to an actuarially-based executive budget process and a fair and equitable payment system that funds medical services to appropriate levels, helping to ensure that there is continued access to quality care for Medicaid beneficiaries.

You acted on the work group's recommendation last session when you passed 2005 HB 1460 which appropriated $100,000 to the Department of Human Services for obtaining actuarial services. That bill also required the Department of Human Services to provide a biennial report to the Legislative Council using those actuarial tools to project estimated usage trends and budget estimates for the succeeding five-year period. As recounted in the report of the Legislative Council's interim Budget Committee on Human Services, the Department contracted with Milliman, Inc. for actuarial services to complete that report.

While the Department did not use the Milliman report in preparing its 2007-09 biennium budget request (using historical trend data instead), we propose that as you review the medical services appropriation in SB 2012 that the Milliman report be used to consider a legislative commitment this session to moving all traditional Medicaid service providers up to the Medicare fee schedule.

Based on the Milliman study, the 2007-09 executive budget for all traditional Medicaid service providers, if increased by $13.11 million in general funds ($11.56 million after the Senate amendments) to leverage additional federal funds of over $23 million, would bring Medicaid payments for these service providers to the level of the Medicare fee schedule.

The 2005 Legislative Assembly's investment in the actuarial services that were provided during the interim provides an appropriate basis to analyze the specific amount of general funds necessary to bring the traditional Medicaid providers to the Medicare fee schedule. During the interim, the Budget Committee on Human Services expressed appreciation for the actuarial analysis in its study of the Medicaid medical reimbursement system. The Budget Committee on Human Services recommended that "the 2007 Legislative Assembly consider the value of the biennial medical assistance report and the importance of continuing funding for

the report for the actuarial analysis and other information that may be useful for the Legislative Assembly and its Appropriations Committees in the development of the Department of Human Services' appropriation."

The interim Budget Committee's report also notes that as a result of an increased FMAP for 2007, the Department anticipates collecting an additional $8.8 million of federal Medicaid funds, which will result in an estimated $8.8 million of general fund savings for the 2007-09 biennium [Report of the 2005-06 Budget Committee on Human Services, p. 125]. This savings could serve as one source of funding for the necessary increase in general funds for 2007-09 to accomplish the move to the Medicare fee schedule for all traditional Medicaid service providers.

Physicians in North Dakota do their part in providing good access to quality medical care for Medicaid beneficiaries while receiving reimbursement well below the cost for that care. Our Associations and individual physicians and administrators are committed to the long-term sustainability of the Medicaid program. We have participated well in the Department's prescription drug cost containment initiative through the Medicaid Drug Use Review Board, in the 2004 Medicaid work group I mentioned earlier, in discussions with the Department and others about future Medicaid reform options, and in resolving service issues for medical assistance providers and recipients as they arise.

We look forward to working with you in addressing fair payment for Medicaid medical services.

HOUSE OF REPRESENTATIVES APPROPRIATESION COMMITTEE
HUMAN RESOURCES DIVISION
March 7, 2007

Mr. Chairman and members of the committee, I am Muriel Peterson, resident of District 47. I administered the SPED and Medicaid Waiver Programs between 1984 and 2002. I also had the lead in development of the QSP system.

Although I wasn't able to be here for all the testimony on Wednesday and Thursday of last week, what I did hear prompts my testimony today.

Please note the first sentence of **NDCC 50-06.2-06. Freedom of choice.**

> "Each person eligible for services under this chapter, or the person's representative, *must be free to choose among available qualified service providers that offer competitively priced services.*" [Emphasis added]

This doesn't seem compatible with amendments to SB 2012 (78036.0116) under **Long-Term Care Program** (Page 8).

> "Adds funding for grants – Medical assistance to provide that home service providers be paid using a *fee-for-service* [emphasis added] method based on 15-minute units of service and that rates, prior to any 2007-09 biennium inflationary increases, for each 15-minute unit of service be as follows:
>
> Agency home service provider - $4.50
> Individual home service provider - $3.16
>
> "Three agency providers that are currently paid more than the $4.50 rate will continue to be paid the higher rate."

In addition to the confusion noted above, continued use of "fee-for-service" and the "floor" set in the legislation, could lead to more challenges.

- Some providers (QSPs) have daily rates.
- To maintain "independent contractor" status for the individual QSPs, they need to negotiate their own rate.
- Agency's rate cannot be greater than costs. Payments in excess of costs are not allowed by CMS.
- Address testimony that there are eligible SPED clients in rural areas of ND but no provider is available.

RECOMMENDATIONS:

QSPs deliver the care to recipients remaining in their home or local community, increasing the appropriation for QSPs is needed to sustain the delivery system.

- Provide DHS sufficient funds to pay agency providers at allowable costs
- Amend language that retains the funds but changes language to "up to" $4.50 per 15-minute unit for agencies based on "allowable" costs; for individuals enrolled as QSPs, allow "up to" $3.16 per unit.
- Allow DHS authority to exceed the maximums for providers to clients where no local provider exists.
- Delete the "fee-for-service" phrase.

- Of the respondents who received a referral from their physician for specialty services; over eighty percent **(81.5%)** reported having no problems obtaining a referral.
- Twelve percent of the respondents **(12.4%)** claimed there were times they had not been able to get medical care when they needed it during the twelve-month period prior to the survey.
- Greater than seventy percent of the respondents **(72.6%)** were satisfied with the ease of getting a referral.
- More than eighty-percent of the respondents **(82.2%)** have been satisfied overall with care from specialists.

Health Tracks for Children

- Of the respondents with children younger than age 21 living at home; **48.3%** had completed a well-child visit during the twelve-month period prior to the survey. *37.7% in 2002*
- Eighty-six percent of the respondents **(85.7%)** who had participated in North Dakota Health Tracks (preventive health services) believe the services were either *very useful* or *somewhat useful.*

Prescription Drugs

- Nine out of ten respondents **(90.3%)** had received pharmacy services, including prescriptions during the twelve-month period prior to completing the survey.
- Almost one-fifth of the respondents **(19%)** requested specific drugs from a physician.
- Seventy-one percent of the respondents **(71%)** believe generic and brand-name drugs are equally effective; 20.6% believe brand-name drugs are more effective and 7.0% believe generic drugs are more effective.
- Eighty-five percent of the respondents **(85.1%)** were satisfied with the ease of getting prescriptions.

Dental Services

- Over forty percent of the respondents **(42.3%)** had not been to a dentist during the preceding twelve-month period.
- Of the respondents who made at least one dental appointment in the twelve-months prior to survey completion, **14.2%** reported having missed at least one dental appointment; *16.9% in 2002.*
- Almost one-quarter of the respondents **(24.1%)** reported difficulty getting needed dental care. Of these respondents, **54.4%** had trouble finding dentists who take Medicaid eligible patients.
- Nearly three out of ten respondents **(27.6%)** need additional information on which dentists accept Medicaid payments.
- Three-fourths of the respondents **(75.4%)** have been satisfied overall with dental care services received.

Respondent's Comments

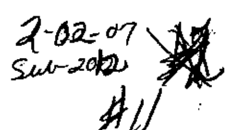
BEST things about the Medicaid Program:

√ Prescription drug coverage
√ Immediate care for the child
√ I am pregnant and cannot work. Medicaid pays for the medical care I need (and can't afford) to keep me and my baby healthy
√ Takes care of Medicare premium
√ It is very much appreciated that I get help with my medical bills and medication. Thank you
√ It helps me with all health. Without it I would not be able to afford medication to stabilize me – especially mental illness

CONCERNS about the Medicaid Program:

√ No dentists will take Medicaid. This is a real problem
√ Making adults wait 3 years for glasses
√ Having to pay the monthly recipient liability
√ Referrals
√ Information needs to be sent out often on any changes in the program
√ The stigma of being on the program. The attitude professionals and others because you are on the program
√ All the paperwork (for eligibility determination)

Detailed information regarding this study is available from the North Dakota Medicaid web site at http://www.state.nd.us/humanservices.



2004 Customer Survey Results

Medical Services Division
Department of Human Services
600 East Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

Summary

The North Dakota Department of Human Services conducted a survey to evaluate the Medicaid program from the viewpoint of the Medicaid enrollee. The results were compared to past surveys and will help establish trends for future program efforts.

The study surveyed three groups: (1) Women, Children, and Families; (2) Blind and Disabled; and (3) Aged. Surveys were limited to one adult per participating household. Institutionalized Medicaid enrollees (people residing in nursing homes, the North Dakota State Hospital, the Developmental Center, etc.) were excluded from the study.

The main reasons given for seeking emergency room services were to receive care for an emergency condition (as determined by the respondent), or because the medical care was received after regular clinic hours. It is unclear at this time what impact after-hours clinics have on emergency room utilization.

Respondents from the *Women, Children and Family* aid category understand and communicate well with providers. However, the respondents expect more from the program. Specifically, additional access to care, increased satisfaction with medical and personal treatment, and more covered services were areas of concern.

A noted response concerned mental health and substance abuse services. Over eighty percent **(81.9%)** of all respondents reported receiving these services during the past 12 months. While **90.1%** of those reported to have received these services did not have any trouble getting needed mental health or substance abuse services.

This study found high satisfaction throughout the Medicaid program, eligibility process, and the services received by enrollees. Respondents stated high usage of prescription drugs with high satisfaction in the ease of getting prescriptions. While overall satisfaction with dental services was acceptable, many of the comments concerned access to services. However, the study also showed high usage of dental services.

Applying for Medicaid

- More than eight out of ten respondents **(84.7%)** noted it was either *very easy* or *somewhat easy* to apply for Medicaid. *In 2002 it was 81.4%*
- More than nine out of ten respondents **(94.3%)** claim the assistance received from their county eligibility workers in completing the Medicaid application was either *very useful* or *somewhat useful. In 2002 it was 92.1%*

Medicaid Program

- Three-fourths **(76.1%)** of the respondents are satisfied overall with the Medicaid program. *In 2002 it was 75.7%*
- Two thirds of the respondents **(63.2%)** claim to have a good understanding of North Dakota Medicaid benefits and services. *In 2002 it was 50.3%*
- One-third of the respondents **(30.7%)** need additional information about benefits and services.

Medical Services

- Over eighty-five percent of the respondents **(87.6%)** claim one person as their personal doctor, whom they see most of the time. *In 2002 it was 85.1%*
- Nearly half of the respondents **(45.7%)** made six or more visits to a doctor/nurse/clinic during the twelve-month period prior to survey completion.
- Length of time to get an appointment to see doctor/nurse/clinic varied.

1 day	29.4%
1 week	45.1%
2 weeks	16.2%
More than 2 weeks	6.0%
Have not made an appointment	3.4%

- Over eighty percent of the respondents **(84.1%)** were satisfied with their doctor or nurse's explanation of medical information; *In 2002 it was 81.9%, 66.9% in 2000*
- Over eighty percent of the respondents **(83.3%)** were satisfied with the advice their doctor or nurse gave them on how to take care of themselves to stay healthy.
- In excess of eighty percent of the respondents **(81.9%)** were satisfied with the attitude of the doctor, nurse, or clinic toward people who are enrolled in Medicaid.
- Eighty-five percent of the respondents **(86.8%)** were satisfied overall with their doctor, nurse, or clinic.
- Sixty-seven percent of the respondents **(67.6%)** were either *very satisfied* or *somewhat satisfied* with the time spent at the office/clinic waiting to see their doctor or nurse.
- Over half of the respondents **(56.5%)** had not been to an emergency room during the twelve-month period prior to the survey.
- One-fourth **(24.0%)** of the respondents accessed the emergency room one time during the previous 12 months.
- Of the respondents who accessed emergency room services at least once; one-fifth **(21.2%)** accessed emergency room care for a non-pregnancy related serious injury or illness that required immediate attention.
- Of the respondents who accessed emergency room services at least once; one-fifth **(20.7%)** did so because the regular clinic was closed for the day.

Billed to Paid Percentage by Provider Type

Paid Dates CY2006

Home Health Agency/Hospice

* Reimbursement was historically established by using each Home Health Agency's Medicare base reimbursement per visit rate. Future increases in rate reimbursement were then be based upon fee increases appropriated by the North Dakota legislature. These providers usually bill the Medicare rate, so the paid to billed % will appear higher than other categories. Hospice rates are calculated based on annual hospice rates established under Medicare adjusted for the hospice wage index. These providers also bill the Medicare rate.

Hearing Aid Dealer

* The bulk of the charges are for Hearing Aid Dispensing Fees. Hearing Aid Dealers typically bill the actual dispensing fee Medicaid reimburses. Other charges include repairs, which Medicaid usually covers 100% of up to a certain dollar amount authorized.

Medical Equipment Supplier

* There are a large number of Durable Medical Services that require prior-authorization through Medicaid before they are covered. The Medical Equipment Suppliers generally bill the amount that is prior authorized, so the paid to billed % will appear higher than other categories.

Limitations of Billed to Charge Analysis

There are several flaws when using Billed to Paid Percentages figures in evaluating different Provider Type reimbursements. Billing practices and methods vary greatly between provider types. The Billed to Paid differential between provider types can vary due to a number of factors. Some payments and billing practices are determined externally rather than by Medicaid. For example, Home Health rates were historically established using a Medicare base reimbursement per visit rate plus an inflationary increase determined by the Legislature. Because these provider types typically bill the Medicare rate, they will have a higher Billed to Paid percentage, as the amount they are being reimbursed is similar to the Medicare rate they are billing.

Administrative practices vary between provider types with respect to whether the full usual and customary price is charged, or a negotiated payment rate is charged on bills. Provider groups such as Medical Equipment Suppliers provide a good portion of services that require prior-authorization through Medicaid before they are covered. They will then generally bill the amount that is prior authorized, so the paid to billed % will appear higher than other provider type categories. Since providers typically conform to requirements of different payors, billing practices may also vary across patients within a certain Provider Type. Depending on different payor requirements and various provider type billing practices, the billed amount appearing on bills may represent, for example, the usual and customary, or the discount from usual and customary.

Particular provider types use different billing methodologies than other provider types. An example would be where one provider type sets their charges above anticipated costs for certain services to offset payments on other services that may fall below the actual costs. With another provider type, there may not be an explicit benefit to be gained from charging Medicaid more than the prospectively set Medicaid reimbursement rate. Charges billed may also be higher on average for provider types that have the capability to allocate greater overhead costs. Provider types that are generally located in metropolitan areas may have higher charges on average than provider types generally located in rural areas.

It is also possible that you would see similar Billed to Paid percentages in the private payor sector within certain provider types for certain services as compared to Medicaid Billed to Paid percentages. Private payors are likely to negotiate contractual allowances (discounts from customary charges, some rather large) with providers, and therefore the amount billed to the amount paid percentage would be lower utilizing this methodology.

Because there is no industry standard across provider types regarding billing practices for charged amounts, comparing the amount paid to billed charges is not a preferred method for evaluating Provider Type reimbursements. A more suitable method for evaluating Provider Type reimbursements would be by evaluating each provider type group's reimbursement to their actual costs.

Billed to Paid Percentage by Provider Type

Paid Dates CY2006

Provider Type	Amount Billed	Amount Paid	% of Paid to Billed Amount
General Hospital - Outpatient	$40,244,206.17	$19,744,934.79	49.06%
General Hospital - Inpatient	$92,301,893.56	$40,611,314.33	44.00%
Mental Hospital - Outpatient	$2,309,000.72	$840,313.13	36.39%
Mental Hospital - Inpatient	$8,764,960.21	$3,996,625.02	45.60%
Rehab Hospital - Outpatient	$506,563.35	$255,469.68	50.43%
Rehab Hospital - Inpatient	$499,450.75	$267,144.50	53.49%
Physician	$1,157,328.74	$520,834.88	45.00%
Chiropractor	$429,135.47	$172,518.14	40.20%
LICSW	$76,142.00	$40,554.72	53.26%
Psychologist	$283,023.30	$180,939.46	63.93%
Podiatrist	$18,509.00	$10,349.02	55.91%
Optometrist	$830,062.50	$594,848.90	71.66%
Audiologist	$92,722.37	$66,772.07	72.01%
Dentist	$8,664,772.70	$5,434,647.16	62.72%
Independent Clinic	$63,364,470.25	$24,885,471.11	39.27%
Home Health Agency/Hospice *	$2,910,213.58	$2,318,481.98	79.67%
Hearing Aid Dealer *	$106,318.46	$100,686.94	94.70%
Medical Equipment Supplier *	$2,660,541.06	$1,828,673.36	68.73%
Nurse Practitioner	$15,278.13	$6,820.09	44.64%
Independent Laboratory	$1,042,060.71	$376,827.26	36.16%
Independent x-ray Service	$929,012.69	$317,090.73	34.13%
Ambulance	$3,281,093.00	$1,037,891.67	31.63%

Used paid dates from CY2006
Excluded claims with Other Insurance and/or Recipient Liability
Excluded Medicare crossover claims

See Page 1 for limitations and explanations of Billed to Charge methodology

* *Specific provider type explanation provided on Page 1*

North Dakota Department of Human Services
Medical Services Division

List of Hospitals and Locations

SB 2012

Hospital	Location
Ashley Medical Center	Ashley, ND
Medcenter One Hospital	Bismarck, ND
St. Alexius Hospital	Bismarck, ND
St. Andrew's Health Center	Bottineau, ND
St. Luke's Tri-State Hospital	Bowman, ND
Towner County Medical Center	Cando, ND
Carrington Health Center	Carrington, ND
Pembina County Memorial Hospital	Cavalier, ND
Cooperstown Medical Center	Cooperstown, ND
St. Luke's Hospital	Crosby, ND
Mercy Hospital of Devils Lake	Devils Lake, ND
St. Joseph's Hospital	Dickinson, ND
Jacobson Memorial Hospital	Elgin, ND
Innovis Hospital	Fargo, ND
MeritCare Hospital	Fargo, ND
Garrison Memorial Hospital	Garrison, ND
Unity Medical Center	Grafton, ND
Altru Hospital	Grand Forks, ND
St. Aloisius Medical Center	Harvey, ND
Sakakawea Medical Center	Hazen, ND
West River Regional Medical Center	Hettinger, ND

Hospital	Location
Hillsboro Medical Center Hospital	Hillsboro, ND
Jamestown Hospital	Jamestown, ND
Kenmare Community Hospital	Kenmare, ND
Cavalier County Memorial Hospital	Langdon, ND
Linton Hospital	Linton, ND
Lisbon Area Health Services	Lisbon, ND
Union Hospital	Mayville, ND
Nelson County Health System	McVille, ND
Trinity Hospital	Minot, ND
Northwood Deaconess Health Center	Northwood, ND
Oakes Community Hospital	Oakes, ND
First Care Health Center	Park River, ND
Richardton Health Center	Richardton, ND
Presentation Medical Center	Rolla, ND
Heart of America Medical Center	Rugby, ND
Mountrail County Medical Center	Stanley, ND
Tioga Medical Center	Tioga, ND
Community Memorial Hospital	Turtle Lake, ND
Mercy Hospital	Valley City, ND
McKenzie County Memorial Hospital	Watford City, ND
Mercy Medical Center	Williston, ND
Wishek Community Hospital	Wishek, ND

HOSPITALS BY MEDICARE DESIGNATION

Critical Access Hospitals

1 Ashley
2 St Andrews
3 Towner County
4 Carrington
5 Cooperstown Medical
6 St Lukes Crosby
7 Jacobson Memorial
8 Garrison Memorial
9 St Aloisius Harvey
10 Sakawea Medical
11 Hettinger
12 Hillsboro Medical
13 Kenmare
14 Cavalier
15 Linton
16 Union Hospital
17 Nelson County Health
18 Northwood
19 Oakes Community
20 Park River
21 Presentation Medical Center
22 Rugby
23 Mountrail Bethel
24 Tioga Medical
25 Turtle Lake
26 Valley City
27 McKenzie County
28 Wishek
29 Grafton
30 Bowman
31 Pembina County
32 Lisbon Medical Center
33 Richardton

Acute Inpatient

1 Medcenter
2 St Alexius
3 Devils Lake
4 Dickinson
5 Meritcare
6 Altru
7 Jamestown
8 Williston
9 Innovis
10 Trinity

Fiscal Impact of 10% increase to base rates for inpatient hospital services

	Total	FMAP	Federal	General
2007 increase	4,783,822	0.6398	3,096,090	1,687,732
2008 increase	4,975,175	0.6398	3,171,674	1,803,501
	$9,758,997		$6,267,764	$3,491,233

Fiscal Impact of increasing all hospitals to maximum base rate

	Total	FMAP	Federal	General
2008 Increase Base to maximum	1,870,489	0.6398	1,210,580	659,909
2009 Increase Base to maximum	1,945,309	0.6398	1,240,134	705,175
	$3,815,798		$2,450,715	$1,365,083

Fiscal Impact of increasing hospitals increased to Maximum by 10%

2008 Increase Base to maximum	Total	FMAP	Federal	General
2009 Increase Base to maximum	179,855	0.6398	116,402	63,453
	187,049	0.6398	119,244	67,805
	366,904		235,646	131,258
Total	$13,941,699		$8,718,479	$4,856,316

Fiscal Impact of 7.5% increase to base rates for inpatient hospital services

	Total	FMAP	Federal	General
2007 increase	3,587,867	0.6472	2,322,067	1,265,799
2008 increase	3,731,381	0.6375	2,378,756	1,352,626
	$7,319,248		$4,700,823	$2,618,425

Fiscal Impact of increasing all hospitals to maximum base rate

	Total	FMAP	Federal	General
2008 Increase Base to maximum	1,870,489	0.6398	1,210,580	659,909
2009 Increase Base to maximum	1,945,309	0.6398	1,240,134	705,175
	$3,815,798		$2,450,715	$1,365,083

Fiscal Impact of increasing hospitals increased to Maximum by 10%

2008 Increase Base to maximum	Total	FMAP	Federal	General
2009 Increase Base to maximum	134,891	0.6398	87,301	47,590
	140,287	0.6398	89,433	50,854
	$275,178		$176,734	$98,443
Total	$11,410,224		$7,151,538	$3,983,508

Fiscal Impact of 5% increase to base rates for inpatient hospital services

	Total	FMAP	Federal	General
2007 increase	2,391,911	0.6472	1,548,045	843,866
2008 increase	2,487,588	0.6375	1,585,837	901,750
	$4,879,499		$3,133,882	$1,745,617

Fiscal Impact of increasing all hospitals to maximum base rate

	Total	FMAP	Federal	General
2008 Increase Base to maximum	1,870,489	0.6398	1,210,580	659,909
2009 Increase Base to maximum	1,945,309	0.6398	1,240,134	705,175
	$3,815,798		$2,450,715	$1,365,083

Fiscal Impact of increasing hospitals increased to Maximum by 10%

2008 Increase Base to maximum	Total	FMAP	Federal	General
2009 Increase Base to maximum	89,927	0.6398	58,201	31,726
	93,524	0.6398	59,622	33,903
	$183,452		$117,823	$65,629
Total	$8,878,748		$5,584,597	$3,110,700

Fiscal Impact of 4/4% to 5/5% increase to maximum base rate increase

Fiscal Impact of increasing all hospitals to maximum base rate

	Increase	FMAP	Federal	General
2008 Increase Base to maximum	1,870,489	0.6398	1,196,739	673,750
2009 Increase Base to maximum	1,945,309	0.6398	1,244,609	700,700
	$3,815,798		$2,441,348	$1,374,450

Fiscal Impact of increasing 4/4 to 5/5 for hospitals with base rate increase

	Plus 4/4% to 5/5%			
	17,985	0.6398	11,507	6,478
	37,590	0.6398	24,050	13,540
	$55,575		$35,557	$20,018
Total	$3,871,373		$2,476,905	$1,394,469

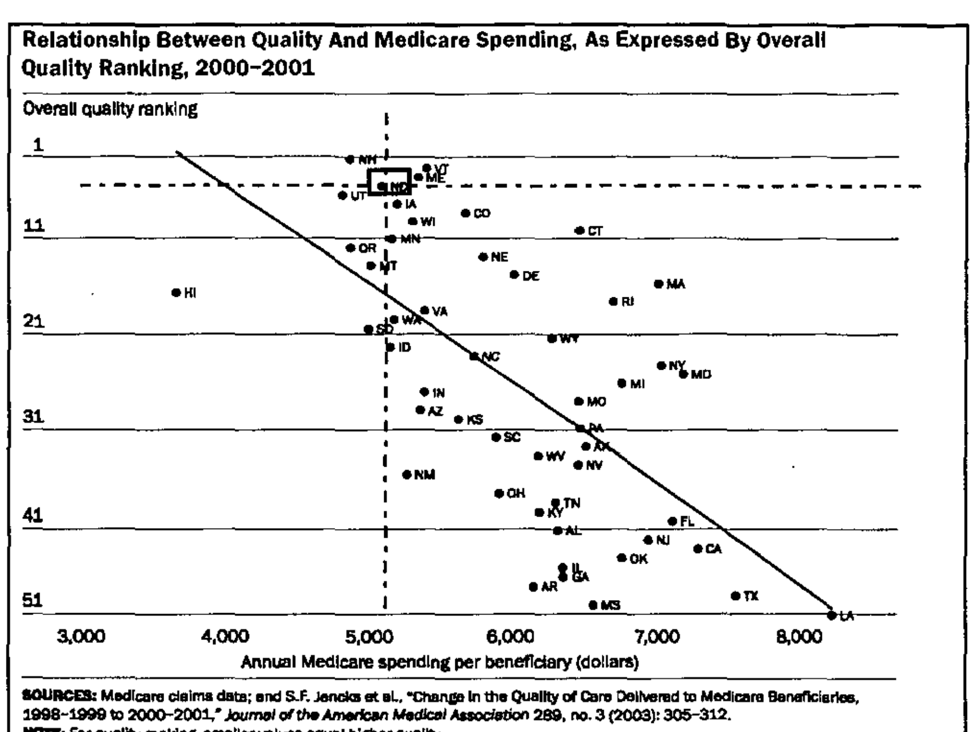


Exhibit 2

Hospital Quality Ranking

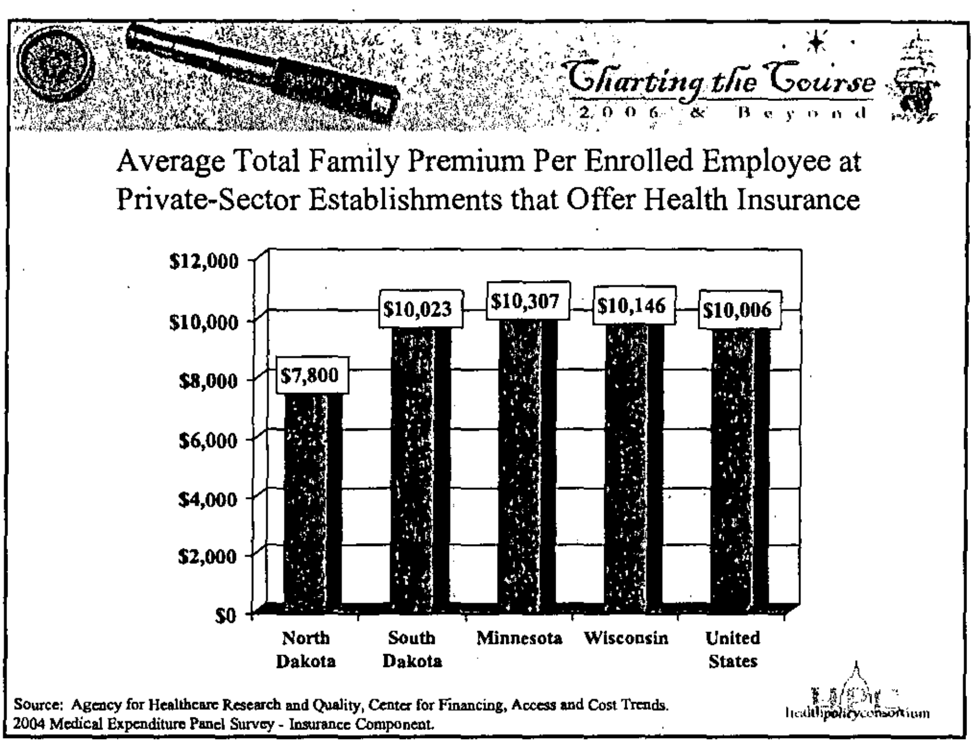
A report card for American Hospitals
Rankings of hospital quality by state based on five (5) key quality outcomes measurements.*

Top 10 States		Bottom 10 States	
Ranking		Ranking	
1.	North Dakota	42.	South Carolina
2.	Florida	43.	Wyoming
3.	Ohio	44.	Hawaii
4.	Michigan	45.	Oklahoma
5.	Maryland	46.	Vermont
6.	Colorado	47.	Kansas
7.	Pennsylvania	48.	Tennessee
8.	Connecticut	49.	Arkansas
9.	Utah	50.	Alabama
10.	South Dakota	51.	Mississippi

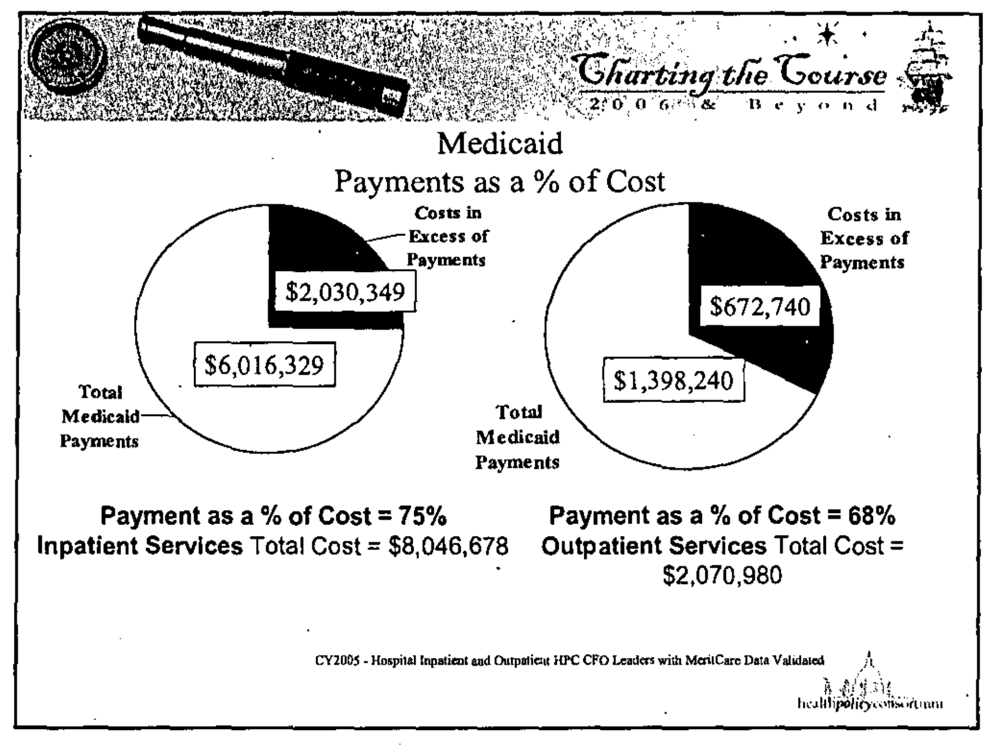
Note: Ranking includes District of Columbia.
Dates are from 2000-2002

*To compile the rankings, five procedures and diagnosis-of the 26 HealthGrades rates at the more than 5,000 hospitals nationwide-were chosen to represent various aspects of quality at the state level: coronary artery bypass graft surgery; percutaneous coronary interventions; acute myocardial infarction; congestive heart failure; and community acquired pneumonia.

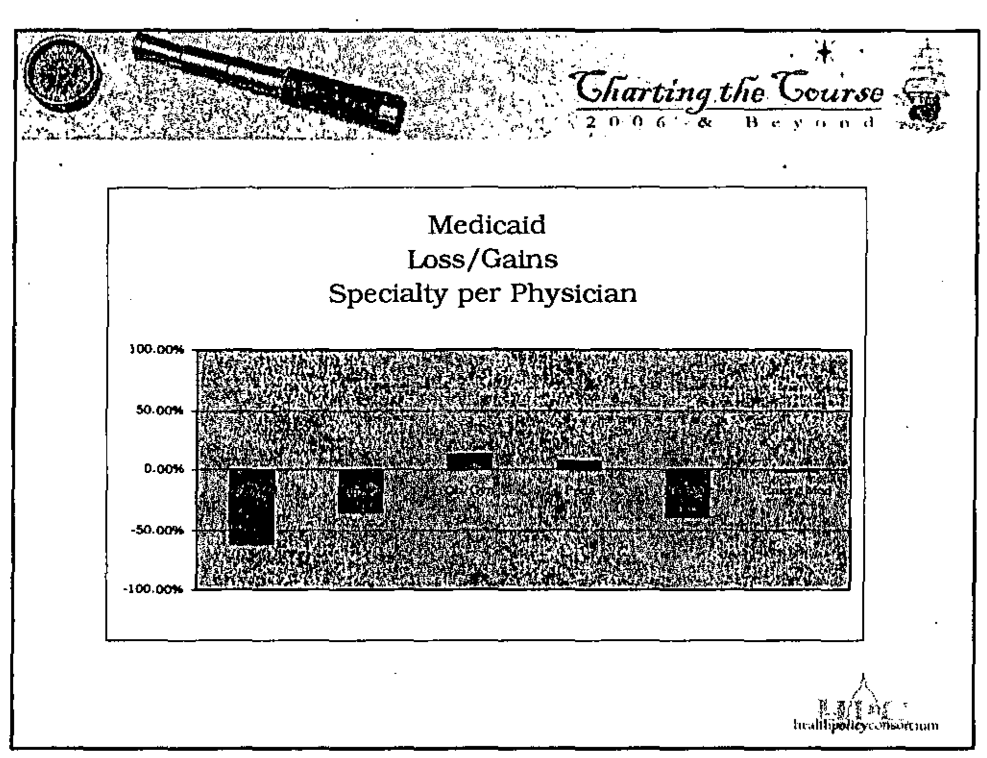
Source: HealthGrades Sixth Annual Hospital Quality in America Study, 2003.



Charting the Course
2006 & Beyond
Average Total Family Premium Per Enrolled Employee at Private-Sector Establishments that Offer Health Insurance
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
$7,800
$10,023
$10,307
$10,146
$10,006
North Dakota
South Dakota
Minnesota
Wisconsin
United States
Source: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. 2004 Medical Expenditure Panel Survey - Insurance Component.
healthpolicyconsortium



Charting the Course
2006 & Beyond
Medicaid
Payments as a % of Cost
Costs in Excess of Payments
$2,030,349
$6,016,329
Total Medicaid Payments
Costs in Excess of Payments
$672,740
$1,398,240
Total Medicaid Payments
Payment as a % of Cost = 75%
Inpatient Services Total Cost = $8,046,678
Payment as a % of Cost = 68%
Outpatient Services Total Cost = $2,070,980
CY2005 - Hospital Inpatient and Outpatient HPC CFO Leaders with MeritCare Data Validated
healthpolicyconsortium



Medicaid/NDDHS

Implementation of sound payment policy & utilization/care management reforms would provide significant benefit:

- •Thwart additional access crunch & misuse of services
- •More cost effective + better outcomes
- •Program currently shifting burden to provider & business community needlessly - "blind taxation"

healthpolicyconsortium

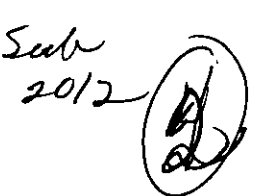


Exhibit C

State of North Dakota
Department of Human Services
Payment Rate Schedule Analysis
CY 2005 Inpatient Non-Dual Population Data

DRG Grouping	Admits	ND Fee for Service Rate	Referencing Fee Schedule Rate	Ratio
BCBS ND Fee Schedule Comparison				
Medical	23,827	$ 3,541.52	$ 5,327.50	150.4%
Surgical	5,532	$ 2,156.66	$ 3,401.77	157.7%
Psychiatric	-	$ -	$ -	
Substance Abuse	-	$ -	$ -	
Maternity - Deliveries	29,133	$ 2,756.03	$ 3,294.29	119.5%
Well Newborn	12,822	$ 869.51	$ 891.00	102.5%
Maternity - Nondeliveries	1,322	$ 2,626.66	$ 3,418.80	130.2%
Invalid	-	$ -	$ -	
Other	-	$ -	$ -	
Total	72,636	$ 2,632.68	$ 3,547.46	134.7%
Workforce Safety and Insurance Fee Schedule Comparison				
Medical	39,105	$ 5,517.50	$ 7,841.45	142.1%
Surgical	19,634	$ 11,520.18	$ 14,495.48	125.8%
Psychiatric	316	$ 2,033.12	$ 4,186.17	205.9%
Substance Abuse	756	$ 2,916.01	$ 3,608.99	123.8%
Maternity - Deliveries	29,213	$ 2,780.57	$ 3,335.86	120.0%
Well Newborn	12,822	$ 869.51	$ 993.21	114.2%
Maternity - Nondeliveries	1,805	$ 3,915.19	$ 3,068.06	78.4%
Invalid	-	$ -	$ -	
Other	-	$ -	$ -	
Total	103,651	$ 5,250.70	$ 6,859.74	130.6%
Medicare Charge per Unit Comparison				
Medical	25,828	$ 2,933.69	$ 3,503.28	119.4%
Surgical	17,484	$ 8,611.14	$ 8,968.40	104.1%
Psychiatric	316	$ 2,033.12	$ 5,846.94	287.6%
Substance Abuse	756	$ 2,916.01	$ 4,475.48	153.5%
Maternity - Deliveries	25,596	$ 2,429.47	$ 2,329.08	95.9%
Well Newborn	-	$ -	$ -	
Maternity - Nondeliveries	987	$ 1,820.12	$ 1,608.46	88.4%
Invalid	-	$ -	$ -	
Other	-	$ -	$ -	
Total	70,967	$ 4,130.89	$ 4,420.64	107.0%

This report assumes that the reader is familiar with North Dakota's Medicaid program including its provider reimbursement practices and related issues. The material was prepared solely to provide assistance to North Dakota to examine its current reimbursement levels. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This report should only be reviewed in its entirety.

Exhibit A

State of North Dakota
Department of Human Services
Fee Schedule Analysis Summary

Population	Calendar Year 2005 Non-Duals						
Fee Schedule	Current BCBS North Dakota Schedule	Current South Dakota Medicaid Schedule	Current Minnesota Medicaid Schedule	Current Montana Medicaid Schedule	Current North Dakota Workforce Schedule	Current North Dakota Medicare Schedule	Percent of Allowed Examined
Dental	222.9%	NA	NA	110.4%	167.2%	NA	**100.0%**
Inpatient - Admissions	134.7%	NA	NA	NA	130.6%	107.0%	**100.0%**
Laboratory	169.8%	96.6%	95.2%	100.6%	203.8%	100.0%	**80.5%**
Mental Health Care	NA	53.2%	127.0%	98.0%	124.0%	106.4%	**100.0%**
Outpatient Hospital	236.4%	97.8%	110.0%	99.9%	252.4%	113.9%	**100.0%**
Physical Therapy	NA	77.0%	153.6%	146.8%	175.8%	135.0%	**100.0%**
Physician	168.8%	85.3%	81.8%	103.4%	156.3%	113.5%	**70.5%**
Radiology	180.6%	100.1%	141.8%	99.9%	185.3%	110.6%	**85.5%**
Speech Therapy	NA	82.1%	144.3%	141.7%	162.1%	105.6%	**100.0%**

Notes:
1. Values shown in relation to North Dakota Medicaid Fee Schedule. Therefore, values greater than 100% indicate fees greater than the North Dakota fee schedule.
2. Medicare inpatient values are from calendar year 2004.
3. All other comparisons were made using current fee schedules.
4. Fee Schedules were not used in certain cases including:
   (a). Dental (SD) - Dental services are provided through a capitated, managed care program.
   (b). Dental (MN) - Information from Minnesota is included in Table 1 reflecting average payment rates based on experience.
   (c). Dental (Medicare) - Medicare does not cover dental services.
   (d). Inpatient Hospital (SD, MN, MT) - Information is included in Tables 2a and 2b reflecting average payment rates per day and per stay based on fiscal year 2003 experience.
   (e). Mental Health Care, Physical Therapy & Speech Therapy (BCBS) - Fee schedule not provided by BCBS.

2012 Sub

This report assumes that the reader is familiar with North Dakota's Medicaid program including its provider reimbursement practices and related issues. The material was prepared solely to provide assistance to North Dakota to examine its current reimbursement levels. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This report should only be reviewed in its entirety.

North Dakota Department of Human Services
Medical Services Division

Disproportionate Share Hospital (DSH) Payments

Section 1923 of the Social Security Act allows states to make payments to hospitals that provide inpatient services to a disproportionate number of low-income and Medicaid individuals and establishes the criteria for a state to make DSH payments. ND's DSH requirements are set forth in the Medicaid state plan.

To be deemed disproportionate share, a hospital's Medicaid inpatient utilization rate must be at least one standard deviation above the mean for all hospital's participating in Medicaid in the state or have a low-income utilization rate that exceeds 25%.

The DSH payment is in addition to payments made for any inpatient hospital services under the state plan, however such payment may not exceed the hospital's uncompensated costs for providing services to Medicaid eligible individuals.

Federal financial participation in DSH payments is limited by an amount allotted by the federal government to the state annually.

To calculate the DSH payment:

> A hospital receives the difference between the hospital's base rate and the maximum base rate in effect during the year applied to all inpatient services, plus the hospital receives 4% plus 1% for each point the Hospital's Medicaid utilization exceeds the one standard deviation of the mean times the maximum base rate payments.

Hospitals qualifying for DSH are determined annually and DSH payments are then paid quarterly to qualifying hospitals. For 2007 a hospital's Medicaid population must be in excess of 20.3% to be DSH.

Disproportionate Share Hospital Payments
For the Year Ended September 30, 2005

Hospital	DSH Payment
Mercy Hospital - Devils Lake	376,829
Presentation Medical Center - Rolla	373,740
SCCI Central Dakotas	87,141
ND State Hospital	988,478 *
Total	**$1,826,188**

Disproportionate Share Hospital Payments
For the Year Ended September 30, 2006

Hospital	DSH Payment
Towner County Medical Center - Cando	41,482
Mercy Hospital - Devils Lake	373,141
First Health Care - Park River	29,769
Presentation Medical Center - Rolla	209,075
Mercy Hospital - Williston	28,801
Trinity Hospitals - Minot	398,998
SCCI Central Dakotas	245,342
ND State Hospital	988,478 *
Total	**$2,315,086**

*State Hospital Amount is Capped at this Level by the Centers for Medicare and Medicaid Services

North Dakota 2007 Legislative Session
House Appropriations - Human Services Division Committee
Testimony on Senate Bill 2012
March 7, 2007

Chairman Pollert and Members of the House Appropriations Subcommittee - Human Resources Division:

My name is John Doherty and I am the Chief Operating Officer of MeritCare Health System. Additionally I speak on behalf of the membership of the Health Policy Consortium (HPC) for the purpose of this testimony.

The HPC is an association of the four largest integrated health systems in the state including Altru Health System in Grand Forks, Medcenter One Health Systems in Bismarck, MeritCare Health System in Fargo, and Trinity Health System in Minot.

Within our combined membership, we have over 15,000 employees. We provide specialty and sub-specialty care as well as a significant amount of high quality primary care in the most rural of communities, such as New Town, Cavalier and Lisbon. The HPC provides over $40 million of uncompensated care in either the form of bad debt and charity care services each year on behalf of the patients we serve. This is reflective of the substantial amount of care provided to the more than 54,000 under- and uninsured North Dakotans. We see these numbers rising each and every year.

There is a shared mission and a commitment within the HPC to improve the health and well being of individuals and communities within the state of North Dakota. Your policy decisions can and will have a profound impact on our ability to continue to meet our shared mission.

I am here to address the budget request within Senate Bill 2012. In concert with our colleagues from the North Dakota Healthcare Association and the North Dakota Medical Association, as well as key leaders across the healthcare community, we have assessed, analyzed and collaborated over the past several years in an attempt to improve the payment and administrative policies that shape the medical services within the Medicaid program. I have grave concern about the **future sustainability and programmatic approach for the recipients - our patients - given the current underpayment and administrative complexity.**

Studies have concluded that your North Dakota constituents receive among the highest quality, most cost-effective healthcare in the nation. **Exhibit 1** is a scattergram depicting the relationship between quality and Medicare spending as expressed by overall quality rankings throughout the United States. The results of the study concluded that North Dakota is the 4th highest in overall quality and 6th lowest in Medicare spending in the nation.

Exhibit 2 is a ranking of hospital quality taken from HealthGrades' data. In this study, which includes **data on all patient populations, North Dakota ranks first in terms of quality.**

Exhibit 3 demonstrates the private insurance value for the business community at large relative to the rest of the country. We believe a significant factor contributing to the outstanding value created by healthcare providers in North Dakota is the level of integration and the organized fashion of healthcare delivery in North Dakota.

A **continuation of Medicaid payment policies for medical services including hospital and physician services originally adopted in the early 1980's and still in effect today, will ultimately jeopardize our ability to provide high quality cost-effective care to North Dakota citizens**. Throughout the early 1980's, hospitals were paid for Medicaid services on a reasonable cost basis. Physicians were paid based on the established Medicare fee schedule, which is set at an amount that is intended to equal physicians' actual cost of care.

Since that time, the hospital payment methodology has been based on a prospectively determined Diagnosis Related Group (DRG) system, and physician payments are based on a fee schedule unrelated to the Medicare fee schedule. Additionally, throughout this period of time, the amount of the annual increase in payments to hospitals and physicians has consistently been less than the increase in inflationary costs experienced by hospitals and physicians. You will note that this is a trend of more than **twenty years of policy decisions that have resulted in substantial under-funding of the actual cost necessary to maintain the efficient, integrated model of care we have collectively built to ensure access and quality throughout our state.**

Exhibits 4 and 5 illustrate an estimate of the cost in excess of payment to provide Medicaid services for 2005 for MeritCare Health System.

For MeritCare Health System alone, **current payments as a percent of costs for hospitalized patients are estimated to be 75%, or $2,030,349, less than cost. For outpatient services payments are estimated to be 68% of cost, or $672,740, less than cost. Payments for physician services are likewise inadequate to cover the costs of the care provided.** This underpayment is reflective of the situation for similarly organized health systems in the state such as Altru, Medcenter One and Trinity.

The current payment policy of increasing payments for hospital and physician services at an amount that is **consistently less than actual inflationary costs**, coupled with an

inability to shift this un-funded cost of Medicaid services to other third party payers like Blue Cross Blue Shield of North Dakota, will ultimately **jeopardize the hospital and physician community's ability to meet our commitment to provide high quality, affordable and accessible healthcare for all North Dakotans.**

We implore you to take action now to advance sound payment policy within Senate Bill 2012. We will also seek longer-term reform of the Medicaid system by supporting House Bill 1404 via a Medicaid redesign.

I might just underscore the messages of NDMA and NDHA in that the Milliman study, albeit with some limitations, is currently the best tool to gauge the appropriate payment update for medical service providers.

As was stated by Bruce Levi from NDMA, "**Based on the Milliman study, the 2007-09 budget for all traditional Medicaid service providers, if increased by $13.25 million in general funds to leverage additional federal funds of over $23 million, would bring Medicaid payments...to the level of the Medi*care* fee schedule.**" This is by no means a permanent or long-term fix, but rather a good faith effort by the Legislature to *maintain* the existing level of service in terms of access and a reasonable contribution by the state of North Dakota to assuring quality of care. We support the recommendations that advance this. Mr. Thomas and Mr. Levi and other members of the healthcare community have provided you additional details about the funding request. I would like to close by urging you to take sound action now rather than off-loading a crisis to future legislatures.

Mr. Chairman and members of the Committee, thank you for the opportunity to address you this morning. I am willing to respond to your questions.

Vision
The North Dakota Healthcare Association will take an active leadership role in major healthcare issues.

Mission
The North Dakota Healthcare Association exists to advance the health status of persons served by the membership.

Testimony: SB 2012
January 9, 2007

Mr. Chairman, Appropriations Committee Members:

I am Arnold R. Thomas, President of the North Dakota Healthcare Association. I welcome the opportunity to appear before you today and briefly describe our goals with respect to that portion of the state Medicaid budget that affects medical service providers.

Last session, you appropriated $100,000 for the Department to contract with an outside firm to analyze medical service trends and utilization, a baseline budget to accommodate the analysis, and identification of funds needed to move the current Medicaid fee schedule for medical providers to a Medicare level.

The firm's projections were based on departmental data from the last five years, the number of people receiving Medicaid services, the cost of the services, the budget for these services, the appropriations covering these services, and actual expenditures.

The study done by the Milliman Group suggests that to meet projected inflationary increases, the Departments budget for medical service provider payments should be $417.7 million. To reach Medicare levels, Milliman indicated the appropriation should be $438.3 million.

The Department's 07-09 baseline budget request to OMB was $389.8 million. The Executive budget before you is $401.9 million. Both fall short of the dollars suggested in the study you directed.

To meet the Millman study's baseline recommendation of $417.7 million, approximately $6 million in general funds need to be added to the executive baseline budget. Another $7 million would bring the current Medicaid payment schedule to Medicare levels for medical providers.

We are asking that the current payment schedule for all medical providers be adjusted to the Medicare level. Despite Medicare's reimbursement policy deficiencies, it pays closer to provider costs than Medicaid currently does.

Information we have obtained from Legislative Council reinforces our position that Medicaid is a poor payer. Council research shows that North Dakota's current hospital payment rates average 8.8 % less than South Dakota payments, 19.1% less than Montana, and 44.3% less than Minnesota. This analysis also suggests that ND hospital payments have not kept even with payment adjustments in surrounding states. In fact, just the opposite has occurred.

PO Box 7340 Bismarck, ND 58507-7340 Phone 701-224-9732 Fax 701-224-9529

There is no dispute that North Dakota medical service providers offer quality services at low costs. However, bills have to be paid---light, energy, supplies, drugs, and insurance—all costs over which we have no control. When payments don't cover at least direct costs of the service provided, the shortfall has to be made up elsewhere. While this makeup of shortfall has been able to be accomplished in the past, hospitals are finding that it is no longer possible to transfer the costs of underpayment to other payers -- i.e. to insurance carriers who in turn are forced to raise their premiums or to individuals who are not insured but who pay for their services out of their own pockets.

Mr. Chairman, members of the committee, ND hospitals are not being unreasonable in this request that payments at minimum cover direct costs.

Moving to the Medicare fee schedule not only achieves this objective, it is a strong policy commitment to payment adequacy and equity, and most importantly, ensures that the appropriations coming from the North Dakota Legislative Assembly more closely align with the policy commitments and promises and have been made.

North Dakota Healthcare Association

Vision
The North Dakota Healthcare Association will take an active leadership role in major healthcare issues.

Mission
The North Dakota Healthcare Association exists to advance the health status of persons served by the membership.

TESTIMONY FOR
SB 2012
February 28, 2007

Mr. Chairman, Appropriations Committee Members:

I am Arnold R. Thomas, President of the North Dakota Healthcare Association. I welcome the opportunity to appear before you today and briefly describe our goals with respect to that portion of the state Medicaid budget that affects all medical service providers, including hospitals.

Last session, you appropriated $100,000 for the Department of Human Services to contract with an outside firm to analyze medical service trends and utilization, project a baseline budget based on the trend and utilization analysis, and project the amount of funding needed to move the current Medicaid fee schedule for all medical providers to a Medicare level.

The firm's projections were based on departmental data from the last five years, including the number of Medicaid beneficiaries receiving medical services, the cost of the provided medical services, the budget for these medical services, the appropriations covering these services, and actual departmental expenditures for medical services.

The study done by the Milliman Group indicated that to meet projected inflationary increases for this biennium, the Departments medical service provider budget for the biennium should be $417.7 million. The executive budget recommended approximately 400 million dollars for this budget category, falling short of the dollars estimated by Milliman to meet inflationary levels.

There was no budget recommendation in the executive budget for moving the current Medicaid payment level for medical service providers to the Medicare level. Milliman indicated an appropriation of $438.3 would be needed to reach this objective.

Senate actions increased the Department's general fund appropriations for medical service providers by 1.5 million dollars. Using Milliman figures, this action by the Senate has reduced the general fund gap between medical service provider costs and Medicaid payment levels to 11.56 million dollars.

We are asking that the current payment schedule for all medical providers be adjusted to the Medicare level. Despite Medicare's reimbursement policy deficiencies, it pays closer to provider costs than Medicaid currently does.

Information we have obtained from Legislative Council reinforces our position that Medicaid is a poor payer. Council research shows that North Dakota's current hospital payment rates average 8.8% less than South Dakota payments, 19.1% less than Montana, and 44.3% less than

PO Box 7340 Bismarck, ND 58507-7340 Phone 701-224-9732 Fax 701-224-9529

Minnesota. This analysis also suggests that ND hospital payments have not kept even with payment adjustments in surrounding states. In fact, just the opposite has occurred.

There is no dispute that North Dakota medical service providers offer quality services at low costs. However, bills have to be paid---light, energy, supplies, drugs, and insurance—all costs over which we have no control. When payments don't cover the direct costs of the service provided, the shortfall has to be made up elsewhere--if there is an elsewhere. In the past this payment shortfall has been shifted to other payers. Today, it is no longer possible to transfer these unpaid Medicaid costs to other payers—insurers and self pay-- as they confront ever increasing affordability pressures.

Mr. Chairman, members of the committee, ND medical service providers in general, and hospitals in particular, are not being unreasonable in this request that Medicaid payments--at minimum--cover direct costs.

Moving to the Medicare fee schedule or an equivalent not only achieves this objective, it is a strong policy commitment to payment adequacy and equity. Most importantly, funding at this level ensures that the appropriations coming from the North Dakota Legislative Assembly more closely align with the Medicaid policy commitments and promises that have been made.

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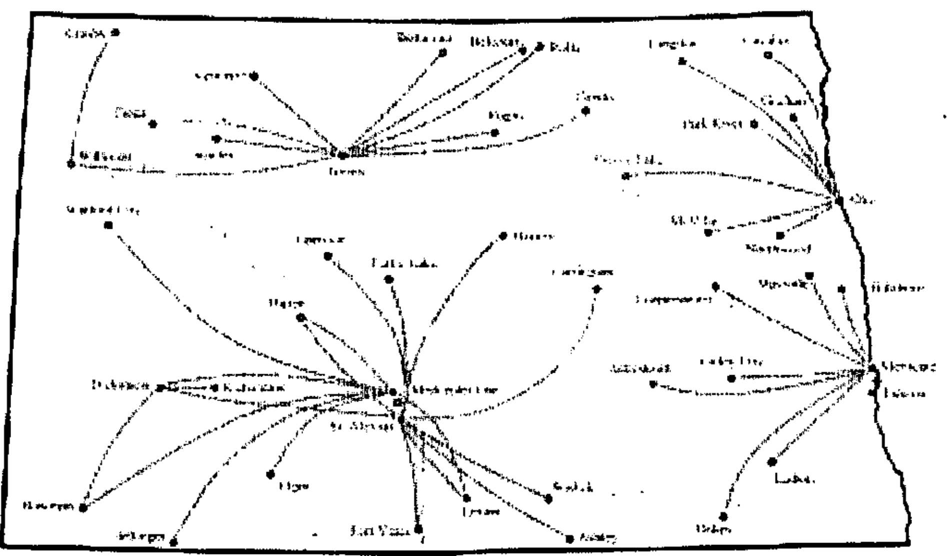
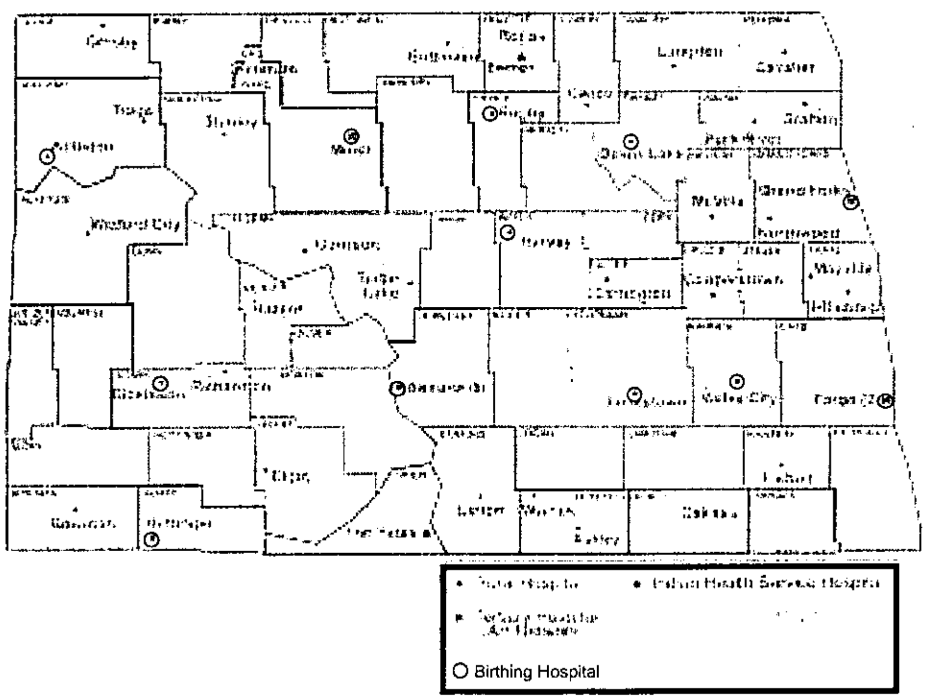
North Dakota Hospitals – Primary Referral Relationships



North Dakota Hospitals and Critical Access Hospitals



If Hospital Pricing Principles Were Applied at Ole's Cafe

Ole's Cafe is going to include a new item - Lutefisk. Ole knows it will cost him $10 to produce the meal and, at the suggestion of his bank, he should have a five percent rate of return. You would think the price should be $10.50.

However, not everybody who comes into the diner for the Lutefisk is going to pay the $10.50. In fact, 5 out of every 10 people will present Ole with a government payment card (Medicaid/Medicare) that says Ole, in serving them the Lutefisk, can only charge them $8.00.

In addition, Ole already knows from experience that 1 out of every 10 people will eat the Lutefisk and not pay for it. (Bad debt)

Four out of 10 will have private meal cards (Blue Cross) or pay cash and those 4 will have to pay much more than the $10.50 in order to make up for the other 6 who aren't paying enough to cover Ole's costs or who aren't paying at all.

So what should the Lutefisk price be?

Ole's cost	$10.00
Ole's rate of return	$ .50
Menu Price	$10.50

Let's assume that 10 of Ole's diners want Lutefisk each day --
$10.50 x 10 diners per day = $105.00

5 diners with $8.00 government cards (Medicare/Medicaid):	$40.00
1 diner who leaves without paying (Bad Debt):	$00.00
4 diners @ $10.50 (Private/BC):	$42.00
	$82.00

Ole isn't even getting enough to pay for his cost of producing the Lutefisk.

Ole has no choice but to charge the 4 diners who have either private meal cards (Blue Cross) or who are paying cash, more than the $10.50.
In fact, to make everything work out, Ole has to charge those 4 diners $16.25 for their Lutefisk.

5 diners with $8.00 government cards (Medicare/Medicaid):	$ 40.00
1 diner who leaves without paying (Bad Debt):	$ 00.00
4 diners @ $16.25 (Private/BC):	$ 65.00
	$105.00

This is not a treatise on hospital finance. It is just a short story to illustrate how hospitals have to price their services in order to accommodate the different payment rates that exist for the same services.

Some may suggest that these pricing practices are hidden cost shifts or hidden taxes on people with private means of payment, for the purpose of offsetting government payment policies. Regardless of how one views hospital pricing and payment practices, there are four basic premises to keep in mind:

1. The financial principles that apply to business also apply to hospitals. (i.e. Hospitals have to pay their bills.)
2. Without a reasonable rate of return, hospitals run the risk of first having to eliminate services and ultimately having to close. (Problem of accessibility to healthcare for local communities.)
3. Expecting a minority of private insurers to offset flawed government payment policies increases the pressure on private insurers to transfer more financial risk to their insured. (i.e. Higher co-payments and deductibles.)
4. Requiring the insured to assume more financial risk (higher co-payments and deductibles) decreases the desirability and availability of health insurance coverage. (The problem continues to increase.)

=================

* For illustrative purposes, governmental programs (Medicare and Medicaid) are portrayed paying the same reduced rate on the published charge. This is not the case in any state, including ND. The ND Medicaid program pays hospitals approximately 25% less for similar services than Medicare.

** For illustrative purposes, privately insured are portrayed paying rates equal to published prices. This is not true in all cases. Some insurance companies, like government payers, pay less than the hospitals' established price. These discounts however are not as great as that of government payers.

Attachment B

Billed to Paid Percentage by Provider Type

Provider Type	Amount Billed	Amount Paid	% of Paid to Billed Amount
General Hospital - Outpatient	$37,189,558.38	$18,949,820.14	50.95%
General Hospital - Inpatient	$93,773,075.59	$37,911,388.54	40.43%
Mental Hospital - Outpatient	$1,913,002.43	$822,140.11	42.98%
Mental Hospital - Inpatient	$8,178,762.86	$3,762,996.75	46.01%
Rehab Hospital - Outpatient	$396,747.80	$216,651.82	54.61%
Rehab Hospital - Inpatient	$503,948.50	$241,107.00	47.84%
Physician	$1,451,590.63	$642,670.82	44.27%
Chiropractor	$419,493.77	$163,671.73	39.02%
LICSW	$37,658.58	$21,836.02	57.98%
Psychologist	$306,670.62	$196,478.17	64.07%
Podiatrist	$26,989.75	$15,009.89	55.61%
Optometrist	$937,232.48	$685,694.31	73.16%
Audiologist	$107,026.81	$72,513.90	67.75%
Dentist	$10,171,772.18	$5,786,934.39	56.89%
Independent Clinic	$61,321,809.86	$24,630,131.45	40.17%
Home Health Agency/Hospice	$3,294,563.53	$2,712,352.52	82.33%
Hearing Aid Dealer	$173,140.49	$160,431.55	92.66%
Medical Equipment Supplier	$2,777,356.79	$1,982,728.27	71.39%
Nurse Practitioner	$10,132.53	$4,935.48	48.71%
Independent Laboratory	$1,163,441.83	$440,340.47	37.85%
Independent x-ray Service	$1,092,562.81	$366,867.32	33.58%
Ambulance	$3,213,467.06	$1,040,393.45	32.38%

* Using Paid Dates from 2005

Payer Mix for PPS Hospitals

23-Feb
2007

12 PPS Hospitals

AVERAGES	**Percentages**
Medicare	**44.3%**
Medicaid	**9.3%**
Blue Cross	**28.2%**
Commercial	**6.1%**
Self Pay	**5.8%**
Other	**6.2%**
TOTAL	**100.0%**

Heart of America Medical Center - Rugby, ND					
DRG Payment Comparison					
Medicaid Rates 11-06 prepared 2-26-07		**Medicaid vs**		**Medicaid vs**	
	Medicaid	**Medicare**	**Medicare**	**BCBS**	**BCBS**
DRG 14 - Intracranial Hem/Stroke w/infarct	$ 4,530	70.33%	$ 6,441	41.69%	$ 10,866
DRG 79 - Resp Infect/Inflam age >17 w/cc	$ 5,817	67.25%	$ 8,650	46.42%	$ 12,531
DRG 80 - Resp Infect/Inflam age <17 wo/cc	$ 3,264	68.57%	$ 4,760	34.61%	$ 9,431
DRG 88 - Chronic Obstr Pulmon Disease	$ 3,368	71.28%	$ 4,725	55.41%	$ 6,078
DRG 89 - Simple Pneum/Pleurisy >17 w/cc	$ 3,434	62.22%	$ 5,519	55.33%	$ 6,206
DRG 90 - Simple Pneum/Pleurisy <17 wo/cc	$ 2,038	62.25%	$ 3,274	59.06%	$ 3,451
DRG 121 -Circul Disorder w/AMI w/cc dschg alive	$ 5,763	67.04%	$ 8,596	42.34%	$ 13,611
Average percentage of payment for all DRGs		**67.00%**		**47.84%**	

HEART OF AMERICA MEDICAL CENTER
COMPARISON OF DRG PAYMENTS----USED RATES AS OF NOV 2006
2006

DRG #	DRG DESCRIPTION	MEDICAID	MEDICARE	BCBS
14	Intracranial Hemorrhage & Stroke w Infarct	$ 4,530	$ 6,441	$ 10,866
79	Respiratory Infections & Inflammations Age >17 w CC	$ 5,817	$ 8,650	$ 12,531
80	Respiratory Infections & Inflammations Age >17 w/o CC	$ 3,264	$ 4,760	$ 9,431
88	Chronic Obstructive Pulmonary Disease	$ 3,368	$ 4,725	$ 6,078
89	Simple Pneumonia & Pleurisy Age >17 w CC	$ 3,434	$ 5,519	$ 6,206
90	Simple Pneumonia & Pleurisy Age >17 w/o CC	$ 2,038	$ 3,274	$ 3,451
121	Circulatory Disorder w AMI & Major Comp Disch Alive	$ 5,763	$ 8,596	$ 13,611

Payment Per Enrollee	Quality Rank
Louisiana - $8,099	51
Florida - $7,603	41
New York - $7,489	24
Pennsylvania - $7,226	31
Texas - $7,104	49
Maryland - $7,045	25
Rhode Island - $6,675	17
Tennessee - $6,584	39
California - $6,285	44
Ohio - $6,266	38
Massachusetts - $6,202	15
Alabama - $6,144	42
Connecticut - $6,037	9
U.S. Average - $5,994	
North Carolina - $5,886	23
Indiana - $5,826	27
South Carolina - $5,791	32
Kentucky - $5,781	40
New Jersey - $5,702	43
Colorado - $5,674	7
Missouri - $5,486	28
Arkansas - $5,478	48
Kansas - $5,475	30
North Dakota - $5,456	**4**
Nebraska - $5,367	12
West Virginia - $5,361	34
South Dakota - $5,183	20
Utah - $5,120	5
Nevada - $5,080	35
Mississippi - $5,055	50
Wisconsin - $5,031	8
Michigan - $4,959	26
Illinois - $4,879	46
Arizona - $4,811	29
Montana - $4,798	13
Minnesota - $4,750	10
Georgia - $4,713	47
Oklahoma - $4,590	45
Oregon - $4,401	11
Idaho - $4,399	22
Delaware - $4,387	14
Washington - $4,303	19
Virginia - $4,285	18
Hawaii - $4,266	16
Wyoming - $4,239	21
New Hampshire - $4,135	1
Vermont - $4,019	2
Maine - $3,993	3
Alaska - $3,864	33
New Mexico - $3,689	36
Iowa - $3,414	6

HOSPITAL QUALITY VS. MEDICARE PAYMENTS

Despite receiving below average per-enrollee Medicare reimbursements in the nation, the quality of North Dakota's hospitals is among the best in the nation. Conversely, those states receiving much higher Medicare payments, such as Louisiana, tend to fall at the bottom of the quality ranking.

Sources: *Centers for Medicare & Medicaid Services FY 2001 (payment data); "Quality of Medical Care Delivered to Medicare Beneficiaries: A Profile at State and National Levels", Journal of the American Medical Association, January 15, 2003 (quality data)*

omparison of ND, SD, MN, and MT --- RN & LPN Salaries and Ranges:

	North Dakota	South Dakota	Minnesota	Montana
Registered Nurse				
2006 Salary Range	$36,275-53,206	$35,922-52,832	Not Available	$38,189-55,058
Average Salary Paid	$48,693	$48,402	$60,943	$50,128
Licensed Practical Nurse				
2006 Salary Range	$24,814-36,026	$23,982-34,902	Not Available	$25,376-34,778
Average Salary Paid	$31,450	$32,698	$35,575	$31,678

Source: NDHA Study 2006

North Dakota Average Salaries Paid for Sampling of Hospital Positions:

	2006	2005	2004
Registered Nurse	$48,693	$47,320	$45,594
Licensed Practical Nurse	$31,450	$30,659	$29,536
Radiologic Technologist, Registered	$38,750	$37,814	$35,859
Medical Records Technician/Coder	$31,054	$29,869	$28,787
Lab Technician (MLT)	$32,302	$31,387	$29,723
Pharmacist	$88,712	$82,930	$78,998

Source: North Dakota Healthcare Foundation Annual Compensation Salary Survey, 2004, 2005, 2006

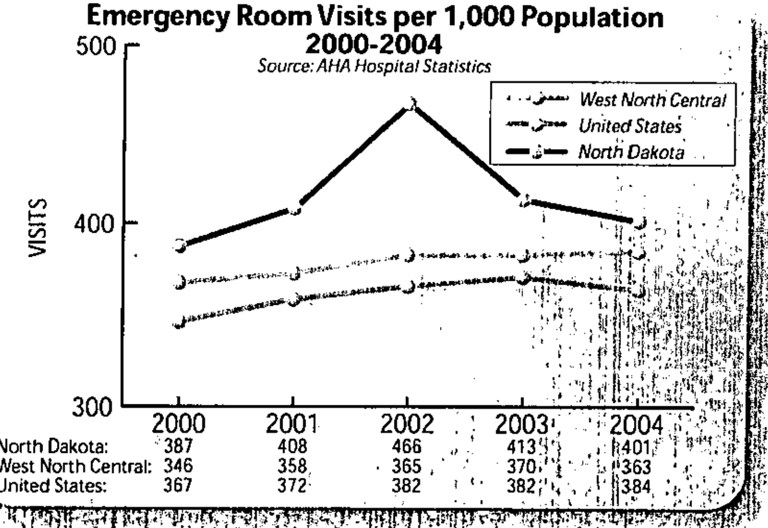
STATE MEDICAID EXPENDITURES BY SERVICE - YEARS 2000 AND 2004

The schedule below compares, for years 2000 and 2004, the average amount paid by state Medicaid programs for the selected diagnostic-related groups (DRG's) listed. The amounts shown are Medicaid expenditures after deducting recipient liability and other insurance and therefore do not reflect the toal average amount received by providers. The DRG's listed are among the largest in North Dakota based on total annual expenditures. * The lowest average state expenditure for each DRG is boldfaced.

		Average Medicaid Expenditure											
		North Dakota			Minnesota			South Dakota			Montana		
DRG	Description	2000	2004	% Var	2000	2004	% Var	2000	2004	% Var	2000	2004	% Var
386	Extreme immaturity or respiratory distress syndrome, neonate	$37,679	$37,209	-1.2%	$44,178	$72,751	64.7%	**$17,912**	**$33,607**	87.6%	$49,447	$39,803	-19.5%
373	Vaginal delivery without complicating diagnosis	**$1,327**	$1,557	17.3%	$1,789	$2,347	31.2%	$1,434	$1,596	11.3%	$1,417	**$1,503**	6.1%
391	Normal newborn	$753	$758	0.7%	$942	$1,068	13.4%	$621	**$668**	7.6%	**$560**	$679	21.3%
371	Caesarean section without complications	**$2,737**	$3,177	16.1%	$2,949	$4,122	39.8%	$3,166	$3,421	8.1%	$3,096	**$3,013**	-2.7%
389	Full-term neonate with major problems	$3,948	$5,545	40.5%	$4,711	**$2,249**	-52.3%	**$2,601**	$6,418	146.8%	$5,416	$6,405	18.3%
387	Prematurity with major problems	$9,360	$12,298	31.4%	$14,295	$38,596	170.0%	**$8,105**	**$9,030**	11.4%	$13,662	$20,040	46.7%
370	Caesarean section with complicating conditions	**$3,644**	**$3,958**	8.6%	$5,135	$6,076	18.3%	$4,064	$4,714	16.0%	$4,118	$4,048	-1.7%
91	Simple pneumonia and pleurisy - Ages 0 to 17	**$1,879**	**$1,975**	5.1%	$3,298	$3,690	11.9%	$1,991	$2,116	6.3%	$2,552	$2,223	-12.9%
372	Vaginal delivery with complicating diagnosis	**$1,726**	$2,036	18.0%	$2,621	$3,212	22.5%	$2,023	$2,134	5.5%	$1,928	**$1,818**	-5.7%
98	Bronchitis and asthma - Ages 0 - 17	**$1,610**	**$1,836**	14.0%	$3,332	$3,308	-0.7%	$1,820	$2,009	10.4%	$1,848	$1,939	4.9%
390	Neonate with other significant problems	$1,437	$1,630	13.4%	$1,345	$1,227	-8.8%	**$943**	**$1,047**	11.0%	$964	$1,216	26.1%
89	Simple pneumonia and pleurisy - Ages greater than 17 with complicating conditions	$2,618	**$1,218**	-53.5%	**$2,564**	$4,469	74.3%	$3,800	$4,767	25.4%	$3,865	$3,491	-9.7%
388	Prematurity without major problems	$4,942	$4,393	-11.1%	$2,616	$2,558	-2.2%	**$1,467**	**$1,597**	8.9%	$2,835	$4,297	51.6%
383	Other antepartum diagnosis with medical complications	$1,993	$2,043	2.5%	$2,560	$3,489	36.3%	**$1,686**	$1,937	14.9%	$2,083	**$1,671**	-19.8%
374	Vaginal delivery with sterilization and/or D & C	**$2,325**	$3,194	37.4%	$2,771	$3,581	29.2%	$3,270	$3,035	-7.2%	$2,372	**$2,839**	19.7%
88	Chronic obstructive pulmonary disease	**$2,476**	**$1,227**	-50.4%	$3,018	$4,469	48.1%	$2,993	$4,375	46.2%	$4,551	$3,768	-17.2%
359	Uterine and adnexa procedures for nonmalignancy without complicating conditions	**$3,071**	**$2,977**	-3.1%	$4,572	$4,764	4.2%	$4,003	$4,731	18.2%	$3,566	$3,218	-9.8%
182	Esophagitis, gastroent, and miscellaneous digestive disorders - Ages greater than 17 with complicating conditions	**$2,208**	**$1,381**	-37.5%	$2,593	$3,210	23.8%	$2,819	$3,141	11.4%	$2,441	$2,679	9.8%
298	Nutritional and miscellaneous metabolic disorders - Ages 0 to 17	**$1,397**	$1,842	31.9%	$4,162	$3,387	-18.6%	$1,679	$1,824	8.6%	$1,457	**$1,499**	2.9%
379	Threatened abortion	**$1,466**	$1,980	35.1%	$2,510	$2,895	15.3%	$1,663	$1,805	8.5%	$1,918	**$1,643**	-14.3%
Totals:		**$88,596**	**$92,234**	**4.1%**	**$111,961**	**$171,468**	**53.1%**	**$68,060**	**$93,972**	**38.1%**	**$110,096**	**$107,792**	**-2.1%**

--- Excluding DRG 386, in 2000, ND received in comparison to other states:	MN	-24.9%	SD	1.5%	MT	-16.0%
--- Excluding DRG 386, in 2004, ND received in comparison to other states:	MN	-44.3%	SD	-8.8%	MT	-19.1%

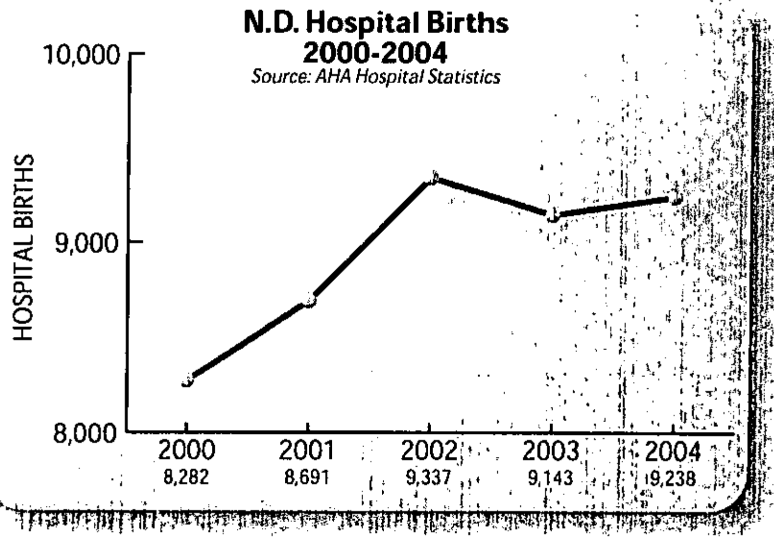
Source: ND Legislative Council



Emergency Room Visits

(map on page 15)

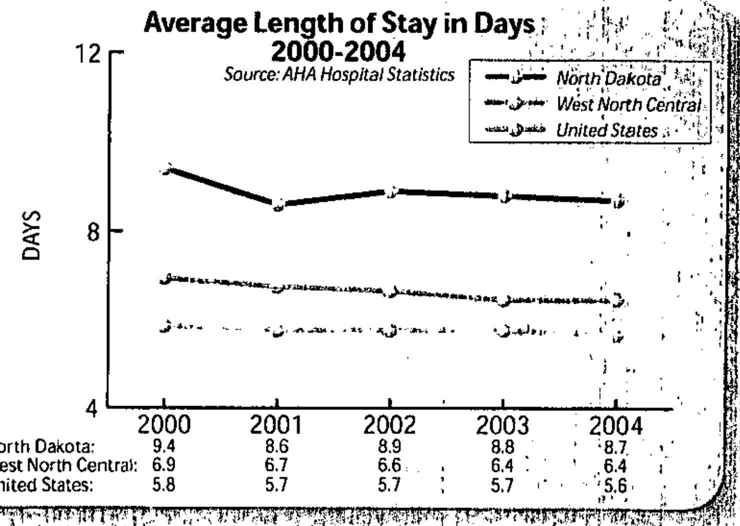
Emergency room visits at North Dakota hospitals peaked in 2002 at 466 visits per 1,000 population. However, from 2000 to 2004, visits increased at an overall lower rate of 3.6 percent. While North Dakota still has more emergency room visits per 1,000 population, it has a slightly lower rate of increase over the 5-year period than both the West North Central (4.9 percent) and the United States (4.6 percent).



Births

(map on page 16)

Births in North Dakota hospitals increased 11.5 percent from 2000 to 2004.



Average Lenth of Stay in Days

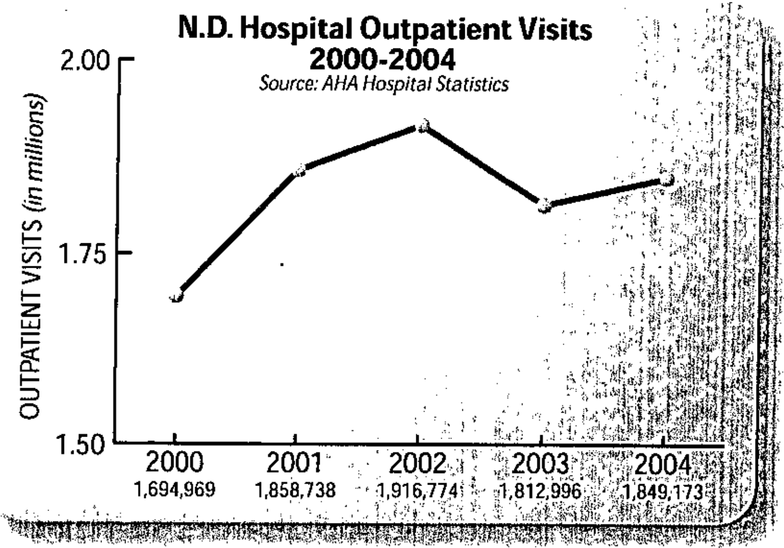
(map on page 17)

Average length of stay in North Dakota is higher than both the West North Central and United States, averaging 8.9 days over the five-year period versus 6.6 days for West North Central and 5.7 days for the United States. However, in all three locations the average length of stay stayed decreased slightly from 2000 to 2004:

- North Dakota = 7.4% decrease
- West North Central = 7.2% decrease
- United States = 3.4% decrease

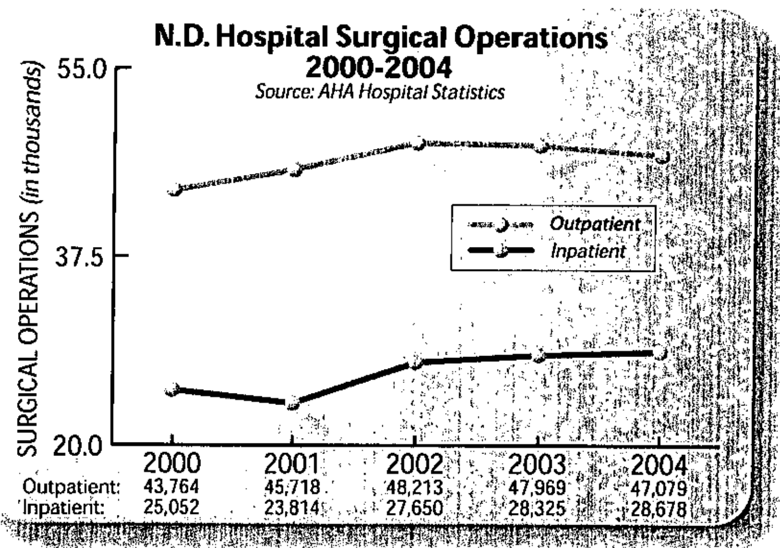
Outpatient Visits

The shift continues from inpatient to outpatient utilization in North Dakota hospitals. Since 2000, outpatient visits have increased by 154,204 or 9.1 percent.



Surgical Operations

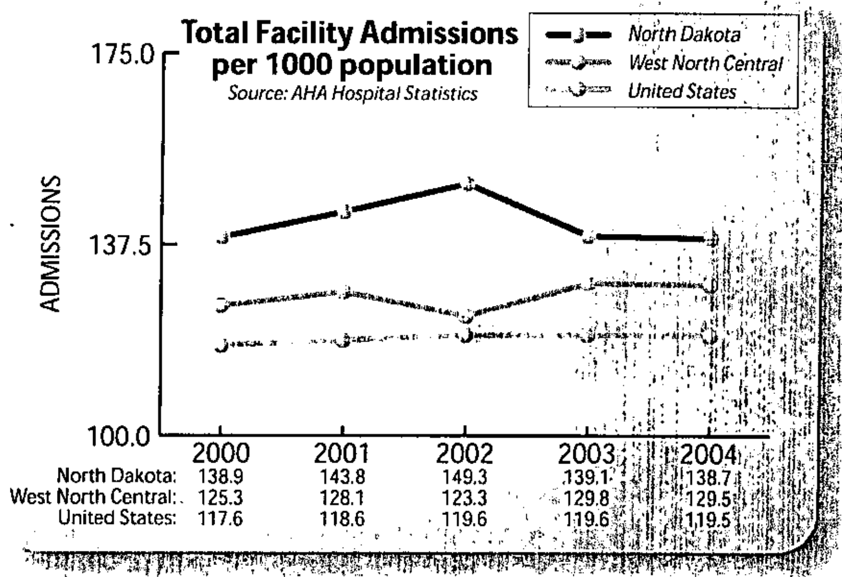
The number of outpatient surgeries increased by 3,315 or 7.6 percent, between 2000 and 2004. The number of inpatient surgeries increased by 3,626 or 14.5 percent since 2000. Outpatient surgeries accounted for 62.1 percent of all surgeries performed in North Dakota hospitals in 2004.



Total Facility Outpatient Visits, Inpatient and Outpatient Surgeries Per 1000 Population 2000-2004

Source: AHA Hospital Statistics

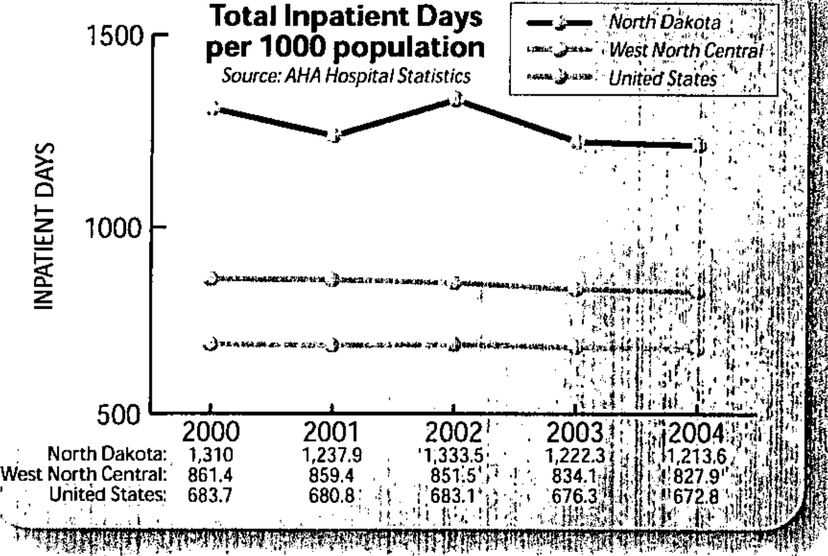
	2000	2001	2002	2003	2004
Outpatient Visits					
North Dakota	2,639.3	2,921.0	3,024.3	2,862.3	2,915.0
West North Central	2,254.6	2,305.9	2,346.8	2,428.5	2,468.9
United States	1,852.8	1,888.7	1,932.4	1,936.8	1,946.4
Inpatient Surgeries					
North Dakota	39.0	37.4	43.6	44.7	45.2
West North Central	35.7	36.3	37.0	36.1	37.8
United States	34.6	34.3	35.1	34.2	34.2
Outpatient Surgeries					
North Dakota	68.1	71.8	76.1	75.7	74.2
West North Central	68.1	68.6	69.8	68.8	72.0
United States	58.2	58.5	60.3	59.0	59.1



Total Facility Admissions Per 1000 Population

North Dakota's total facility admissions per 1000 population were higher than West North Central* states and the United States. Over the five-year period, all three locations have stayed relatively consistent with less than a 5 percent increase or decrease:

- North Dakota = 0.1% decrease
- West North Central = 3.4% increase
- United States = 1.6% increase

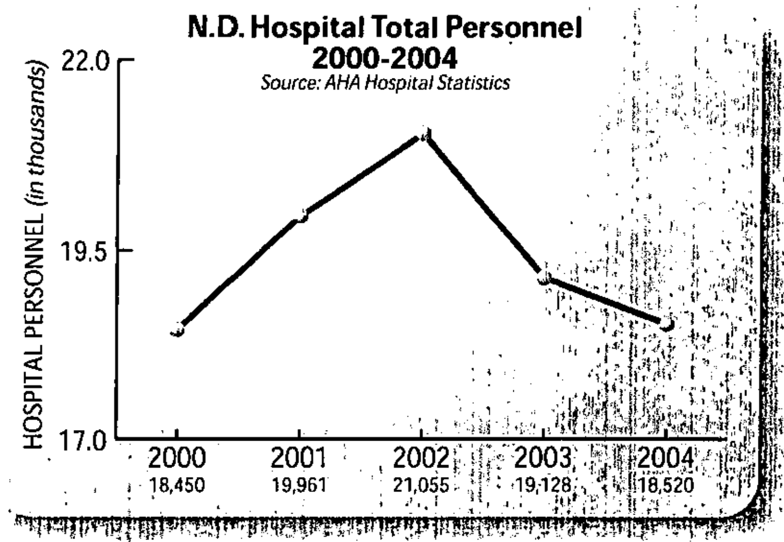


Total Inpatient Days Per 1000 Population

North Dakota's total inpatient days per 1000 population were higher than West North Central states and the United States. Over the five-year period, all three locations have stayed relatively consistent in percent of decreases:

- North Dakota = 7.4% decrease
- West North Central = 3.9% decrease
- United States = 1.6% decrease

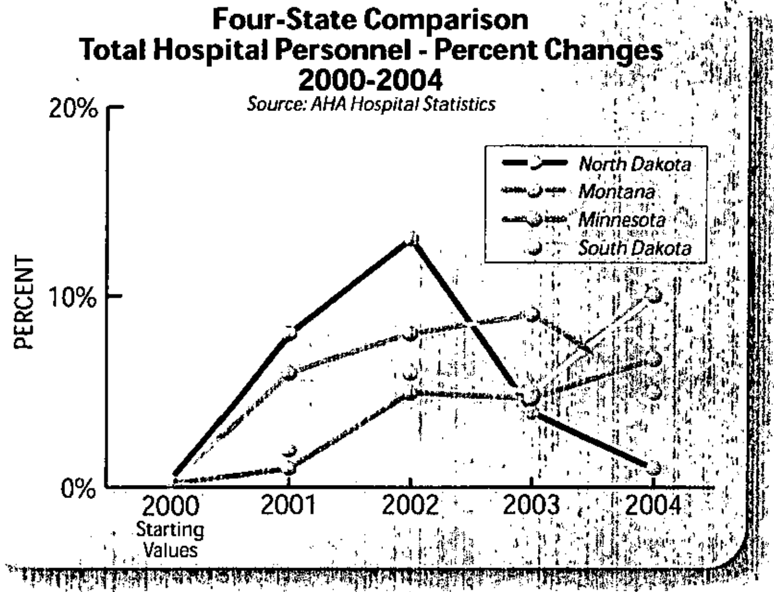
TOTAL PERSONNEL
2000-2004



Total Personnel (Total Facility)

Over the last five years, the number of personnel employed by North Dakota hospitals increased 0.4 percent, peaking in 2002 due to increases in inpatient service intensity, outpatient utilization and service intensity.

However, from 2002 to 2004 the number of hospital personnel decreased due to consolidations and mergers.



Total Personnel - Percent Changes

The graph at the left compares the percent changes in hospital personnel between North Dakota, Montana, Minnesota and South Dakota.
The following are overall percent changes in personnel from 2000 to 2004:

- North Dakota = .4% increase
- Montana = 7% increase
- Minnesota = 5% increase
- South Dakota = 10% increase

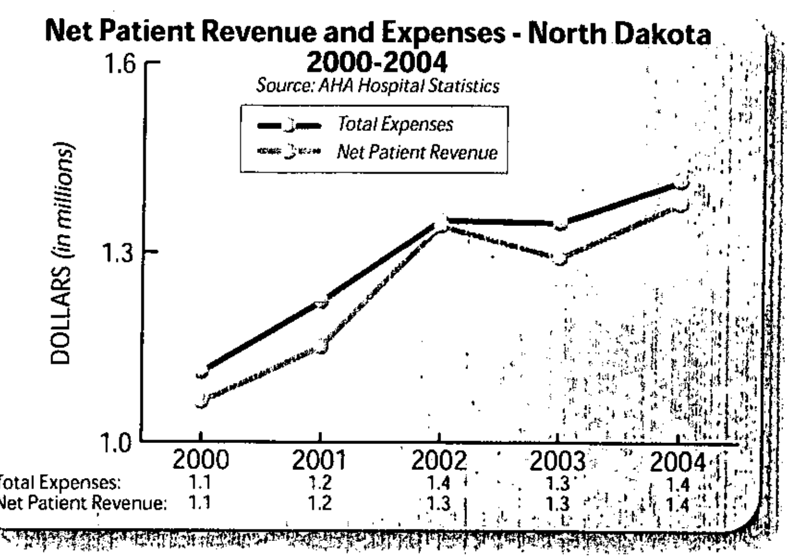
NET PATIENT REVENUE AND TOTAL EXPENSES

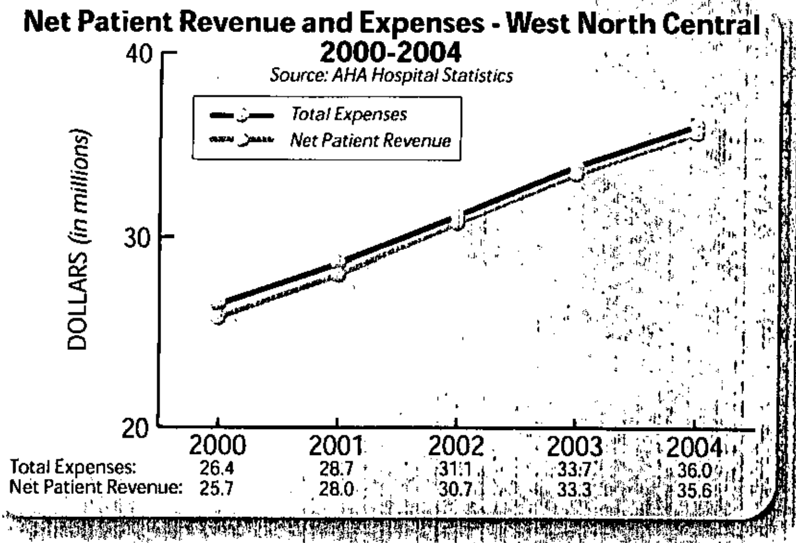
In North Dakota, the West North Central and the U.S., the amount of total expenses exceeded that of net patient revenue every year since 2000. This indicates that hospitals are increasingly unable to rely on reimbursement from providing patient care to pay for the expenses associated with providing that care.

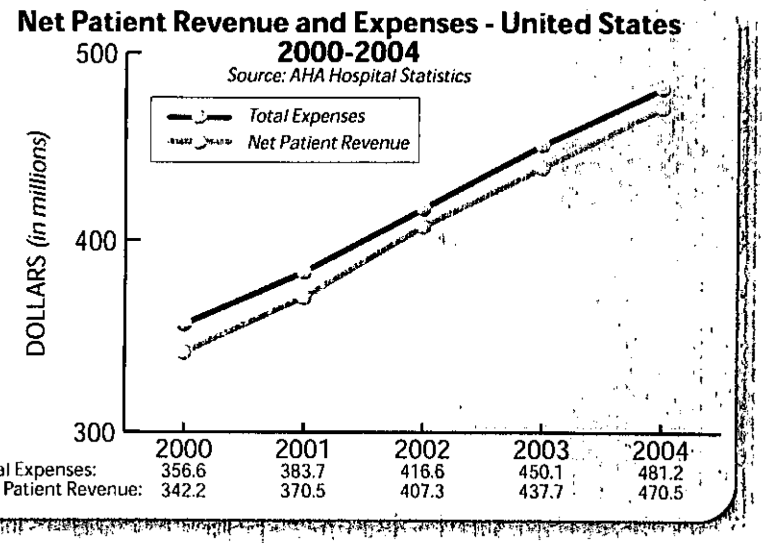
North Dakota
In North Dakota, the percent increase of total expenses from 2000 to 2004 was 27 percent. The percent increase of net patient revenue was 30 percent.

West North Central
In the West North Central zone, the increase in total expenses from 2000 to 2004 was 36 percent. The increase of net patient revenue was 38 percent.

United States
In the United States, the increase in total expenses from 2000 to 2004 was 35 percent. The increase of net patient revenue was 37 percent.







Executive Summary

A total of 43 community hospitals provide North Dakota residents with a comprehensive array of health services. These health care providers contribute significantly to the overall stability and viability of the state. Community hospitals provide positive impacts relating to financial, employment and patient care indicators.

A research study was conducted in 2006 to assess the contributions made by community hospitals to the economy of North Dakota. Key research findings include:

- In 2006, community hospitals contributed nearly $1,350,000,000 in direct impacts to North Dakota's economy, an increase of about $270 million dollars from 2002. This represents a 25% increase in the contribution of community hospitals to the state's economy.
- The vast majority of dollars spent by community hospitals remain in North Dakota. On average, 77% of the dollars remain in the state, while the remaining 23% go to out-of-state sources.
- According to NHDA survey results, community hospitals in North Dakota employed an estimated 13,840 full-time employees and 8,490 part-time employees. Thus, over 22,300 people were employed by community hospitals in 2006. This represented an estimated 18,800 full-time equivalents.
- Community hospitals paid their employees over $544 million in salaries, which represented an average annual wage of roughly $29,000/FTE. Employee benefit packages added an average of 23% more to salaries, thus creating an additional $125 million in economic impact, of which over $38 million was for payroll taxes.
- Job Service of North Dakota reported an annual average of 44,916 full and part time employees in the health care and social assistance services sector in 2004. Health services employees comprised 39,728 of that total. Based on this figure, the 15,592 employees of community hospitals accounted for 39% of the total health services workforce. The remaining 61% were employed by nursing homes, clinics and social services organizations not owned or operated by community hospitals.

Executive Summary Continued:

- According to Job Service of North Dakota, the annual average employment for all business sectors in North Dakota during 2004 was 321,108 workers. Health care and social assistance represents one of the state's largest employment sectors. Roughly 12% of all workers in North Dakota are employed by a health care organization. About 5.5% are employed by community hospitals. Furthermore, five of the top 10 largest employers in the state are health care providers.

- Community hospitals provided care during 2005 for an approximately 94,000 inpatients, 240,000 emergency room patients and over one million outpatients. Based on these figures, roughly one out of every seven residents was admitted to a community hospital, and one out of every three residents required a visit to a hospital emergency room. Moreover, every North Dakota resident had an average of approximately two outpatient encounters with community hospitals in 2005.

Hospitals want a piece of the $69 million pie

Administrators unhappy with governor's current plan

By DEENA WINTER
Bismarck Tribune

During one of the governor's press conferences last week, the heads of Bismarck's two hospitals sat side-by-side, watching as Gov. John Hoeven told reporters what he thought the state should do with an unexpected $69.6 million gift from the federal government.

More than a quarter of the money, $19.6 million, was the result of an increase in the federal reimbursement rate for Medicaid, a state-federal health insurance program for poor and disabled people. In North Dakota, the rate will go from 68 cents on the dollar to 72 cents.

Hoeven held a press conference to unveil his plan to use almost half of the Medicaid money, $8 million, to pay for Medicaid benefits that state officials say would have otherwise been eliminated and sock away the rest.

Hospital administrators were at the press conference because Hoeven also announced the creation of a health care "working group" that they would be part of, to explore ways Medicaid money can be better spent and make recommendations to the 2005 Legislature. But after the press conference ended, hospital administrators made it clear they were not pleased with Hoeven's plan for the money because they're not a part of it.

Hospitals believe they're entitled to some of the money to offset a hit they took last year when the state reduced their Medicaid reimbursement rates to help deal with a budget shortfall at the Department of Human Services. The department made other adjustments and eliminated a 2.25 percent inflationary increase in reimbursement to doctors, dentists and hospitals.

Chip Thomas, president of the North Dakota Healthcare Association, lobbied Congress to help states deal with budget-busting Medicaid costs, and when $10 billion was approved as part of the Bush tax cut, the heads of the state's six largest hospitals met with Hoeven and signed a letter outlining their case for part of the money. Thomas said they were "very disappointed" to hear that Hoeven would not be including them in his plan for the money.

"Apparently he has different priori-

SEE HOSPITALS, 6A

Hospitals: Will continue their talks to resolve the issue

FROM 1A

ties," Thomas said. "We have a difference of opinion on that."

Rep. Pam Gulleson, D-Rutland, said hospitals receive about 14 percent of Medicaid payments but took on 38 percent of the cuts last year. She said Human Services officials told lawmakers that if federal assistance was made available, the providers would be compensated.

"We were told it was just a matter of when those dollars came, it would be made right," Gulleson said. "I think there was a commitment made."

Republican Rep. Ken Svedjan, who is also a Grand Forks hospital administrator, queried Human Service officials on the issue during a Budget Section meeting Tuesday in Bismarck, asking why hospitals weren't compensated after they took a disproportionate hit.

"Hospitals are hurting right now," he said.

Human Services Director Carol Olson said she didn't have the authority to raise the reimbursement rates to hospitals. Thomas said he didn't understand her answer because the department had the authority to reduce the rates, so it should have the ability to raise them.

David Zentner, the state's medical services director, said the federal money is a one-time thing, and if reimbursement rates are increased, lawmakers will have to find a way to sustain them. He said the working group will examine the reimbursement issue to try to find solutions for the next Legislature.

Duane Houdek, a Hoeven policy adviser, said hospitals made their case to Hoeven, but he said that their request would probably require statutory changes and a special legislative session. He said many other entities would also like some of the money.

"It seemed that the most prudent thing to do is bring everyone together and say how it should be managed," he said.

Thomas said the Medicaid reimbursement issue isn't killing hospitals — in fact, the Medicare reimbursement issue is a much bigger problem that's being examined by Congress — but it's one more hit to hospitals' bottom line.

"Financial challenges are starting to show themselves in a way that hasn't been seen in 10 to 15 years," he said.

He said that's evidenced by Medcenter One's decision to pull out of 12 rural clinics in North Dakota and South Dakota and other restructuring going on at hospitals statewide.

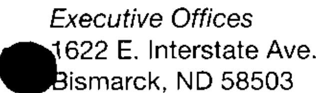
"They've gotta pay their bills just like everybody else," Thomas said.

The administrators of Bismarck's two hospitals say they've gone through a series of belt-tightening changes to deal with tough budgets. Medcenter One CEO Jim Cooper said the $180 million operation has been cut by about $6 million, including a reduction of 140 positions, and St. Alexius Medical Center CEO Dick Tschider said $3 million has been squeezed out of its $130 million budget, with calls for the elimination of about 100 positions. Both hospitals say they're reducing positions through attrition, as much as possible.

Tschider said "every year gets worse" at the hospital as costs go up — salaries, drug prices and insurance — and in return, "We get nothing. We get cuts."

Thomas said hospitals plan to continue talks with state officials to see what can be done about the issue.

(Reach Deena Winter at 250-8251 or deena.winter@bismarcktribune.com.)



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SB 2012 March 7, 2007

Testimony – House Appropriations Committee
Human Resources Division
North Dakota EMS Association
Dean Lampe, Executive Director

Good morning Chairman Pollert and members of the committee. My name is Dean Lampe, and I am the Executive Director of the North Dakota Emergency Medical Service (EMS) Association. On behalf of our almost 2,000 active members, most of which are volunteer EMS providers serving on our state's ambulance services and quick response units, I thank you for the opportunity to testify in opposition of HB 2012 in its present form.

Our opposition to the bill concerns the department's Medicaid reimbursement rates as they apply to ambulance services. I have attached a schedule I'm sure the Committee has seen previously which details Medicaid provider amounts billed and reimbursed and also indicates the percentage of reimbursement for 2005. As you will notice, ambulance reimbursement, as a percentage of the amount billed, is the lowest of all state medical assistance providers.

For the record, as this committee is aware, the North Dakota House recently passed HB 1246 which was contrary to the Do Not Pass recommendation of the full House Appropriations Committee. HB 1246, if enacted, would reimburse dentists at a rate of 85% of billed services. The supporting committee and floor arguments on this bill mentioned as a justification for passage that a significant number of dentists had made a business decision not to treat patients who were on medical assistance. To paraphrase, the question was, "Why would dentists, who could fill their appointment books with patients paying 100% of their usual and customary charges, want to treat patients for whom they would receive 57% of their charges?" I do not need to remind this committee, but for the record, there are many healthcare provider segments which can not and do not choose whether to treat Medicaid patients; ambulance services are one example.

With all due respect to the North Dakota House, this committee, and also considering our neutral position on HB 1246, the North Dakota EMS Association would urge this committee to begin a process inserting fairness and equity into the Medicaid reimbursement schedule. As outlined in the department's optional appropriation requests, a general fund investment of approximately $250,000 would bring an additional $400,000 in federal matching funds for ambulance service reimbursements. Applied to the 2005 data, $650,000 in increased ambulance reimbursement rates would bring us to approximately 52.59% of billed charges.

Mr. Chairman and members of the committee, thank you for the opportunity to provide testimony on SB 2012. We respectfully urge you to increase the ambulance reimbursement rates and, if so amended, ask for your Do Pass recommendation on an amended bill.

Dentists Bill

If his family had not lost its Medicaid.

If Medicaid dentists weren't so hard to find.

If his mother hadn't been focused on getting a dentist for his brother, who had six rotted teeth.

washingtonpost

• More national coverage

By the time Deamonte's own aching tooth got any attention, the bacteria from the abscess had spread to his brain, doctors said. After two operations and more than six weeks of hospital care, the Prince George's County boy died.

Deamonte's death and the ultimate cost of his care, which could total more than $250,000, underscore an often-overlooked concern in the debate over universal health coverage: dental care.

Some poor children have no dental coverage at all. Others travel three hours to find a dentist willing to take Medicaid patients and accept the incumbent paperwork. And some, including Deamonte's brother, get in for a tooth cleaning but have trouble securing an oral surgeon to fix deeper problems.

In spite of efforts to change the system, fewer than one in three children in Maryland's Medicaid program received any dental service at all in 2005, the latest year for which figures are available from the federal Centers for Medicare and Medicaid Services.

'They know there is a problem'

The figures were worse elsewhere in the region. In the District, 29.3 percent got treatment, and in Virginia, 24.3 percent were treated, although all three jurisdictions say they have done a better job reaching children in recent years.

"I certainly hope the state agencies responsible for making sure these children have dental care take note so that Deamonte didn't die in vain," said Laurie Norris, a lawyer for the Baltimore-based Public Justice Center who tried to help the Driver family. "They know there is a problem, and they have not devoted adequate resources to solving it."

Maryland officials emphasize that the delivery of basic care has improved greatly since 1997, when the state instituted a managed care program, and in 1998, when legislation that provided more money and set standards for access to dental care for poor children was enacted.

About 900 of the state's 5,500 dentists accept Medicaid patients, said Arthur Fridley, last year's president of the Maryland State Dental Association. Referring patients to specialists can be particularly difficult.

Fewer than 16 percent of Maryland's Medicaid children received restorative services -- such as filling cavities -- in 2005, the most recent year for which figures are available.

CLICK FOR RELATED CONTENT

Vote: Should more dentists be required to accept Medicaid?

For families such as the Drivers, the systemic problems are compounded by personal obstacles: lack of transportation, bouts of homelessness, erratic telephone and mail service.

The Driver children have never received routine dental attention, said their mother, Alyce Driver. The bakery, construction and home health-care jobs she has held have not provided insurance. The children's Medicaid coverage had temporarily lapsed at the time Deamonte was hospitalized. And even with Medicaid's promise of dental care, the problem, she said, was finding it.

When Deamonte got sick, his mother had not realized that his tooth had been bothering him. Instead, she was focusing on his younger brother, 10-year-old DaShawn, who "complains about his teeth all the time," she said.

CONTINUED: Many barriers

Testimony regarding Medicaid Assistance Fee Schedules for Doctors of Chiropractic in North Dakota

Jeff Askew, DC
Immediate Past President, North Dakota Chiropractic Association

A routine chiropractic office visit with an established patient involving spinal manipulation of the lowest procedure code level involves many components that must be met in order to bill that code. These components include:

- Pre-service updating of the patient's history.
- Review of previous records, including x-rays if they have them
- Appropriate physical examination
- Delivering the treatment itself
- Post-service assessment of response to treatment
- Documentation of the subjective complaints, response to previous treatment, objective findings, treatment, future treatment plan, and rationale for continued treatment, discharge, or referral.

These procedures are no easier, no less time-consuming, and no less important when performed on a patient who is in the state's Medical Assistance program.

I have 9 years of college education valued at about $150,000. I have 27 years of experience. My office overhead for the time slot that the Medical Assistance patient fills is about $23, without any take home salary. My usual fee for that service is $41. Chiropractors are currently reimbursed by Medicaid $14 ($13.64) for that service. In other words, I should not only work without making a profit, but I should write out a virtual charitable contribution check to the State of North Dakota for $9 for the privilege of treating that Medicaid patient. From an opportunity cost assessment, the check I'm writing out to the state is actually the difference between what I could have made if I would have treated someone else at $41 and the $14 you paid me, or a charitable donation of $25.

Medical Assistance pays me 33% of my usual fee and I lose money with every patient I treat. How many Medical Assistance patients do I *want* to see? From a business standpoint...*none*. How many Medical Assistance patients *want* to see me (or some other chiropractor)? Many. How many *will* I see? I am like many healthcare providers in that I have a willingness to allow a certain percentage of my day to be charitable contributions for hardship cases.

I have some faith that most of what we need to do here is just expose you to the facts, and a sense of fair play will carry the day and you will do what you can to bring our fee closer to being on par with other healthcare providers.

Chiropractic services have been among the lowest reimbursed by Medicaid for years. An across-the-board "4% and 4%" increase for all providers will only perpetuate the disparity.

WSI pays up to $44 for our lowest CMT service. No Fault pays us whatever our usual fee is, as long as it is reasonable. Cash patients pay our usual charges ($41 in my clinic). Blue Cross pays contracted participating providers about $37. We're not asking

for a huge increase in the chiropractic budget. We're only asking Medical Assistance for 60% of our billed usual fees, which, in my office, would amount to $24.60

We don't feel we're asking for much. We're not even asking for reimbursement for our full scope of practice procedures. We're only asking that the two most commonly billed chiropractic service for Medicaid patients be increase to a level more equitable with other providers.
The proposed fee structure is in line with the current Medical Assistance data showing an average payment of 60% of billed fees for like providers. It would still not be profitable to treat a Medicare patient, but the size of my charitable donation would just be a bit smaller, and that would help in terms of encouraging more providers to open their schedules a bit more to these people.

Chairman Pollert and members If the committee, I ask for your favorable consideration to help keep us "in the system" by first addressing the inequities among provider reimbursements. Unless you raise reimbursement to a reasonable level, Medicaid recipients won't truly have access to the effective and cost-saving benefits of our care.

Thank you for listening to our concerns.

Jeff Askew, DC

IMPACT OF CHANGING THE NAME OF "QSPS" TO "HSPS"

- Printing, mailing costs, and Medical Services staff time (approximately 16 hours) costs to inform QSPs of the name change. (1700 providers)
  - All providers are required to keep a copy of the QSP Handbook in their records and a name change may result in additional mailings to provide copies of updated Handbooks.

Approximate staff time involved is 4 to 10 hours

- Printing, mailing, and Medical Services staff time costs to inform all clients of the name change. (2538 clients)

Approximate staff time is 16 to 24 hours.

- Printing and Medical Services staff time costs to change all instructional materials that are sent to QSPs who are enrolling and to QSPs who are re-enrolling.

Approximate staff time is 8 hours.

- Printing and Medical Services staff time associated with rewriting the "QSP" Handbooks. (Individual, Agency, Family Home Care and Adult Family Foster Care Handbooks)
  - Currently have 1500 "QSP" Handbooks printed. (about 1 year supply)
  - Cost associated with reprinting.
  - "QSP" Handbooks are posted on the web.
  - Technology time required to repost on the web.

Approximate staff time is 40 hours.

- Printing, Medical Services staff time, and form design staff costs to rewrite State Forms (SFN).
  - Cost to repost all SFN forms on e-forms.
    (Partial List: SFN 474, SFN 541, SFN 663, SFN 748, SFN749, SFN 750, SFN 830, SFN 980, SFN 1469)

Approximate staff time is 40 hours

- Medical Services staff time and form design staff time to redesign and reprint numerous brochures.
  - Printing Costs. Some brochures have just been reprinted and we have a 1-2 year supply. Clients and providers may be confused if these brochures are not changed to reflect the new name, thus resulting in additional staff time to clarify the rationale for the name change.

Approximate staff time is 30 hours.

- Medical Services staff, form design staff, and technology staff time costs to rewrite and post on the web the Home and Community Based Services Policies and Procedures.
  - Mailing and printing costs associated with printing and sending a hard copy of the changes to each county. (53 counties)

Approximate staff time is 8 hours.

- Medical Services staff time costs to update all internal documents to reflect the name change including protocols, review guides, and quality assurance plans.

Approximate staff time is 40 hours.

- Medical Services staff time costs to amend the Medicaid Waiver to reflect the name change.

Approximate staff time is 20 hours.

- Administrative Code will need to be updated.
    - Cost associated with changing Administrative Code, staff time and Legal Services costs.

Approximate staff time is 40 hours.

- Case Management time required to respond to clients and their families wondering how the name change will impact their services and the providers they have come to rely on.
    - A **major concern** is that a name change may confuse clients and cause apprehension because they may not understand that even though the name has changed, the role of the provider has not.
    - Name recognition is an important aspect of the visibility of a program.
    - Home Service Provider is easily confused with the Home Health Industry and will add a dimension of confusion for both the provider and the consumer.

Staff time for this issue will be ongoing due to the likely large number of contacts to explain the name change and reassurance to the consumers.

- Medical Services staff time required to responding to phone calls from providers who do not understand why the name was changed and are worried about how this change is going to impact their ability to continue to be a provider.
    - The term "QSP" has become recognizable as a result of public education and positive advocacy.

Staff time for this issue will be ongoing due to the likely large number of contacts to explain the name change and reassurance to the providers.

- Not all QSP's provide "in home" or "hands-on" services such as:
    - Chore Service - providers enrolled to provide snow removal, agencies enrolled to provide Emergency Response Systems, example-MDU.
    - Environmental Modification -providers enrolled to make modifications to a client's home, example- carpenters, plumbers, or electricians.
    - Non Medical Transportation - providers enrolled to give rides to clients to the grocery store, post office, etc.
    - Specialized Equipment - agencies that provide grab bars, reachers, specialized technology, etc.
    - Adult Day Care –providers enrolled to provide Adult Day Care service in a free standing facility or part of a nursing home or hospital.
    - Residential Care providers enrolled to provide 24 hour care to clients in a specialized setting, example Dakota Pointe, Hi Soaring Eagle Ranch, Roseadele.
    - Supported Employment- provider enrolled to assist a client on the work site.
    - Respite- some respite care provided is institutional and provided in swing beds or nursing homes.

ND DEPARTMENT OF HUMAN SERVICES

Estimate of Costs Associated with Changing "QSPs" to "HSPs"

	Hours	Staff Costs	Printing & Mailing Costs
Inform QSPs:			
Printing & Mailing Costs (1700 providers)			$4,335.00
Staff Time	16	$429.60	
Staff Time for Planning & Monitoring Change	7	$187.95	
Inform Clients:			
Printing & Mailing Costs (2538 clients)			$6,471.90
Staff Time	20	$537.00	
Change All Instructional Materials:			
Printing Costs			$1,200.00
Staff Time	8	$214.80	
Rewritng "QSP" Handbooks:			
Reposting to the web			$580.00
Staff Time	40	$1,074.00	
Rewrite State Forms:			
Reposting to E-forms			$345.00
Staff Time	40	$1,074.00	
Rewrite & Post to the Web HCBS Policies & Procedures:			
Printing & Mailing Costs (53 counties)			$135.15
Reposting to the web			$232.00
Staff Time	8	$214.80	
Update Medical Services Internal Documents:			
Staff Time	40	$1,074.00	
Amend Medicaid Waiver:			
Staff Time	20	$537.00	
Update Administrative Code:			
Staff Time	40	$1,074.00	
	239	$6,417.15	$13,299.05

Total Estimate of Costs **$19,716.20**

Case Management time and ongoing staff time required to answer phone calls are not included in totals above.

3/14/2007

SB 2012
Department of Human Services
OAR - Healthy Steps Enhancements

February 5, 2007

Will align SCHIP policies for disregards with the Medicaid program. Will add children to Healthy Steps that currently may be over income, sometimes by a few dollars. The income eligibility enhancements would allow for three deductions currently allowed for Medicaid:

$30 Work/Training Disregard
$50 Child Support Disregard, and
Medical Insurance Premium/Medical Expense Deduction

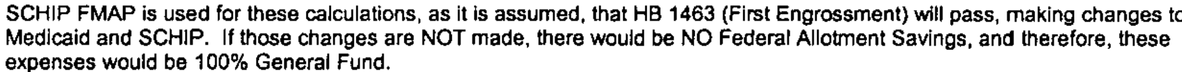
The FTE would answer and maintain the toll-free statewide 1-877-KidsNow help line that is responsible for consumer questions, referrals, and education related to healthcare coverage. This position would be responsible for tracking and reporting requirements of all activity related to the help line and would be responsible for updating and maintaining all information related to policy changes, referral sources, and other pertinent information to assist callers. The position would also assist with determining of eligibility for two healthcare coverage programs and conducting education and enrollment activities.

The Covering Kids and Families Grant allowed for the enhancement of the Vision eligibility system to provide for processing of two coverage programs instead of one. This made the process seamless for applicants and would automatically enroll eligible children into the appropriate program. The Grant also was responsible for outreach and enrollment activities, which included answering the toll free 1-877-KidsNow help line. In the Grant sustainability plan, the toll-free help line was to be transferred to the Central Office using grant dollars for salary support for one staff person. The temporary position was filled in July 2005 to take over the responsibility of the help line. Also, the Healthy Steps Enrollment Unit has experienced a significant increase in caseload since July 2005.

If we are unable to secure an FTE, the work will have to be re-distributed between the other two unit staff. This would create an enormous increase in workload for those staff to the point where we may have delayed application processing quality control errors, poor customer service, lack of coordination with county social service agencies, and lack of outreach activities as required by the Federal Government. Also, the toll-free line would see a decline in answered calls that would be reflected on the monthly reports.

Cost to Implement:

Healthy Steps FTE:	Total	$75,046
	General Funds	$18,919
	Federal Funds	$56,127
Income Disregards:	Total	$1,558,927
	General Funds	$ 393,005
	Federal Funds	$1,165,922


SCHIP FMAP is used for these calculations, as it is assumed, that HB 1463 (First Engrossment) will pass, making changes to Medicaid and SCHIP. If those changes are NOT made, there would be NO Federal Allotment Savings, and therefore, these expenses would be 100% General Fund.

North Dakota Department of Human Services
SB 2326

	Engrossed Bill 200% of Poverty Level	Option 225% of Poverty Level	Additional Cost to Increase to 225% PL
Total	$2,733,767	$3,282,263	$548,496
General	$1,059,932	$1,257,500	$197,568
Federal	$1,673,835	$2,024,763	$350,928
	402 children	552 children	150 children

INCOME LEVELS EFFECTIVE JANUARY 1, 2007

Family Size	Family Coverage (1931)	Med. Needy	SSI Income Level	Children Age 6 to 19 and QMB 100% of Poverty	SLMB 120% of Poverty	Preg. Women Child to Age 6 133%of Poverty	QI-1 135% of Poverty	Healthy Steps 140% of Poverty	Healthy Steps Proposed HB 1463 150% of Poverty	Caring for Children 170% of Poverty	Transi-tional Medicaid 185% of Poverty	Buy-in for Children in Proposed SB 2326 and Women's Way 200% of Poverty	Workers with Disabilities 225% of Poverty
1	$311	$ 500	$623	$ 817	$ 980	$1087	$1103	$1144	$1277	$1389	$ 1511	$1634	$1837
2	417	516	934	1100	1320	1463	1485	1540	1712	1870	2035	2200	2475
3	523	666		1384	1660	1840	1868	1937	2147	2353	2560	2767	3112
4	629	800		1667	2000	2217	2250	2334	2582	2834	3084	3334	3750
5	735	908		1950	2340	2594	2633	2730	3017	3315	3608	3900	4387
6	841	1008		2234	2680	2971	3015	3127	3452	3798	4132	4467	5025
7	947	1083		2517	3020	3348	3398	3524	3887	4279	4656	5034	5662
8	1053	1141		2800	3360	3724	3780	3920	4322	4760	5180	5600	6300
9	1159	1200		3084	3700	4101	4163	4317	4757	5243	5705	6167	6937
10	1265	1250		3368	4040	4478	4546	4714	5192	5726	6230	6734	7574
+1*	107	57		284	340	377	383	397	435	483	525	567	637

Spousal Impoverishment Levels

Community Spouse Minimum Asset Allowance (Effective 01/01/07)	Community Spouse Maximum Asset Allowance (Effective 01/01/07)	Community Spouse Income Level (Effective 01/01/03)	Income Level for each Additional Individual (Effective 04/01/06)
$20,328	$101,640	$2,267	$550

Average Cost of Nursing Care

Average Monthly Cost of Care (Effective 01/01/07)	Average Daily Cost of Care (Effective 01/01/07)
$4865	$159.96

Note: LTC income level increased from $40 to $50 effective with the benefit month of 01/01/02

T:\MEDICAID\Curtis\Medicaid Income Level Chart (Rev 2007-2-9).doc

North Dakota Department of Human Services
Medical Services Division

Comparison of Health Care Coverage Options for Children

Bill No	HB 1047	HB 1463	SB 2326	SB 2326	SB 2412*
Proposed Coverage	SCHIP 200% Net	SCHIP 200% Gross	Medicaid Buy-In @ 300%*	Medicaid Buy-In @200%	Children to 300% and Pregnant Women
Potential Children	2,480 (Denied Healthy Steps)	2,040 (Denied Healthy Steps)	778 children	402 children	
Census Data / Uninsured	24,505 (2,279)	24,505 (2,279)			60,791 (5,654)
Fiscal Estimate	7,806,035	6,085,362	2,540,373	1,390,597	10,316,175
General Funds	7,806,035	1,534,761	981,325	567,162	
Federal Funds	0	4,550,601	1,559,048	823,435	
Other		1. 80 curent children would lose coverage 2. Bill indicates only if Federal Funds become available	*Does not match to SB 2326 as the proposed bill does not contain the FTE expenses		Bill proposes to fund with special funds

	Medicaid @ 133% 6 to 19 yr olds	SCHIP @ 185% Gross	150% (net) for Healthy Steps
Potential Children	2,700	1,640	1,200
Census Data / Uninsured			
Fiscal Estimate	4,126,968	5,253,235	3,875,868
General Funds	1,486,534		977,106
Federal Funds	2,640,434		2,898,762
Other	Would be offset by savings to Healthy Steps 2,450 children @ $207.31/month. Total $6,468,072 General $1,630,601 Federal $4,837,471	1. 120 current children would lose coverage	Only if federal funds are available. Otherwise, all general funds

Denied Healthy Steps -- Number of children denied Healthy Steps coverage from July 1, 2005 through June 30, 2006, who would have qualifid at 200% net and 200% Gross.

Census Data / Uninsured -- Number of children source: Census data; Uninsured Estimate (9.3%); Source: Current Population Survey Annual Social & Economic Supplement

Options -- Increase Medicaid Coverage

Current:
- 6 to 19 yr olds 100% (net)
- 0 to 6 yr olds 133% (net)
- Healthy Steps 140% (net)

Example: Move Medicaid to 140% (net). Children currently on Healthy Steps, may be eligible for Medicaid. Some would stay on Healthy Steps because of how we treat self-employment income difference.
This would free up the SCHIP allotment to cover kids at a higher level, such as 200% (net).
This option would also result in staffing and system changes

Maximum Medicaid Coverage is essentially unlimited as North Dakota is a 1902(r)(2) state.

Maximum Healthy Steps Coverage is 200%; however, based on disregards available, the percentage could be higher.

Waiver for Children with Extra-Ordinary Health Care Needs authorized in 2005 SB 2395 is currently not funded.
(Estimated Cost $1,343,070 : $492,720 General Funds and $850,350 Federal funds)

WIC and USDA Child Nutrition continue to use 185% (gross) for program eligibility.

Sub 2012

North Dakota Department of Human Services
Medical Services Division

Comparison of Health Care Coverage Options for Children

Status at Legislative Crossover February 2007

Bill No	To Senate SB 2012	To House SB 2012	SB 2326	HB 1463	
Proposed Coverage	SCHIP 140% Net	SCHIP 140% Net	Medicaid Buy-In @200% /Waiver	Medicaid @ 133% 6 to 19 yr olds	150% (net) for Healthy Steps
Potential Children	3,958	4,271	402/15	2,700	1,200
Census Data / Uninsured					
Fiscal Estimate	19,690,305	21,249,232	2,733,767	4,126,968	3,875,868
General Funds	4,965,555	5,358,560	1,059,932	1,486,534	977,106
Federal Funds	14,724,750	15,890,672	1,673,835	2,640,434	2,898,762
Other	The 2007-2009 Budget built on an average of 3,958 children per month	Includes enhancements that would serve an additional 313 children	Includes Funding for Waiver for Children with Extra-Ordinary Health Care Needs	Would be offset by savings to Healthy Steps 2,450 children @ $207.31/month. Total $6,468,072 General $1,630,601 Federal $4,837,471	
		HB 1463, if adopted as amended, would change SCHIP to 150% and add an additional 1,200 children.			

HB 1463 Appropriation is in SB 2012, as amended	
Total	1,534,814
General Funds	833,039
Federal Funds	701,775

Last Updated 2-16-2007

North Dakota Department of Human Services
Children & Family Services Division

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- 4033 3082/4393 11 — L. Roman — HSPA III

4035 0072/3205 13
D. Snyder
Management Portfolio
PERMANENCY

- 4034 0070/3203 12 — J. Hoffman — HSPA IV
- 4033 0010/3143 11 — D. Friedt — HSPA III
- 4033 2427/4323 11 — D. Pearson — HSPA III
- 4033 0594/3688 11 — L. Schell — HSPA III
- 4033 0004/3137 11 — T. Pomonis — HSPA III
- 4032 2082/4103 10 — D. Petry — HSPA II
- 4005 0118/3247 9 — P. Westrum — TECS Support Spec I
- 4030 0717/3776 7 — B. Wiese — HSPS

4035 3088/4399 13
C. Kessel
Management Portfolio
WELL-BEING

- 4034 0028/3161 12 — K. Neideffer — HSPA IV

0042 0943/3974 7
C. Goodhouse
Management Portfolio
ADMINISTRATIVE SUPPORT

- 0041 0233/3361 6 — C. Nolz — Admin Asst I
- 0041 0093/3225 6 — D. Blasy — Admin Asst I
- 1655/4435 — A. Karlberg — COE Student

4033 2336/4284 11
M. Baker
HSPA III

Revised 10/6/06

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 10, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Paul Ronningen, Director, Children and Family Services (CFS), of the Department of Human Services. I am here today to provide you with an overview of the Division of Children and Family Services.

Programs

- Child Protective Services

Provides protection for children who have been or are at risk of being neglected and/or abused. Services provided include child protection assessment, case management, child fatality review panel, institutional child protection services and child abuse and neglect prevention.

- Family Preservation Services

Provides therapeutic intervention to families whose children have been or are at risk of abuse, neglect and out-of-home placement. Services include parent aide, prime time child care, intensive in-home treatment services, respite care, family group conferencing and safety/permanency funds to prevent placement.

- Foster Care Services

Provides a substitute temporary living environment for children who cannot safely remain with their families. Services include recruitment and retention, licensing and placement services for relative homes, family foster homes, group homes, and residential child care facilities and licensed child placing agencies. This also includes foster care eligibility determination and payment, case planning and reviews, subsidized guardianship, Interstate Compact on the Placement of Children, Independent living skills assessment, training and stipends.

- Adoption Services

Provides permanent adoptive homes for eligible children. Services include recruitment, adoption assessment, placement, follow-up services, post adoption services, adoption subsidy, birth family services, adoption search, licensure of child placing agencies, and the Interstate Compact on the Placement of Children for Adoptions.

- Early Childhood Services

Coordinates activities, establishes standards, and provides training to providers of early childhood care and education. Services include licensing, child care resource and referral, providing consultation to the tribes on licensing, and coordination through the Head Start Collaboration Office.

- Refugee Services

Provides resources to eligible refugees so they can become self-sufficient. Services include job development and employment enhancement, case management, cash assistance, refugee medical assistance, and education.

These services are **provided either by the county social services or through contracts with non-profit providers** and they focus on safety, permanency, and the well-being of children and their families.

Caseloads

The number of **Child Abuse and Neglect** assessments has remained relatively stable over the last two bienniums.

FFY 2001	FFY 2002	FFY 2003	FFY 2004	FFY 2005
3969	4138	3892	3904	3956

One thousand three hundred thirty one (1,331) children are placed in **foster care** – daily snapshot as of 12/14/2006. This snap shot includes tribal IV-E cases, Division of Juvenile Services (DJS) youth placed in foster care, and pre-adoptive placements. Approximately 33% of these children are Native American.

As of November 30, 2006, 51 youth were placed **out-of-state in institutional care.** This number has varied in 2006 from a low of 44 to a high of 59. The Department released a Request for Proposal in December 2006 to address the issue of adolescent sex offenders receiving in-state treatment services. Proposals are required back to the Department by February 28, 2007.

Overall, the number of foster care placements has increased by 11.7% since FFY 2000. In FFY 2000 there were 1,978 children in care while in FFY 2006 there were a total of 2,209. However, the number of placements from FFY 2005 to FFY 2006 did decrease by 105 children for the year. In addition, the number of children placed in residential care during this time frame has decreased slightly while the number of children being placed with relatives has increased by 140% (237 placements in FFY 2000 to 569 in FFY 2006). The average length of stay for youth coming into foster care is approximately 6.7 months.

The number of foster children gaining permanency through **subsidized adoption** has increased from a total of 704 in July of 2005 to 801 in October 2006. This increase is projected to continue through the 2009 biennium with an estimated 983 children in subsidized adoptive placement by June 2009. Of the 111 finalized adoptions in FFY 2006, foster parents adopted 85% of these children. Currently, there are 121 **children whose parents rights have been terminated** and are waiting for a permanency option of adoption, guardianship or another planned permanent living arrangement.

Refugees

Refugees entering North Dakota from 2000 to 2006 (October 1 – September 30) are as follows:

Year	Number of Refugees
2000	647
2001	367
2002	51
2003	111
2004	223
2005	225
2006	182

These numbers do not include secondary migration refugees who resettle in other states and move to North Dakota, which averages about 165 each year.

Trends/Issues/Accomplishments/Major Program Changes

During the 2007 biennium, the State of North Dakota will under go a **Federal Child and Family Services Review (CFSR) in April 2008.** In September 2001, the first Federal CFSR Review was completed. Though North Dakota received the highest rating in the nation, all 50 states and two territories were found to be deficient and were required to negotiate a Program Improvement Plan. North Dakota successfully completed its program improvement plan in 2006.

In addition, North Dakota will undergo a **Federal IV-E Audit in August 2008**. This audit is conducted every three years. North Dakota successfully passed this audit in 2005 with only one error found in the 80 cases under review. Several other states in the nation had more than the four errors allowed. Thus, a secondary audit of 150 cases was required

by the Federal Government in these states. Fiscal sanctions are applied when cases are found in error.

The Village Family Services, in collaboration with the Department, sought a grant to provide Family Group Decision Making in the State of North Dakota. The Bush Foundation did award this grant to the Village and has made this service available to county social services, the Division of Juvenile Services and the Tribes. This service brings family members to the table to develop a plan for children who are either in foster care, at risk of being placed in foster care, or children who are being cared for by their extended family. This also brings significant people in the life of the child(ren) together to discuss how to maintain and build family connections. As of December 1, 2006, Family Group Decision Making has had 78 referrals, with 34 completed conferences.

Over the next two years we will be developing a new component to our child welfare data system. This will allow us to take the current individual program applications, streamline and connect them. This will reduce duplication and create ease in using all the programs developed for safety, permanency and well-being together; enhancing program and data links. This will also support the generation of more usable data to assist with data-driven decision making for child welfare programs in the Division.

Currently, County Social Services provides **case management for children in the custody** of the Department of Human Services (children whose parental rights have been terminated). These children were in the custody of the county while placed in foster care, prior to the termination of parental rights. The custody of these children is then transferred from

the county to the state when the legal termination of parental rights process is complete. In these situations the county no longer has custody and has continued to provide case management to these children. Cass County is indicating that they will no longer provide this service if the state does not reimburse them at 100% of actual costs. Cass County has the largest number of children in this category – about one half of the state total of children whose rights have been terminated. Currently, the counties are receiving 50-60% of their costs, through reimbursement from the state.

In the child care arena, North Dakota continues leading the nation in the percentage of mothers with children six years of age and under in the workforce (72.8%). This has created a demand for quality childcare and the need to provide training opportunities for this 10th largest industry in North Dakota. However, due to reductions in the Child Care Development Block Grant fund there will be a contract reduction to support services provided by the Child Care Resource and Referral Network.

Overview of Budget changes

Children and Family Services Division

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salary and Wages	2,000,971	2,267,147	266,176
Operating	5,032,203	5,090,807	58,604
Grants	106,013,848	111,782,457	5,768,609
Total	113,047,022	119,140,411	6,093,389
General Funds	17,211,750	19,322,274	2,110,524
Federal Funds	79,663,548	82,645,630	2,982,082
Other Funds	16,171,724	17,172,507	1,000,783
Total	113,047,022	119,140,411	6,093,389

FTE	18.00	18.00	-

- Salaries and Wages:
  - ➢ The increase in salary and fringe benefits is a result of the salary and health insurance package, which adds $161,410 in total funds of which $90,245 is general fund.
  - ➢ Additional increase in salary resulted from staff turnover with new hires having significant education (JD and PhD) and experience. This also includes two retirement payouts anticipated during the 2007-2009 biennium. Even though the

total salaries increased the general fund share decreased by $8,057.

- Operating:
    - The operating line item decreased by $38,651 due to anticipated reduction in the fees distributed to the counties though the cost allocation plan. However, the addition of the 3% inflationary increase adds $97,255. Thus, the overall increase in this line item is $58,604.

- Grants increased based on the following:
    - Overall foster care costs dropped by $446,604 due to the shift of Psychiatric Residential Treatment Facilities (PRTF) to Medicaid. (General Fund monies of $1,049,757)
    - Subsidized adoption is projected for 914 children per month for a total program increase of $3,649,605, of which $1,801,088 is General Funds.
    - Post Adoption Services will be established with an initial budget of $176,000, of which $19,234 is General Funds.
    - Foster Parent Recruitment and Retention was increased by $150,000, of which $112,500 is General Funds.
    - The 3% inflationary increase for foster care providers for each year of the biennium totals $2,180,054 of which $451,419 is General Funds.
    - The 3% inflationary increase for family preservation services for each year for the biennium totals $563,809 of which $370,759 is General Funds.
    - An additional $296,773 was added for children, with serious emotional disturbances, needing out-of-home placement.

This program allows parents' access to needed Medicaid and mental health treatment and out-of-home placement without relinquishing custody of their child to a county social service agency. (All Federal and County Funds)

- The funding for Children's Advocacy Centers (CACs) was transferred from the Attorney General's Office to the Department resulting in an increase of $100,000 in Children and Family Services. (All General Funds)

This concludes my presentation on the budget for the Division of Children and Family Services. I would be happy to answer any questions.

Children and Family Services

Attachment A

Listing of Major Grants:

- Child Abuse and Prevention Activities: ($1,100,000)
- Independent Living program: ($1,100,000)
- Refugee payments: ($4,300,000)
- Child Care licensing payments to counties: ($660,000 includes inflationary increase of 3% and 3% per year).
- Child Care Quality Grants to nonprofit entities: ($2,900,000)
- Child Abuse/Neglect Assessments by counties: ($3,700,000 includes inflationary increase of 3% and 3% per year).
- Reimbursement to Counties for Admin Counties: ($10,800,000)
- Family Preservation grants: ($7,700,000 includes inflationary increase of 3% and 3% per year).
- Training of child welfare professionals and family foster parents through UND School of Social Work; a stipend-training program for future child welfare professionals and a contract with the Native American Training Institute: ($1,800,000)
- Subsidized Adoption Grants is budgeted for an average of 911 children per month for an average of $669 per child ($14,600,000)
- Foster Care Grants to family, residential child care facility providers, group homes, therapeutic foster, foster care services and subsidized guardianship services ($60,600,000 which includes an inflationary increase of 3% & 3% per year).

The foster care budget is built with the following trend data:

- Average number of children in family homes - 676 per month; average cost per child - $774 per month.
- Average number of children in RCCF/GH - 446 per month; average cost per child - $3,551 per month.
- Average number of children in therapeutic foster care - 242 per month; average cost per child - $1,193 per month.
- Foster Care Services – 215 children per month, average cost per child of $743
- Subsidized Guardianship - 52 children per month, average cost per child - $490 per month.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Human Resource Division, I am Paul Ronningen, Director, Children and Family Services (CFS), of the Department of Human Services. I am here today to provide you with an overview of the Division of Children and Family Services.

Programs

- Child Protective Services

Provides protection for children who have been or are at risk of being neglected and/or abused. Services provided include child protection assessment, case management, child fatality review panel, institutional child protection services and child abuse and neglect prevention.

- Family Preservation Services

Provides therapeutic intervention to families whose children have been or are at risk of abuse, neglect and out-of-home placement. Services include parent aide, prime time child care, intensive in-home treatment services, respite care, family group conferencing and safety/permanency funds to prevent placement.

With exception of p 8-10 same testimony given to House and Senate

Overview of Budget Changes

Children and Family Services Division

Description	2005 –2007 Budget	Increase / Decrease	2007 –2009 Budget	Senate Changes	To House
Salary and Wages	2,000,971	266,176	2,267,147	-	2,267,147
Operating	5,032,203	58,604	5,090,807	48,532	5,139,339
Grants	106,013,848	5,768,609	111,782,457	1,496,854	113,279,311
Total	113,047,022	6,093,389	119,140,411	1,545,386	120,685,797
General Funds	17,211,750	2,110,524	19,322,274	984,277	20,306,551
Federal Funds	79,663,548	2,982,082	82,645,630	561,109	83,206,739
Other Funds	16,171,724	1,000,783	17,172,507	-	17,172,507
Total	113,047,022	6,093,389	119,140,411	1,545,386	120,685,797

FTE	18.00		18.00		18.00

Budget Changes from Current Budget to Executive Budget:

- Salaries and Wages:
  - ➢ The increase in salary and fringe benefits is a result of the salary and health insurance package, which adds $161,410 in total funds of which $90,245 is general fund.
  - ➢ Additional increase in salary resulted from staff turnover with new hires having significant education (JD and PhD) and experience. This also includes two retirement payouts anticipated during the 2007-2009 biennium. Even though the

total salaries increased the general fund share decreased by $8,057.

- Operating:
  - The operating line item decreased by $38,651 due to anticipated reduction in the fees distributed to the counties though the cost allocation plan. However, the addition of the 3% inflationary increase adds $97,255. Thus, the overall increase in this line item is $58,604.

- Grants increased based on the following:
  - Overall foster care costs dropped by $446,604 due to the shift of Psychiatric Residential Treatment Facilities (PRTF) to Medicaid. (General Fund monies of $1,049,757)
  - Subsidized adoption is projected for 914 children per month for a total program increase of $3,649,605, of which $1,801,088 is General Funds.
  - Post Adoption Services will be established with an initial budget of $176,000, of which $19,234 is General Funds.
  - Foster Parent Recruitment and Retention was increased by $150,000, of which $112,500 is General Funds.
  - The 3% inflationary increase for foster care providers for each year of the biennium totals $2,180,054 of which $451,419 is General Funds.
  - The 3% inflationary increase for family preservation services for each year for the biennium totals $563,809 of which $370,759 is General Funds.

- An additional $296,773 was added for children, with serious emotional disturbances, needing out-of-home placement. This program allows parents' access to needed Medicaid and mental health treatment and out-of-home placement without relinquishing custody of their child to a county social service agency. (All Federal and County Funds)
- The funding for Children's Advocacy Centers (CACs) was transferred from the Attorney General's Office to the Department resulting in an increase of $100,000 in Children and Family Services. (All General Funds)
- Attachment A lists the major grants and describes how the foster care budget has been developed.

Senate Changes:

The Operating line item increased by $48,532, of which $39,416 is general fund. This increase ties to the inflationary increase for provides which was adjusted from 3% to 4% for Intensive In-Home Family Services.

The grants line item increased by $1,496,854. This increase includes:

- ✓ $796,854 due to the inflationary increase for providers from 3% to 4%. (General Funds of$244,861)
- ✓ $400,000 of General Funds for the Children's Advocacy Centers.
- ✓ $300,000 of General Funds for the Healthy Families Program in Grand Forks.

Children and Family Services

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total	General Funds	Federal/Other Funds
Adoptions Contracts	2,081,640	1,217,640	864,000
Family Preservation Contract	1,582,859	295,606	1,287,253
County-wide Cost Allocation Plan	453,287		453,287
Adoption and Foster Care Background Checks	59,155	19,106	40,049
Adopt US Kids Web Link	11,000	7,033	3,967
Sponsored Training	98,900	18,621	80,279
Awards and Recognitions	5,575	784	4,791
Consultants	45,400	8,908	36,492
Publications (Kids Count Fact Sheet, Early Leaning Guidelines)	15,718		15,718
Research Contract	10,000	6,394	3,606
Witness Fees and Appeals	9,400	142	9,258
Other Miscellaneous Fees & Services	3,822	1,226	2,596
Total Operating Fees & Services Budget Account Code	4,376,756.00	1,575,460.00	2,801,296.00

SB 2012 – Appropriation for Healthy Families
Kathy Mayer, Executive Director
Prevent Child Abuse North Dakota

Chairman and members of this appropriations committee, my name is Kathy Mayer and I have been the Executive Director of Prevent Child Abuse North Dakota since 1995.

After many years of research and nation-wide pilots, a home visiting program which coached new parents through the early years of their child's life was born in this country right about the time I accepted the position I now hold. The success of Healthy Families America is now the hot topic of a great many legislative assemblies in this country. Forty states now offer this home visitation program in some capacity and all are being supported by state and or federal dollars that have come into the states. Why? Because it is working for our families. There have been significant gains in the areas of healthier children, healthier parents, self-sufficiency, and prevention of child abuse and neglect, which fully warrants the attention this program is receiving.

I was invited to be part of the initial planning phase in the development of the Healthy Families model in the Grand Forks region several years ago. I continue to act as an advisory member on that committee. This region has done a tremendous job of staying afloat, however they have been unable to reach the number of families they had previously hoped to reach with this program plan.

Today I am here to share with you what I do know about this and similarly structured programs around the country. Home visitation models that are consistently offered for a duration of 3-5 years are effectively decreasing the incidence of child maltreatment in this country. And, we all know what that means; decreased crime, decreased dependence on social services, and more capable children who become more productive adults.

In closing, I would like to pose a hypothetical question to each of you. One in twenty children in North Dakota were reported to have been abused or neglected in 2005. If there was a debilitating disease that was affecting one in 20 of our children in this state, how do you think our public agencies would be responding?

Healthy Families, with appropriate resources will reach many of those families and there could be very different outcomes for many of those children. I urge you to support the full requested appropriation, which will maintain the program services in the Grand Forks region, and also allow another community or region to offer these services to additional parents and their children. We must get in front of this social issue and support sound preventative services before a child is harmed. This will save our state money in the future that it now spends on treating the affects and consequences of childhood maltreatment.

For additional information on Healthy Families, please contact:
Janelle Regimbal or Barb Kramer – 701-746-2064 – Kathy Mayer 223-9052/Bis.

SB2012

Department of Human Services

Child Abuse & Neglect Assessment

2005-2007 Biennium

Case Type	Cases Biennium	Cost/Case
Other County	233	$ 500.00
County	7,708	$ 400.00
Administration	2,066	$ 150.00
Total	10,007	

2007-2009 Biennium

Case Type	Cases	Cost/Case
Other County	233	$ 1,003.00
County	7,708	$ 803.00
Administration	2,066	$ 300.00
Total	10,007	

#5

Healthy Families Legislative Testimony

Senate Appropriations Human Services Sub-Committee

RE: SB 2012

Submitted by: Janell Regimbal,

Vice President of Youth Services

Lutheran Social Service of North Dakota

Chairman and Members of the Committee. Thank you for allowing me the opportunity to provide written testimony which builds on the information I provided to the entire Senate Appropriations Committee on January 10, 2007. My name is Janell Regimbal. I am writing on behalf of the Healthy Families Advisory Committee of Lutheran Social Services of ND to ask for consideration of legislative support to **amend the Department of Human Services budget to allow for the addition of funds for *Healthy Families,*** a home visiting program for newborns and their parents which ultimately works to prevent child abuse.

North Dakota is fortunate to have a primary prevention program already making a difference in the lives of children. The program offered, that we are urging fiscal support of, is research based and proven effective. All across the country there is a groundswell of interest in the impact these types of prevention efforts can offer. Child maltreatment has significant impact here in North Dakota, not only on children themselves but on taxpayers who continue to have to pay the price after the fact. This is preventable public health and human service problem.

Nationally there is much research to show the impact child maltreatment has not only on the child and family but on society as a whole.

The Adverse Childhood Experiences (ACE) Study is one of the largest investigations ever conducted on the links between childhood maltreatment and later-life health and well-being. A collaboration between the Centers for Disease Control and Prevention and the Kaiser Permanente, the study examined the childhood and health outcomes of more that 17,000 people. The ACE Study has found many short and long-term outcomes of these traumatic experiences including a multitude of adult health and social problems such as:

- Alcoholism and alcohol abuse
- Depression
- Fetal death
- Liver disease
- Risk for intimate partner violence
- Multiple sexual partners
- Health-related quality of life
- Illicit drug use
- Smoking
- Suicide attempts
- Unintended pregnancies

In addition, the ACE Study confirms that abuse and neglect result in many of the same behaviors and outcomes during victims' childhood and adolescence, including:

- Early initiation of smoking
- Sexual activity
- Illicit drug use
- Adolescent pregnancies
- Suicide attempts

Other studies enumerate additional negative outcomes for victims of child maltreatment, including learning problems that require special education services, juvenile and adult criminal behavior, and continuation of family violence (both domestic violence and abuse of their own children) when victims become adults. It is estimated that 20% of state prison inmates were physically or sexually abused as children and 9 out of 10 knew their abuser.

Home visitation programs for families with newborns are especially critical as younger children are at greater risk of maltreatment. Very young children are two to three times as likely to be abused as older children. They are also much more likely to be victims of fatal child abuse, as we here in North Dakota have witnessed all too recently. In North Dakota in the past year there have been four such fatal cases involving infants and toddlers.

As a state leader I urge you to take a closer look at the outcomes experienced with Healthy Families, the primary prevention program that has been in operation in North Dakota since 2000.

Healthy Families reaches out to high-risk parents during pregnancy and immediately after a child is born to offer voluntary home visiting services. Weekly home visits support families' progress in three areas that are critical to preventing child abuse and neglect:

1. teaching parenting skills - which includes skills for bonding with and dealing positively with the child, as well as understanding the child's development and needs;

2. educating on healthy development - including good prenatal practices on the part of the mother and appropriate health care and developmental intervention for the child;
3. Teaching tactics to reduce family stressors - such as job seeking or job training, substance abuse treatment, or assistance with mental health problems or domestic violence.

Healthy Families in Grand Forks has served just over 380 families since its inception in April of 2000.

All parents of newborns in Grand Forks and Nelson counties of ND are currently eligible for the service. Participants receive different levels of services dependent on the challenges they face. Home visitors, referred to as Family Support Workers, go into the home on a weekly basis, focusing on the relationship between the child and parents. The worker brings curriculum that focuses on bonding and attachment, child development, discipline and safety. Most importantly, the staff person develops a trusting relationship with the parents. The parents are willing to listen to their worker regarding raising their children and developing skills for self-sufficiency. The worker also makes referrals to other resources in the community.

Healthy Families has made measurements and outcomes a priority for the program. We believe our outcomes tracked since the beginning of the program speak to the success of the program and the families we serve.

- Preventive health care is a major priority of Healthy Families. Not only does it promote healthy children but also keeps health care costs down. 99% of our babies are on track with their immunizations and 98% of our babies are on track with their well-

baby checks. 100% of families involved in the program have a primary physician identified which helps to assure less use of emergency care services for health concerns.

- With the use of the Ages and Stages tool to assess the child's development, we know that our babies are on track with their development. This helps to assure school readiness for children and lowers the need for special services.
- With the use of the Parent/Child Interaction Tool that assesses parental bonding and attachment, we know that our parents scored on average 38, out of a possible 40. Strong bonding and attachment promotes early brain development and also lowers the chance of a parent abusing a child because they are better able to read a child's cues and therefore meet their needs.
- Most impressive, given that we are working with very highly challenged families, is that **only 7 of the 382 (less than 2%) families we have worked with from the beginning of the program have had services required by Child Protective Services.**

We are often asked how we can prove that we are keeping families out of the child welfare system. We have not had the level of funding needed to do true research utilizing a control group. Our funds have been devoted to service delivery. In response to such inquiries we did a case review, looking at families served from October 2003-January 2005. In doing so we found:

- 39% (30 of 77 open cases) were known to Child Protective Services (CPS) either by the parents' previous involvement or by the grandparent's previous involvement. This leads us to believe that these families would have had a greater propensity to enter the

child welfare system, as so often these issues are generational. Yet, even given this, less than 2% of our families have had services required by Child Protective Services.

- Upon review of all closed cases throughout the duration of the program, 20% of those that refused our services (22 of 111) after assessment have had CPS involvement.

The more stable the home environment, the stronger the foundation on which to raise a child. Healthy Families has been effective in improving mothers' and fathers' lives by facilitating their re-enrollment in school, making referrals for employment and housing, and encouraging them to seek counseling for substance abuse and domestic violence. We have made father involvement a priority as we recognize the importance of having both parents involved in a child's life. In addition, our program helps to delay subsequent pregnancies, making it possible for mothers and fathers to be in a better position to complete school, obtain employment, leave welfare and provide more positive child-rearing environments for their children.

We work to keep parents out of the system by wrapping services around the families. A snapshot of 30 families who have been in the program for at least 2 years finds:

- 67% were single parents, 20% were married and 13% were divorced.
- Over 70% were in the age range of 17-25. Our youngest parent was 14 and the oldest 38.
- Out of the 30 families, only 1 had a subsequent birth while in the program.

- Only 7% (2 of 30) of our participants at the end of two years were on TANF. Self-sufficiency is one of the program's main goals.

Once child abuse and neglect occurs, a child will very likely become involved in a variety of services ranging from special education needs related to the impact trauma often has on a child's ability to learn; to the foster care system when an out of home placement becomes necessary; or further down the road the criminal justice system. A quick review of costs associated with the effects of child abuse and neglect help to show the positive fiscal impact a program like this can and does have:

- Last year in Grand Forks, special education cost $11 million to deliver, an average cost of $7,000 per student. We know children that are abused and neglected often need special services in order to fully participate in the educational system.
- According to the Department of Corrections data, the average length of stay at the ND Youth Correctional Center for treatment purposes is 133 days at a cost of $146.64/day or $19,503/juvenile. A child who is abused or neglected is 59% more likely to be arrested as a juvenile than are other children. 52% of youth under the ND Division of Juvenile Services custody report being abused or neglected based on interviewer ratings using the Compas Assessment.
- Youth in residential child care facilities cost on average $3000/month to care for. The average length of stay tends to be many months, and often youth who have been abused or neglected are involved in multiple placements while growing up.
- Foster care payments are $400/month with an additional 25% in case management staff expenses. Children who are abused and neglected often first find themselves in the foster care system.

While there is certainly a cost to providing home visitation services such as Healthy Families, it will save money in the long run. On average, the cost per family per year to receive services is $3500. Our program currently reaches 50 families per year. When considering the above cost scenarios of special services often needed following abuse and neglect we can see how cost effective prevention can be in the long run, especially given that in many cases the needs of abused and neglected children may persist over time.

To date, our Healthy Families site has been primarily privately funded through foundations, donations and fundraising. We have raised nearly 2 million dollars to offer the service to our families over the past years. We have reached the point where we have now exhausted the foundations known to us and available to fund such objectives in North Dakota. Those that have previously supported the program continue to be impressed with our outcomes but they do not consider the long term funding of programs, but typically see their role as providing seed money to get worthwhile ventures established. They now expect that given our success, that notice should be taken and other avenues of support be in place, such as state funds.

We are requesting $600,000 over the next biennium to help support the efforts a prevention program would bring. We will continue to build on the existing program and replicate it in another region of the state in the second year of the biennium. We will continue to raise funds locally to complete our budget as there is some level of funding available to provide partial support on an on-going basis from donors and organizations such as United Way.

The outcomes we have experienced in the past 6 years lead us to believe that by supporting the Healthy Families program, you will be saving our state money in the long run. A commitment to prevention truly can make a difference in stopping this pattern of intervening after the fact – a step that is being recognized across the country as prudent and whose time has come here in North Dakota.

All young children should be given the opportunity to succeed in school and in life, just as all parents should receive the support they need to nurture their children's development. While vulnerable children may have greater challenges to overcome, we should not assume that those challenges can only be addressed with services later in life. Instead, we should invest in programs where our investment can have the biggest payoff and help prevent problems or delays that become more costly to address as they grow older.

Contact information:

Janell Regimbal, Vice President of Youth Services
Lutheran Social Services of North Dakota
(701)772-7577
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#6

NORTH DAKOTA STATE LEGISLATOR

BISMARCK, ND

RE: HEALTHY FAMILIES

THE TREND TODAY IS TO REDUCE FUNDING FOR SOCIAL PROGRAMS. MY PLEA TO YOU IS AT THE VERY LEAST MAINTAIN WORKABLE FUNDING AND AT BEST INCREASE FUNDING FOR THE PROGRAM, HEALTHY FAMILIES.

MY DAUGHTER BECAME INVOLVED WITH HEALTHY FAMILIES WHEN HER CHILD WAS BORN IN 2000. AS A SINGLE AND NEW MOTHER, THE SUPPORT, SCREENING AND INFORMATION PROVIDED TO HER WAS INVALUABLE. SHE LOOKED FORWARD TO HER MEETINGS WITH JOLAINE KNAIN AND WOULD HAVE A LIST OF QUESTIONS FOR HER. IN SEPTEMBER 2002 SHE HAD ANOTHER CHILD. IN DECEMBER OF THAT YEAR SHE BECAME ADDICTED TO METH AND AS A RESULT WAS IMPRISONED.

AT 50 YEARS OF AGE AND AFTER RAISING 4 CHILDREN OF OUR OWN WE FOUND OURSELVES RAISING A 24 MONTH AND 3 MONTH OLD CHILD. WE WERE DEVASTATED AND IN DESPERATE NEED OF SOMETHING TO GROUND US AND GIVE US DIRECTION. THAT IS WHERE HEALTHY FAMILIES STEPPED IN. WE NEEDED TO HELP THE CHILDREN ADJUST TO THEIR NEW CIRCUMSTANCES AS WELL AS US. JOLAINE CONTINUED TO WORK WITH US, PROVIDED MUCH NEEDED INFORMATION AND SCREENINGS TO MAKE SURE THE KIDS WERE PROGRESSING PHYSICALLY, MENTALLY AND EMOTIONALLY. HER CALMING INFLUENCE GAVE US CONFIDENCE THAT HOW WE WERE INTERACTING WITH THE CHILDREN WAS ON THE RIGHT TRACK. WE FACED A LOT OF UNCERTAINTY AND WERE ABLE TO CALL ON HER WHENEVER ANOTHER SITUATION AROSE. WE WERE ABLE TO CHANGE HOW WE REACTED TO A NEW STAGE OR BEHAVIOR IN THE CHILDREN BETTER BECAUSE OF THE INFORMATION SHE PROVIDED TO US.

THIS SHORT LETTER CAN NOT POSSIBLY EXPRESS HOW INVALUABLE THIS PROGRAM WAS TO US. IN DECEMBER OF 2005 WE COMPLETED 5 YEARS WITH THEM. HEALTHY FAMILIES PROVIDES A PERSONAL SERVICE TO MOTHERS AND FAMILIES NOT PROVIDED ANYWHERE ELSE.

OUR DAUGHTER CAME HOME IN MAY 2006. SHE RECEIVED ALL THE HELP AND HAD PROGRAMS AVAILABLE TO HER THAT ALLOWED HER TO BECOME HEALTHY AND WELL ADJUSTED. THE CHILDREN SHE RETURNED TO ARE HEALTHY, HAPPY AND WELL ADJUSTED. HEALTHY FAMILIES WAS

THE ONLY PROGRAM AVAILABLE TO US AND THE CHILDREN BECAUSE OF FUNDING CUTS, INCOME LIMITS AND A MERIAD OF OTHER RESTRICTIONS. IT IS A PROGRAM THAT SHOULD BE CONSIDERED ESSENTIAL FOR THE WELL BEING OF THE MOTHERS AND CHILDREN IN NORTH DAKOTA AND FOR GRANDPARENTS WHO FIND THEMSELVES IN A SIMILAR SITUATION AS OURS.

THANK YOU.

MARY DAVIDSON.

To Whom It May Concern:

When Altru hospital was telling me about the Healthy Families program I will have to admit I was a little concerned about a strange person coming into my home telling me how to raise my kids. But the lady from the hospital told me how wonderful the program was so I filled out the form they sent it to healthy families and someone called me shortly after I had my baby. From the first day Jolaine came into my home she changed my life forever. My daughter was two when I gave birth to my son. My daughter had colic for the first six and a half very long months. Needless to say I was worried this next baby would have it to, and he did. I was a stay at home mom, shortly after I had my son my husband was injured at work. If I didn't have Jolaine I don't know how I would have made it through the next two years. She helped us get diapers, formula, she directed me to places that could help with bills and food, since workers comp. wouldn't pay and my husband was out of work. She even one time, in between clients, went to the store and got some pedialite for my son when he was sick cause I could not afford any. I could have went and got a job but I was young, I had my GED but no college education so the money I would make wouldn't be near enough. All the food, diapers, and finding us financial help was wonderful, they even got us into a program to help with Christmas, but all of that doesn't even compare to the emotional support she gave me. She gave me confidence as a mother when I was at my wits end with a baby that cried 24 hours a day and 7 days a week, a two year old that just wanted some attention, and a huge stack of bills piling up that I couldn't afford, and a husband that was slowly becoming addicted to pain killers, because the doctors couldn't figure out what was wrong with his knee so they just threw narcotics at him for almost three years. I am not sure how she did it or how I did it, but she gave me the courage and the strength not only to make it through all those tough times, but to better myself in the process. Because of her I went to college like I had always dreamed of, I have an Accounting Clerk Diploma with Microcomputer Applications emphasis, I have a house with a huge yard so my kids can run and play all they want. If it was not for Jolaine I probably would have given up on all my dreams and my marriage, I would be a single mom trying to survive day to day. Jolaine and the Healthy Families program would say they were just doing there jobs, but it was so much more than that and I know that if they could have, they would have done much, much

more. To this day I don't think they realize what they did for my family and they probably never will but that is ok because I do and I can not thank them enough. I have and still would recommend this program to anyone I know and even people I don't know.

Sincerely,
Shannon Chambers

#1

In Support of:

SB 2012 – Appropriation for Healthy Families
Kathy Mayer, Executive Director
Prevent Child Abuse North Dakota

Chairman Fischer and members of this committee, my name is Kathy Mayer and I have been the Executive Director of Prevent Child Abuse North Dakota since 1995.

After many years of research and nation wide pilots, a home visiting program which coached new parents through the early years of their child's life was born in this country right about the time I accepted the position I now hold. The success of Healthy Families America is now the hot topic of a great many legislative assemblies in this country. Forty states now offer this home visitation program in some capacity and all are being supported by state and or federal dollars that have come into the states. Why? Because it is working for our families. There have been significant gains in the areas of healthier children, healthier parents, and decreases in child abuse and neglect as well as some of the adverse conditions that can result from child maltreatment.

I was invited to be part of the initial planning phase in the development of the Healthy Families model in the Grand Forks region several years ago. I continue to act as an advisory member on that committee. This region has done a tremendous job of staying afloat, however they have been unable to reach the number of families they had previously hoped to reach with this program plan.

Today I am here to share with you what I do know about this and similarly structured programs around the country. Home visitation models that are consistently offered for a duration of 3-5 years are effectively decreasing the incidence of child maltreatment in this country. And, we all know what that means; decreased crime, decreased dependence on other social services, more capable adult citizens.

In closing, I would like to pose a hypothetical question to each of you. One in twenty children in North Dakota were reported to have been abused or neglected in 2005. If there was a debilitating disease that was affecting one in 20 of our children in this state, how do you think our public agencies would be responding?

Healthy Families, with appropriate resources will reach many of those families and there could be very different outcomes for many of those children. I urge you to support the appropriation for expanded Healthy Family services in North Dakota. We must get in front of this social issue and support sound preventative services before a child is harmed.

For additional information on Healthy Families, please contact:
Janelle Regimbal or Barb Kramer – 701-746-2064
Kathy Mayer – Bismarck/223-9052

Healthy Families Legislative Testimony
RE: SB 2012
Submitted by: Janell Regimbal, Vice President of Youth Services
Lutheran Social Services of North Dakota

Mr. Chairman and Members of the Appropriations Committee. Thank you for allowing me the opportunity to testify here today. My name is Janell Regimbal. I am here today on behalf of the Healthy Families Advisory Committee of Lutheran Social Services of ND to ask for consideration of legislative support to **amend the Department of Human Services budget to allow for the addition of funds for Healthy Families,** a home visitation program for newborns and their parents, which ultimately works to prevent child abuse.

We have all heard and read stories in the news of children severely injured or even children killed by a parent or caregiver. In Grand Forks in October of 2005, a 10 month old female was suffocated to death. Her father has been charged with her murder. We have also heard of the death of a child in the Wahpeton/Breckenridge area this past October where a 19 month old died from seven to eight severe blows to the side of the head by a fist or blunt object. The mother's boyfriend has been accused in the child's death. And now just this week, the tragic news of a 21 month old Devils Lake toddler, allegedly killed by blunt force trauma, with her teen Mother's boyfriend currently under arrest.

Those cases are among the most extreme of the almost 1,500 children substantiated or indicated as being abused or neglected in our state. As a society and as a state we must come up with tactics to deal with the trauma caused to those unable to protect themselves – our children who can be harmed by those we would trust to take the greatest care with them.

The cost of child maltreatment is borne not only by abused children, but by all of us. Research during the past twenty years demonstrates that an array of human and social problems resist solutions if we do not respond to the urgent need to prevent the abuse and neglect of our children. Young children especially, who are being abused or neglected, often do not come to the attention of our system because they are isolated in the home. They are often not in child care or preschool. Thus much damage may be done to the child before they may come to the attention of someone who can intervene.

Here in North Dakota we have a small project underway that has taken a nationally researched model that has been proven to prevent child abuse and neglect. It has been quietly carrying out its work in the northeast region of the state since 2000. The *Healthy Families* program reaches out to high-risk parents during pregnancy and immediately after a child is born to offer voluntary home visiting services which can continue until a child reaches age 3. Weekly home visits support families' progress in ways that are critical to preventing child abuse and

neglect. The service is provided at no cost to the families. The ultimate goal of *Healthy Families* is to prevent child abuse and neglect and the long-term effects that it causes.

The program has brought together leaders from 15 private and public agencies to carry out the primary prevention mission. Outcomes over the past 6 years have been strong, indicating a call to action for expansion and continued support. Almost 400 families have benefited since the program began in ND. Our current project provides services to fifty families per year. These families have shown positive outcomes such as:

- 99% of children being on track with immunizations and 98% on track with well baby checks as well as 100% having primary physicians identified and utilized, all of which helps to assure healthy children and that less emergency care services are utilized, keeping health care costs in check.
- Babies are on track with their development as assessed by a standardized tool, helping to assure school readiness.
- Through the use of a parent/child interaction tool that assesses bonding and attachment, we know that our participant parents scored a 38 out of a possible 40, indicating strong attachment and bonding which research tells us promotes early brain development and lowers the chances that parents will abuse their children as they are better able to read cues of their children and therefore meet their needs.

- The most impressive out come realized, especially given that we are working with the most highly challenged families, is that only 7 of the 382 families we have worked with from the beginning of the program have had services required by Child Protective Services.

It is because of the outcomes we have experienced here in North Dakota with *Healthy Families* and what research tells us about the importance of the experiences in the first years of life, as well as the what the research on a national level has shown related to newborn home visitation program outcomes, that we are before you today **requesting $600,000 be added to the DHS/CFS budget over the next biennium to help support the efforts of this primary prevention program.**

Although the current program in northeastern North Dakota has served families without the aid of government funding the past six years, the private funding opportunities have been exhausted due to the limited nature of private foundations and corporate foundations available in a state such as ours. We feel the time is right to build on the existing program in northeastern ND and replicate it in another region of the state in the second year of the biennium. We will continue to raise funds locally to complete our budget, but feel our outcomes experienced indicate that this program is worthy of investment.

We all pay for our failure to prevent child abuse. We pay as taxpayers for the high cost of prisons, children in foster care, for increased special education needed for the scars left behind from abuse already experienced. The United States spends billions of dollars a year on direct costs and billions-plus for indirect costs, to treat the numerous consequences of child abuse and maltreatment. The national research shows that primary prevention programs can ultimately save our state millions of dollars.

I thank you on behalf of our group's Advisory Committee for the opportunity to come before you with this request. We stand ready to work with the subcommittee of Human Services and to provide any needed information and support that would be necessary to secure these funds through the Department of Human Services budget.

A commitment to prevention truly can make a difference in stopping this pattern of intervening after the fact – a step that is being recognized across the country as prudent and whose time has come here in North Dakota.

Contact information:

Janell Regimbal, Vice President of Youth Services
Lutheran Social Services of ND
412 Demers Avenue
Grand Forks, ND 58201
(701)772-7577
jregimbal@lssnd.org

HEALTHY FAMILIES PROPOSED BUDGET

	2006-07		2007-08		New Site 2007-2008	
INCOME						
United Way	20,000		20,000			
CDBG	10,000		10,000			
Private Foundations	2,245		8,151		33,784	
Individual Donors	500		1000		500	
Department of Human Services (proposed)	200,000		200,000		200,000	
EXPENSES						
Personnel						
Consultation (Research)	10,000		10,000			
Program Director	36,564		37,661		36,795 Coordinator	
Clerical Support	3,191		3287		2,000	
Family Support Worker (3 FTE)	65,770		67,743		59,280	
Supervision	5,703		5,874		4,800	
Employee Benefits (calculated at 30%)	33,368		34,370		30,862	
In-kind						
Record Screening	17,849		18,384		18,384	
Advisory Committee Time	3,000		3,000		3,000	
Nutritionist (as needed)	1,000		1,030		1,030	
Family Assessment Worker (as needed)	5,000		5,000		5,000	
Total Personnel Related Expenses		181,445		186,349		161,151
Other Expenses						
Occupancy	12,370		12,741		12,000	
Mileage	4,000		4,120		7,000	
Staff Development Training	5,000		5,150		8,720 (Training and HF Core)	
Telephone/Cell phones	1,200		1,236		1,236	
Postage	400		412		400	
Office supplies/Minor equipment	700		721		4,700 (Start up costs)	
Liability Insurance	250		258		250	
Publications and Materials	500		515		1,000	
Subcontract Expense	1000		1030			
Printing & Copying	1075		1108		3,300	
Hotel/Motel/Meals	600		618		1,000	
HFA Membership Affiliation Dues	250		258		258	
Advertising	300		309		1,000	
Total Other Expenses		27,645		28,476		40,864
Agency CAP 0.1298		23,655		24,326		22,663
TOTAL EXPENSES		**$232,745**		**$239,151**		**$224,678**

Total Annual Cost of Child Abuse and Neglect in the United States
DIRECT COSTS
Statistical Justification Data

Direct Costs	Estimated Annual Amount
Hospitalization *Rationale: 565,000 children were reported as suffering serious harm from abuse in 1993[1]. One of the less severe injuries is a broken or fractured bone. Cost of treating a fracture or dislocation of the radius or ulna per incident is $10,983[2].* *Calculation: 565,000 x $10,983*	**$6,205,395,000**
Chronic Health Problems *Rationale: 30% of maltreated children suffer chronic medical problems[3]. The cost of treating a child with asthma per incident in the hospital is $6,410.* *Calculations: .30 x 1,553,800 = 446,140; 446,140 x $6,410*	**$2,987,957,400**
Mental Health Care System *Rationale: 743,200 children were abused in 1993[4]. For purposes of obtaining a conservative estimate, neglected children are not included. One of the costs to the mental health care system is counseling. Estimated cost per family for counseling is $2,860[5]. One in five abused children is estimated to receive these services.* *Calculations: 743,200/5 = 148,640; 148,640 x $2,860*	**$425,110,400**
Child Welfare System *Rationale: The Urban Institute published a paper in 1999 reporting on the results of a study it conducted estimating child welfare costs associated with child abuse and neglect to be $14.4 billion[6].*	**$14,400,000,000**
Law Enforcement *Rationale: The National Institute of Justice estimates the following costs of police services for each of the following interventions: child sexual abuse ($56); physical abuse ($20); emotional abuse ($20) and child educational neglect ($2)[7]. Cross referenced against DHHS statistics on number of each incidents occurring annually[8].* *Calculations: Physical Abuse – 381,700 x $20 = $7,634,000; Sexual Abuse – 217,700 x $56 = $12,191,200; Emotional Abuse –*	**$24,709,800**

204,500 x $20 = $4,090,000; and Educational Neglect – 397,300 x $2 = $794,600

Judicial System **$341,174,702**

Rationale: The Dallas Commission on Children and Youth determined the cost per initiated court action for each case of child maltreatment was $1,372.34[9]. Approximately 16% of child abuse victims have court action taken on their behalf.
Calculations: 1,553,800 cases nationwide[10] x .16 = 248,608 victims with court action;
248,608 x $1,372.34

Total Direct Costs *$24,384,347,302*

Total Annual Cost of Child Abuse and Neglect in the United States
INDIRECT COSTS
Statistical Justification Data

Indirect Costs	Estimated Annual Cost

Special Education **$223,607,830**

Rationale: More than 22% of abused children have a learning disorder requiring special education[11]. Total cost per child for learning disorders is $655 per year.
Calculations: 1,553,80012 x .22 = 341,386; 341,386 x $655

Mental Health and Health Care **$4,627,636,025**

The health care cost per woman related to child abuse and neglect is $8,175,816/163,844=$50[13]. If the costs were similar for men, we could estimate that $50 x 185,105,441[14] adults in the U.S. cost the nation $9,255,272,050. However, the costs for men are likely to be very different and a more conservative estimate would be half of that amount.

Juvenile Delinquency **$8,805,291,372**

Rationale: 26% of children who are abused or neglected become delinquents, compared to 17% of children as a whole[15], for a difference of 9%. Cost per year per child for incarceration is $62,966. Average length of incarceration in Michigan is 15 months[16].
Calculations: 0.09 x 1,553,80017 = 139,842; 139,842 x $62,966 = $8,805,291,372

Indirect Costs	Estimated Annual Cost
Lost Productivity to Society *Rationale: Abused and neglected children grow up to be disproportionately affected by unemployment and underemployment. Lost productivity has been estimated at $656 million to $1.3 billion[18]. Conservative estimate is used.*	$656,000,000
Adult Criminality *Rationale: Violent crime in U.S. costs $426 billion per year[19]. According to the National Institute of Justice, 13% of all violence can be linked to earlier child maltreatment[20].* *Calculations: $426 billion x .13*	$55,380,000,000
Total Indirect Costs	***$69,692,535,227***
TOTAL COST (Direct + Indirect)	**$94,076,882,529**

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[7] Miller, T., Cohen, M. & Wiersema (1996). Victims' Cost and Consequences: A New Look. The National Institute of Justice. Available on-line at www.nij.com.

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[16] Caldwell, R.A. (1992). The Costs of Child Abuse vs. Child Abuse Prevention: Michigan's Experience. Michigan Children's Trust Fund and Michigan State University.

[17] Sedlak, A. & Broadhurst, D. (1996). The Third National Incidence Study of Child Abuse and Neglect: NIS 3. U.S. Department of Health and Human Services.

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Healthy Families America
Helps Ensure That Children are Ready to Learn[1]

Healthy Families America promotes healthy brain development.
Home visitors help new parents provide children with experiences that stimulate healthy brain development. Educating parents about ways to engage their child in play and stimulate their minds is a benefit to both parent and child. Parents develop a strong, nurturing bond and children are more cognitively, emotionally, socially, and behaviorally ready to enter school.

⊙ **Georgia:** Parents in Healthy Families America programs were more likely to have organized their children's home environment to promote optimal development and to provide their children with age appropriate play materials.

⊙ **Oregon:** 76% of higher risk participants read or looked at picture books with their year-old child at least three times a week.

⊙ **Virginia (Galano 1):** Home-visited families provided higher optimal levels of stimulation than families in the control group after both one and two years of participation in the program.

Participating children receive early developmental screenings.
Early identification of developmental delays is an important step in ensuring children get the best start in life. Healthy Families America staff are trained to utilize validated measures to determine if children are progressing at an appropriate pace. When necessary, referrals for educational services are facilitated.

⊙ **Arizona (Davenport):** Ninety-five percent of children were functioning at age-appropriate developmental levels at 48 months of age.

⊙ **Michigan:** Total child development scores were significantly better in the home-visited group than the control group.

⊙ **New York:** Ninety-nine point five percent of the sample received developmental screening and 92% of the participating children fell within the normal range of development. For children whose development was assessed as deviating from the norm, 95% were referred for services.

⊙ **Oregon:** Among higher risk families in the program, age-appropriate development is evident in 89% of children. Of those children who fall outside the normal development range, 93% received services.

[1] This report highlights findings from 18 studies conducted in 11 states over the past decade. The study designs range from pre-post analysis to statewide comparison and randomized trials.

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Healthy Families Legislative Testimony
RE: SB 2012
Submitted by: Janell Regimbal,
Vice President of Youth Services
Lutheran Social Services of North Dakota

Mr. Chairman and Members of the House Human Resources Division, thank you for allowing me the opportunity to testify here today. My name is Janell Regimbal and I am here today on behalf of the Healthy Families Advisory Committee of Lutheran Social Services of ND, a collaborative of fifteen public and private organizations that have come together to prevent child abuse.

Our group introduced earlier, to the Senate, a request for an amendment to SB 2012 to allow for the addition of $600,000 in funds in the Department of Human Services budget for the Healthy Families program, a home visitation program for newborns and their parents, which ultimately works to prevent child abuse. The Senate did include funds for our program at the level of $300,000. I am here today to tell you of the merits of restoring the funds back to the requested level of $600,000. (See Addendum A for Healthy Families Budget.)

We have all heard and read stories in the news of North Dakota children severely injured or even children killed by a parent or caregiver. In Grand Forks in October of 2005, a 10 month old female was suffocated to death. Her father has been charged with her murder. We have also heard of the death of a child in the Wahpeton/Breckenridge area this past October where a 19 month old died from seven to eight severe blows to the side of the head by a fist or blunt object. The mother's boyfriend has been accused in the child's death. And now just this past month, the tragic

news of a 21 month old Devils Lake toddler, allegedly killed by blunt force trauma, with her teen Mother's boyfriend currently under arrest.

Those cases are among the most extreme of the almost 1,500 children substantiated or indicated as being abused or neglected in our state. As a society and as a state we must come up with tactics to deal with the trauma caused to those unable to protect themselves – our children who can be harmed by those we would trust to take the greatest care with them.

The cost of child maltreatment is borne not only by abused children, but by all of us. Research during the past twenty years demonstrates that an array of human and social problems resist solutions if we do not respond to the urgent need to prevent the abuse and neglect of our children. (See Addendum B for findings of the Adverse Childhood Experiences Study.) Young children especially, who are being abused or neglected, often do not come to the attention of our system because they are isolated in the home. They are often not in child care or preschool. Thus much damage may be done to the child before they may come to the attention of someone who can intervene.

Here in North Dakota we have a small project underway that has taken a nationally researched model (See Addendum C for Healthy Families America Fact Sheets) that has been proven to prevent child abuse and neglect. It has been quietly carrying out its work in the northeast region of the state since 2000. The *Healthy Families* program reaches out to high-risk parents during pregnancy and immediately after a child is born to offer voluntary home visiting services which can continue until a child reaches age 3. Weekly home visits support families' progress in ways that are critical to preventing child abuse and neglect. The service is provided

at no cost to the families. The ultimate goal of *Healthy Families* is to prevent child abuse and neglect and the long-term effects that it causes.

The program has brought together leaders from 15 private and public agencies (See Addendum D for listing of founding members) to carry out the primary prevention mission. Outcomes over the past 6 years have been strong, indicating a call to action for expansion and continued support. Almost 400 families have benefited since the program began in ND. Our current project provides services to fifty families per year. These families have shown positive outcomes such as:

- 99% of children being on track with immunizations and 98% on track with well baby checks as well as 100% having primary physicians identified and utilized, all of which helps to assure healthy children and that less emergency care services are utilized, keeping health care costs in check.
- Babies are on track with their development as assessed by a standardized tool, helping to assure school readiness.
- Through the use of a parent/child interaction tool that assesses bonding and attachment, we know that our participant parents scored a 38 out of a possible 40, indicating strong attachment and bonding which research tells us promotes early brain development and lowers the chances that parents will abuse their children as they are better able to read cues of their children and therefore meet their needs.
- The most impressive outcome realized, especially given that we are working with the most highly challenged families, is that only 7 of the 382 families we have worked with from the beginning of the program have had services required by Child Protective Services. In contrast, 20% of

those that have refused our services following assessment (22 of 111) have gone on to have CPS involvement.
(See Addendum E for specific information related to the program's impact.)

It is because of the outcomes we have experienced in northeastern North Dakota with *Healthy Families*, what research tells us about the importance of the experiences in the first years of life, as well as the what the research on a national level has shown related to newborn home visitation program outcomes, that we are before you today **requesting that the full $600,000 originally requested be added to the DHS/CFS budget over the next biennium to help support the efforts of this primary prevention program.**

It should be noted that although the current program in northeastern North Dakota has served families without the aid of government funding the past six years, the private funding opportunities have been exhausted due to the limited nature of private foundations and corporate foundations available in a state such as ours. Such organizations feel their dollars are best used as "seed money" and once a program such as ours is established and able to prove itself through strong outcomes that others should step forward.

We feel the time is right to build on the existing program in northeastern ND and replicate it in another region of the state in the second year of the biennium. We will continue to raise funds locally to complete our budget, but feel our outcomes experienced indicate that this program is worthy of investment.

We all pay for our failure to prevent child abuse. (See Addendum F for Positive Fiscal Implications of Healthy Families.) We pay as taxpayers for the high cost of prisons, children in foster care, for increased special education needed for the scars left behind from abuse already experienced. The United States spends billions of dollars a year on direct costs and billions-plus for indirect costs, to treat the numerous consequences of child abuse and maltreatment. The national research shows that primary prevention programs can ultimately save our state millions of dollars.

I thank you on behalf of our group's Advisory Committee for the opportunity to come before you with this request. We stand ready to provide any additional information you may request.

A commitment to prevention truly can make a difference in stopping this pattern of intervening after the fact. North Dakota is fortunate to have a primary prevention program already making a difference in the lives of children. Child maltreatment has a significant impact in our state, not only on the children themselves but on taxpayers who continue to have to pay the price to pick up the pieces after the fact. This is a preventable public health and human service problem. You have the opportunity before you to continue to have a positive impact and to expand the possibilities as well. This is a step that is being taken all across the country and that is seen as prudent. Its time has come here in North Dakota as well.

Contact information:

Janell Regimbal, Vice President of Youth Services
Lutheran Social Services of ND

Healthy Families Program
Addendum Directory

Addendum

A	Healthy Families Proposed Budget		
B	Adverse Childhood Experience Study Findings		
C	Healthy Families America Fact Sheets		
	C-1	Pgs. 1-2	Ensuring Child Development
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Adverse Childhood Experience Study Findings

- Adverse Childhood Experiences (ACE) Study is one of the largest investigations ever conducted on the links between childhood maltreatment and later-life health and well-being
- Conducted by the Centers for Disease Control and Prevention and the Kaiser Permanente in April 2003 and examined the childhood and health outcomes of more than 17,000 people
- Many short and long-term outcomes of these traumatic experiences were found including a multitude of adult health and social problems such as:
    - Alcoholism and alcohol abuse
    - Depression
    - Fetal death
    - Liver disease
    - Risk for intimate partner violence
    - Multiple sexual partners
    - Health-related quality of life
    - Illicit drug use
    - Smoking
    - Suicide attempts
    - Unintended pregnancies
- Study also confirms that abuse and neglect result in many of the same behaviors and outcomes during victims' childhood and adolescence, including:
    - Early initiation of smoking
    - Sexual activity and adolescent pregnancies
    - Illicit drug use
    - Suicide attempts

Healthy Families America Helps Ensure Healthy Child Development[1]

Families are healthier, better insured, and use medical services more appropriately.
Research shows that families enrolled in Healthy Families America are healthier and use medical services more appropriately than comparable members of the general population. Among reported findings in this area, 94% to 100% of participating children and 86% to 96% of parents were linked to a primary medical provider.

Health care utilization and insurance

⊙ **Iowa:** Only 11 participating families (1.3%) reported having no health care coverage. This compares to Iowa's average uninsured rate of 17%. Of the 633 families who received program services, 84% utilized Medicaid.

⊙ **Maryland (Klagholz):** Ninety-six percent of participating mothers and 100% of babies had a medical home.

⊙ **New York:** Seventy-five percent of children participating in the program received the recommended number of well-baby visits by 15 months compared to 46% of children enrolled in New York State Medicaid managed care plans. In New York City, 78% of participating children had five to six visits vs. 36% of the Medicaid population.

Emergency room usage

⊙ **Michigan:** Emergency room use among the control group and the short-term intervention group was 42% and 21% respectively. Among program participants, emergency use was much lower (6.2%).

⊙ **Virginia (Galano 1):** Over a three-year period, home-visited families made fewer visits to the emergency room per year than families in the control group.

Healthy Families America families have higher immunization rates.
Of the 13 studies measuring this outcome, immunization rates ranged from a low of 73% to a high of 100% (only three programs reported rates below 90%). Studies that included comparison data found immunization rates among program participants to be consistently higher than rates among comparison groups. Because Healthy Families America programs typically serve low-income families with multiple challenges, the program's ability to motivate parents to access timely well-baby care is impressive.

⊙ **Florida (Nelson):** Ninety-nine percent (272 of 276) of target children were compliant with recommended immunization schedules by age two.

⊙ **Georgia:** At one year of age, 98% of the children in the intervention group receiving home visitation services were completely up-to-date on their immunizations. The statewide immunization rate is about 80%.

⊙ **Michigan:** Ninety-nine percent of the participating children were current on immunizations compared to 72% of the children in the control group.

⊙ **New York:** Immunizations were up-to-date at twelve months of age for 96% of the home-visited children compared to 80% of children statewide.

⊙ **Oregon:** Ninety-seven percent of children in higher risk families receiving intensive services for 24 months or more were appropriately immunized.

-over-

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Healthy Families America mothers are more likely to seek prenatal care.
Women enrolled in Healthy Families America during the prenatal period experienced fewer birth complications, delivered a greater number of full-term babies, and had fewer low birth weight babies than individuals who did not receive prenatal home visiting services.

- **New Jersey:** Premature infants of prenatally enrolled mothers had higher mean birth weights than those of postnatal enrollees (6.3 lbs vs. 5.3 lbs.).

- **Oregon:** Sixty-eight percent of mothers received early, comprehensive prenatal care during their first pregnancy before entering the program. In contrast, while enrolled in the program, 88% received adequate prenatal care for their second pregnancies.

- **Virginia (Galano I):** Only 18% of participating mothers had infants born with one or more birth complication compared with 40% of control group mothers. Overall, 85% of participating mothers had no pregnancy risk factors compared with about 50% of control group moms.

[1] This report highlights findings from 18 studies conducted in 11 states over the past decade. The study designs range from pre-post analysis to statewide comparison and randomized trials.

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Healthy Families America Helps Families Promotes Self-Sufficiency[1]

Healthy Families America promotes self-sufficiency.

Prevention activities help families succeed at home, in school and at work. Healthy Families America has been effective in improving mothers' lives by facilitating their re-enrollment in school, making referrals for employment and housing, encouraging them to find counseling for substance abuse and domestic violence, and helping them strategize about ways to decrease stress in their lives.

⊙ **Arizona (Holtzapple):** Healthy Families America participants spent 121 fewer days on Aid to Families with Dependent Children (AFDC), 200 fewer days on Food Stamps, and 73 fewer days on Medicaid than a comparison group who qualified for but were not enrolled in Healthy Families America services (this study was begun prior to 1996 welfare reform changes).

⊙ **Arizona (LeCroy):** Seventeen percent of participants were employed at the beginning of services compared to 31% at six months and 40% at 12 months.

⊙ **Florida (Nelson):** During the reporting year, 35% of families ended their dependence on public assistance, 19% obtained a GED/job training, 64% obtained employment and 41% obtained better housing.

⊙ **Iowa:** Thirty-five percent of participating Healthy Families America families ended their dependence on public assistance. Of those families participating in Iowa's program for at least six months, 63.4% reported improved or resolved issues concerning their living situation, and 69% reported improved or resolved issues concerning domestic violence.

⊙ **Maryland (Klagholz):** At the end of year four, 88% of mothers had positive employment/educational status.

⊙ **New Jersey:** Mothers employment rates increased from 10% to 34% between program intake and 12 months.

⊙ **New York:** Program participants assessed life course indicators between intake and 12 months. In this time, social isolation fell from 36% to 30%, relationship difficulties fell from 52% to 44%, and domestic violence fell from 25% to 14%. Housing problems declined from 35% to 19%, substance abuse fell from 14% to 4%, and alcohol abuse fell from 11% to 3%. In addition, 87% of participants said problem-solving skills improved, and 84% said their program helped them improve their ability to access needed services and improve the future planning skills. Fifty-five percent said they learned a lot about how to manage their lives on a day-to-day basis.

Healthy Families America helps reduce subsequent pregnancies.

Delaying subsequent pregnancies by at least 18 months can improve the health of expectant mothers and their children considerably. Mothers who are successful in delaying subsequent pregnancies are generally in a better position to complete school, obtain employment, leave welfare and provide more positive child-rearing environments for their children.

⊙ **Florida (Williams):** Ninety-five percent of mothers enrolled in Healthy Families Florida did not have a subsequent pregnancy within two years of the target child's birth (the goal was 85%).

⊙ **Maryland (Klagholz):** One hundred percent of teen mothers and 94% of adult mothers did not have a repeat birth.

⊙ **Virginia (Galano I):** The repeat teen birth rate was substantially lower among participating families (9.4%) compared to the citywide rate of 35.8% and statewide rate of 29.8%.

[1] This report highlights findings from 18 studies conducted in 11 states over the past decade. The study designs range from pre-post analysis to statewide comparison and randomized trials.

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Healthy Families America Promotes Positive Parenting[1]

Healthy Families America promotes positive parenting by educating parents about ways to interact with their child, helping them understand their child's capabilities at each developmental stage, identifying and shaping their attitudes towards parenting, and teaching them positive forms of discipline. Home visitors help parents recognize the importance of building a strong parent-child relationship and help them develop skills to increase their sensitivity, responsiveness and nurturing capabilities towards their children.

⊙ **Arizona (LeCroy):** Improved scores were noted on six out of seven scales of the Parenting Stress Index: competence, attachment, feelings of restricted role, depression, social isolation and positive mood at six and twelve months post-enrollment.

⊙ **Florida (Nelson):** Families' average scores at a six month post-participation interview were not statistically different than their scores on the exit interview, indicating that the parental knowledge and skills developed or enhanced through participation in the program were retained six months later.

⊙ **Georgia:** Enrolled parents have more appropriate expectations of their children and are more empathetically aware of their children's needs than comparison families.

⊙ **Maryland (Klagholz):** At enrollment, 86% of parents had passing scores on the Knowledge of Infant Development, a widely used assessment tool. After six months of participation, that rate had increased to 94%.

⊙ **New Jersey:** A statistically significant difference was found in the scores related to the risk characteristics that contribute to parental stress. Scores decreased from 2.22 at enrollment to 1.88 at 12 months.

⊙ **New York:** Eighty-five percent of participants said their patience with their child had improved and they were better at dealing with their child's difficult behavior because of the home visiting program. Participants indicated an increase in knowledge about caring for their children. Seventy-eight percent learned about child growth and development, 73% about home safety, 73% about proper health care for their baby and 65% about feeding their baby.

⊙ **Virginia (Galano 1):** Compared to their scores at the initial assessment, mothers participating in the program had higher scores in the areas of parent-child interaction, bonding, communication and care-giving after two years of participation, while the scores of mothers in the control group decreased during the same time period.

[1] This report highlights findings from 18 studies conducted in 11 states over the past decade. The study designs range from pre-post analysis to statewide comparison and randomized trials.

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Healthy Families America Reduces Child Maltreatment[1]

Healthy Families America reduces child abuse and neglect and helps keep families together. Innumerable scientific studies have documented the link between the abuse and neglect of children and a wide range of medical, emotional, psychological and behavioral disorders. For example, abused and neglected children are more likely to suffer from depression, alcoholism, drug abuse and severe obesity. By reducing the risk factors that lead to abuse, Healthy Families America programs are reducing the incidence of abuse.

⊙ **Arizona (Davenport):** Only 3.3% of program participants versus 8.5% of comparison group members had substantiated reports of abuse.

⊙ **Florida (Edwards):** Ninety-nine percent of participants in Healthy Families Jacksonville had no reports of child maltreatment for the 12 months following the target child's birth. The goal was 95%.

⊙ **Florida (Nelson):** In FY 00-01, the maltreatment rate among program participants was 14 out of 875 (1.6%) cases. Maltreatment estimates for Pinellas County during that same time period were 4.9%.

⊙ **Florida (Williams):** Ninety-eight percent of children had no verified indication of child maltreatment within 18 months following successful program completion.

⊙ **Georgia:** Scores on the Child Abuse Inventory, an assessment tool, indicate program parents were significantly less at risk for abuse than parents who did not receive services.

⊙ **Hawaii (Breakey):** Of 1,738 high-risk children served, four children (0.2%) were hospitalized for maltreatment. Among 2,728 families who screened positive but were not served by the program, 38 children (1.4%) were hospitalized for maltreatment, a rate 5.89 times the rate for those served by the program.

⊙ **Hawaii (McCurdy):** Families receiving program services had significantly fewer substantiated cases of abuse or neglect (3.3%) compared to 6.8% from the control group. Between enrollment and 12 months of participation, there was also a significant reduction in scores that measure parental child abuse potential.

⊙ **Iowa:** With 826 families on the caseload in FY '00, 775 (93.8%) had no reports for child maltreatment.

⊙ **Maryland (Klagholz):** Healthy Families Maryland has only had a total of two indicated reports (both for neglect) out of 254 families served in its four years of program operation (.008 or 8 per 1,000 children).

⊙ **New Jersey:** From 1996-99 only 45 of 1,331 (3.4%) Healthy Families New Jersey families had substantiated reports of abuse or neglect. Having 96.6% of families free of child abuse and neglect exceeds the goal of 85%.

⊙ **Oregon:** The 1999 incidence rate of child abuse was lower for participating families (13 per 1,000 children age 0-2) than for non-served families in the same counties (25 per 1,000 age 0-2).

⊙ **Virginia (Galano 2):** All programs equaled or excelled the statewide goal of having no child abuse or neglect reports for 95% of families who received services for at least 12 months.

⊙ **Virginia (Barrett):** From October 1993 to March 1997 only 2% of participating children had a substantiated report of child maltreatment (and all were for neglect).

[1] This report highlights findings from 18 studies conducted in 11 states over the past decade. The study designs range from pre-post analysis to statewide comparison and randomized trials.

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Healthy Families Region IV Advisory Committee
Collaborating Agencies & Agency Representatives

- ***Altru Health System***
  Diane Shervold, Family Birthing Center Manager
  Renee Axtman, Administrative Director of the Primary Care Division
  Margaret Reed, Administrative Director of Surgical Services Team

- **Community Foundation of Grand Forks, East Grand Forks and Region**
  Sheila Bruhn, Executive Director

- ***Community Violence Intervention Center***
  Kristi Hall-Jiran, Executive Director

- ***Family Advocacy Center, Grand Forks Air Force Base***
  Karen Greyeyes, Family Advocacy Outreach Manager

- ***Grand Forks County Social Service Center***
  Keith Berger, Director of Grand Forks County Social Services
  Shari Fiedler, Supervisor of the Child Protection Department

- ***Grand Forks Public Health Department***
  Debbie Swanson, Nursing Supervisor
  Terri Keehr, Registered Nurse

- ***Lutheran Social Services of North Dakota***
  Janell Regimbal, Vice President of Youth Services

- ***Nelson County Social Services***
  Marcia Beglau, Director

- ***North Dakota KIDS COUNT!***

- ***NDSU Extension Service***
  Margaret Tweten, District Director
  Donna Bernhardt, Nutritionist

- ***Northeast Human Service Center***
  Kate Kenna, Regional Director

- ***Pembina County Social Services***
  Jill Denault, Director

- ***Prevent Child Abuse North Dakota***
  Kathy Mayer, Executive Director

- ***Valley Health and WIC***
  Elsie Grossman, Executive Director

- ***Walsh County Social Service Center***
  Twila Novak, Director

- ***Consumer of Services Representative***
  Amy Brooks

Impact of the Healthy Families Program

Support the inclusion of additional dollars in the Department of Human Services budget, (SB 2012) to allow $600,000 for the Healthy Families Program. Currently the level of support included by the Senate lists funding at $300,000.

Healthy Families:

- Prevents child abuse and neglect and its long-term effects as evidenced by **only 7 of the 386 (less than 2%) families we have worked with have had services required by Child Protective Services even though our target group are highly challenged families;** whereas upon review of all closed cases throughout the duration of the program, **20% of those that refused our services (22 of 111) after assessment, have gone on to have CPS involvement.**
- is a *voluntary* home visitation program
- Begins services prenatally or at the time of birth until age 3.
- Takes a preventive health care approach that keeps health care costs down.
    - Helps assure healthy children, as 99% of our babies are on track with immunizations and 98% with well baby checks.
    - 100% of families involved have a primary physician identified, leading to less use of emergency care.
- Promotes early brain development through strong parent/child bonding and attachment, also lowering the chance of a parent abusing a child because they are better able to read a child's cues and therefore meet their needs. Participants scored on average 38, out of a possible 40 on Parent/Child Interaction Tool. This measurement is an indicator of school readiness for children and lowers the need for special services, through careful on-going assessment of the child's development.
- Self-sufficiency is a main goal achieved.

A **snapshot of 30 families** who have been in the program for at least 2 years finds:

- 67% were single, 20% were married and 13% were divorced.
- Over 70% were ages 17-25, with the youngest parent 14.
- Only 1 of 30 had a subsequent birth while in the program.
- Only 7% (2 of 30) of participants at the end of two years were on TANF.
- The service is provided at no cost to the families.
- More than 385 families have been served since April of 2000.

Positive Fiscal Implications of Healthy Families Program

Once child abuse and neglect occurs, a child will very likely become involved in a variety of services ranging from special education needs related to the impact trauma often has on a child's ability to learn; to the foster care system when an out of home placement becomes necessary; or perhaps further down the road, the criminal justice system. A quick review of costs associated with the effects of child abuse and neglect help to show the positive fiscal impact a program like this can and does have:

- Last year in Grand Forks, special education cost $11 million to deliver, an average cost of $7,000 per student. Children that are abused and neglected often need special services in order to fully participate in the educational system.
- Department of Corrections data shows the average length of stay at the ND Youth Correctional Center for treatment purposes is 133 days at a cost of $146.64/day or $19,503/juvenile. A child who is abused or neglected is 59% more likely to be arrested as a juvenile than are other children. 52% of youth under the ND Division of Juvenile Services' custody report being abused or neglected based on interviewer ratings using the Compas Assessment. Nationally it is estimated that 20% of state prison inmates were physically or sexually abused as children and 9 out of 10 knew their abuser.
- Youth in ND residential child care facilities cost on average $3000/month to care for, with the average length of stay many months. Youth who have been abused or neglected are often involved in multiple placements while growing up.

- Foster care payments are $400/month with an additional 25% in case management staff expenses. Children who are abused and neglected often first find themselves in the foster care system.

While there is certainly a cost to providing home visitation services such as Healthy Families, it will save money in the long run. On average, the cost per family per year to receive services is $3500. Our program currently reaches 50 families per year. When considering the above cost scenarios of special services often needed following abuse and neglect we can see how cost effective prevention can be in the long run, especially given that in many cases the needs of abused and neglected children may persist over time.

Testimony
SB 2012 – Department of Human Services
Senate Appropriations
January 17, 2007

Chairman Fischer and members of the subcommittee, Good afternoon. My name is Roxane Romanick and I live in Bismarck, ND. I am here today to ask you to consider several issues related to the Department of Human Services budget.

I am the parent of a seven year old little girl with Down Syndrome. Although I'm here as a parent and a private citizen today, I cannot ignore the additional hats that I wear, which allow me access to information regarding the human service budget and feel it's important to acknowledge them as well. I am currently a governor-appointed member and the interim chairperson of the North Dakota Interagency Coordinating Committee and also work, both professionally and as a volunteer in a capacity to support parents who have young children with developmental delays. Through my work and as Elizabeth's mom, I have had the opportunity to become friends with other parents of children with special needs in our state. I consider these individuals to also be parent leaders in the field who want to insure that we provide the best quality supports that we can.

I have attempted to the best of my ability to examine the Governor's budget and how it supports the programs that have been important in our lives and the families that I know. I am genuinely pleased to see the growth in the Developmental Disability programs, but would like to point out a few issues.

In-home supports and Family Subsidy:
These two programs are critically important to families in supporting their children with special needs however families are often faced with having to wait for funding or having less funding or service than they need. We were lucky as a family to have had access to help right away with excess medical needs during Elizabeth's first year of life, but I have been in situations where funding is needed and families have been told they are on a waiting list. This is especially true for in-home supports. Two weeks ago, I knew 15 families that were waiting for in-home supports. Some of those families had been waiting for at least two years. Two weeks ago, funding was made available for all of those families to get in-home supports. If additional funding for in-home supports would assist making sure that families get these supports when they are most crucially needed, then that's the right answer.

The request for you to consider the increase in provider rates that were presented as an OAR would be helpful to insure that providers can recruit and hire people to directly provide in-home supports. Families who have an in-home support contract often report that while they have funding, they cannot use it because they can't find a suitable person to stay and work with their child. An increase in overall funding besides the rate increase for In-home supports would assist the Department to be able to meet families' needs when families need it.

DME Reimbursement for diapers: Because of the quality of diaper that the current Medicaid reimbursement rate ($.58) will buy, families are paying out of pocket to purchase diapers that fit their child and accommodate for the active lifestyles that

children have. Most medical providers are not accepting Medicaid as a reimbursement for diapers and those that do provide a sub-standard product. Families are also not able to utilize the Family Subsidy program to help with this expense because technically diapers are covered by Medicaid – a double whammy. Reimbursement at a higher rate ($1.08 in Minnesota) would help with this problem.

Infant Development: Families in Infant Development rarely complain because they don't want to rock the boat and often they are just learning what supports and services their child needs, so if a family is told that for example, occupational therapy consults or physical therapy consults are not available, then they usually just go "Oh well, that's how it is supposed to be". We've only had one formal complaint in North Dakota in Infant Development. There are many good things going on in providing supports for infants and toddlers with special needs, but also families don't know when to question what they are being told and also don't want to mess with the good stuff that they have going. I don't know if the funding that is proposed in the Governor's budget is adequate. The funding difference between the 2005-07 budget and the proposed 2007-09 budget looks great - $6,000,000 increase, but the 2007-09 amount includes the transfer of 4 Infant Development programs (Jamestown, Grand Forks, Fargo, and Williston) out of the Human Service Center budget and into the grants budget, as I understand it so I'm unsure how much growth is built in or whether or not it's adequate.

As a strong proponent of Infant Development (I can tell you many stories about how I feel it impacted our family and daughter), I want to insure quality. Quality in Infant Development means that we are able to recruit and maintain professional staff (i.e. physical therapist, occupational therapist, early childhood special educators, speech and language pathologists) that have skills in child development, family dynamics, adult learning styles, assistive and adaptive programming, and family and community systems. This is not a job for a new graduate with little experience and the job requires a different set of skills for a professional than if they worked in a clinic, hospital setting, or a school. The professionals who staff Infant Development must accommodate their schedules to meet with families in the natural environment, so that means non-traditional working hours and travel in our rural parts of the state. They are also required to be more accountable due to regulations from the federal departments that provide funding streams.

A deterioration of quality occurs when programs receive money in an erratic manner. This fall the program I work for had to lay off staff because the budget we received was significantly lower than we had submitted and now we're looking to hire again. However depending on the time of year, staff may only be able to be contracted with because there isn't a guarantee that the next fiscal year contract will support their salary. Most individuals are not willing to take a job without some sort of guarantee making it more difficulty to recruit. There are significantly different unit rates from program to program as well as salary differences. This could mean that what's available in one region is not available in another even though the federal law is clear about what services need to be available.

How does this affect families? They may start with one Infant Development staff and then be subject to a change in staff when staff are downsized or added. They may not have the specialty staff available to them for needed consultations and then they may decide to go without or may they decide to get them privately, which may mean they

have to drive many miles and incur expenses that should be covered under Infant Development. They may have inexperienced staff due to the difficulty in recruiting and hiring and this staff may not have access to available consultations or supervision to adequately do their job. The information that is provided to families during the birth to three years is critically important especially in cases where children have special needs.

Infant Development and other Early Intervention services are the first responders in our state for families that have children with special needs. They set the tone for how working with a system that delivers services and supports operates. Because Infant Development is focused on functional outcomes and adaptations to participate in the natural environment, it is critical that staff are capable of having discussions with parents about what works for them and what doesn't work for them, following their gut and doing what's right for their child, making sure that their child's abilities are more prominent than their disability, trying out new experiences instead of limiting them, bringing experiences to the child if the child is not able to access the experience in a typical way.

Is additional funding needed to address the issues that I've raised? When I consider what the job requires, I don't think it is and I don't think we've paid enough attention what quality requires. Adequately funded programs that are responsive to the need are what it will take to insure quality. I also know that the efforts we make to support children in the families, homes, and communities are the best ways to spend our money.

Thank you for your time.

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"More alike than different"

S.B. 2012

House Appropriations

Human Resources Subcommittee

02/28/07

Chairman Pollard and members of the committee. My name is Mike Ahmann, I am the Executive Director of the Bismarck Early Childhood Education Program (BECEP). I am here to speak on behalf of the North Dakota Part C (Infant Development) program. BECEP provides infant development services to children and their families from birth to age 3 in Region VII. BECEP was the 1st program to provide this service in the mid 70's through a federal demonstration grant.

I am speaking on behalf of the Regional Coordinators and I am asking you to amend SB 2012 for the DD grants budget to provide an equitable minimum rate of $20.00 to local providers of infant development services for all regions of the state. The current administrative code for rate determination negatively impacts the rate for those providers who have provided these services for the longest period of time. If you look at the attached chart, you can see the current rate to the infant development programs across the 8 regions in North Dakota. These rates are considerably lower than the cost for these services when they were provided through Human Service Centers (Regions 1,4,5,6) as recently as 2 years ago. We have been informed by the Department of Human Services that in order to receive equity relief it would require an amendment to SB 2012.

With the current rate, I am unable to employ enough staff to maintain a staff caseload of 11 families which is required by regulation (we are currently

averaging approximately 20 per caseload). Not only am I under staffed, but I currently pay these staff from 12% to 25% less than I pay the same type of professionals once these children turn age 3 & are served through my public school program.

All regions provide the same type of service to children and families for children from birth to age 3 who qualify for infant development as defined by part C of the Individuals with Disabilities Education Act (IDEA). These services are provided by professional staff such as Speech Pathologists, Occupational & Physical Therapists and Early Childhood Educators. Services are provided in the home using a transdisciplinary model, which includes coaching for families. The number of children receiving services has grown from 298 in 1998 to 724 currently served.

Thank you for your continued funding of infant development programs. Using the home and community based Medicaid waiver since January 2002, our state has matched federal Medicaid dollars. The research continues to support that early intervening services for children with disabilities has a far-reaching impact on their ability to succeed later in school based programs. I ask for your support of increased funding for the DD grants budget to allow for equitable funding for all regional providers.

If you have any questions, I would be happy to answer them.

INFANT DEVELOPMENT PROGRAMS

Providers by Region	# Children Enrolled 2/15/07	Rate
BECEP – Region 7	184	$14.78
KIDS – Region 8	65	$17.23
MINOT STATE UNIVERSITY (MINOT) – Region 2	70	$18.97
MINOT STATE UNIVERSITY (WILLISTON) – Region 1	34	$25.51
LAKE REGION KIDS (PEACE GARDEN CONSORTIUM) – Region 3	45	$18.98
KIDS KARTEL (PEACE GARDEN CONSORTIUM) – Region 4	116	$20.77
KIDS KARTEL (PEACE GARDEN CONSORTIUM) – Region 5	152	$20.77
KIDS KARTEL (PEACE GARDEN CONSORTIUM) – Region 6	58	$20.77

Testimony
SB 2012 – Department of Human Services
House Appropriations – Human Resources Subcommittee
February 28, 2007

Chairman Pollert and members of the subcommittee:

Hello, my name is Roxane Romanick and I live in Bismarck, ND – District 35. Again I am here representing myself and my concerns about the DD grants budget line item of Infant Development.

Our family benefited greatly from the services through the Disability Services Division. Through Infant Development, we worked through Elizabeth's low muscle tone to get her walking. She was introduced to sign language, which she eventually dropped to exchange for words like "patience". Our home visitor talked with us about the importance of reading for all children, no matter what disability, and today she's reading beginning books in the first grade. I know firsthand how critically important these supports are in days when you're not sure what you're going to do.

You may not know very much about Infant Development. It could be that it's been over 20 years that someone brought an issue relating to Infant Development to this legislative body. Many states have experienced cuts in this program in response to shrinking state budgets, but you have remained steadfast in insuring funding and for that I thank you. I can't but help refer to my "depreciating property" analogy and you'll probably give a sigh of relief when I'm gone, but you've got another example sitting in front of you. We have made do in Infant Development for a long time but now it's time to consider repairs.

Families in Infant Development rarely complain because they don't want to rock the boat and often they are just learning what supports and services their child needs, so if a family is told that for example, occupational therapy consults or physical therapy consults are not available, then they usually just go "Oh well, that's how it is supposed to be". We've only had one formal complaint in North Dakota in Infant Development. There are many good things going on in providing supports for infants and toddlers with special needs, but also families don't know when to question what they are being told and also don't want to mess with the good stuff that they have going. I would contend that the funding in the Governor's budget is inadequate. The funding difference between the 2005-07 budget and the proposed 2007-09 budget looks great - $6,000,000 increase, but please note that the 2007-09 amount includes the transfer of 4 Infant Development programs (Jamestown, Grand Forks, Fargo, and Williston) out of the Human Service Center budget and into the grants budget.

As a strong proponent of Infant Development (I can tell you many stories about how I feel it impacted our family and daughter), I want to insure quality. Quality in Infant Development means that we are able to recruit and maintain professional staff (i.e. physical therapist, occupational therapist, early childhood special educators, speech and language pathologists) that have skills in child development, family dynamics, adult learning styles, assistive and adaptive programming, and family and community systems. This is not a job for a new graduate with little experience and the job requires a different set of skills for a professional than if they worked in a clinic, hospital setting, or a school. The professionals who staff Infant Development must accommodate their schedules to meet with families in the natural environment, so that means non-traditional working hours and travel in our rural parts of the state. They are also required to be more accountable due to regulations from the federal departments that provide funding streams.

A deterioration of quality occurs when programs receive money in an erratic manner. This fall the program I work for had to lay off staff because the budget we received was significantly lower than we had submitted and now we're looking to hire again. However depending on the time of year, staff may only be able to be contracted with because there isn't a guarantee that the next fiscal year contract will support their salary. Most individuals are not willing to take a job without some sort of guarantee making it more difficulty to recruit. There are significantly different unit rates from program to program as well as salary differences. This could mean that what's available in one region is not available in another even though the federal law is clear about what services need to be available.

How does this affect families? They may start with one Infant Development staff and then be subject to a change in staff when staff are downsized or added. They may not have the specialty staff available to them for needed consultations and then they may decide to go without or may they decide to get them privately, which may mean they have to drive many miles and incur expenses that should be covered under Infant Development. They may have inexperienced staff due to the difficulty in recruiting and hiring and this staff may not have access to available consultations or supervision to adequately do their job. The information that is provided to families during the birth to three years is critically important especially in cases where children have special needs.

Infant Development and other Early Intervention services are the first responders in our state for families that have children with special needs. They set the tone for how working with a system that delivers services and supports operates. Because Infant Development is focused on functional outcomes and adaptations to participate in the natural environment, it is critical that staff are capable of having discussions with parents about what works for them and what doesn't work for them, following their gut and doing what's right for their child, making sure that their child's abilities are more prominent than their disability, trying out new experiences instead of limiting them, bringing experiences to the child if the child is not able to access the experience in a typical way.

Is additional funding needed to address the issues that I've raised? When I consider what the job requires, I think it is and I don't think we've paid enough attention to what is needed to insure quality. Adequately funded programs that are responsive to the need are what it will take to insure quality. I also know that the efforts we make to support children in the families, homes, and communities are the best ways to spend our money.
Thank you for your time.

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"More alike than different"

Testimony

SB 2012 - Department of Human Services Budget

Optional Adjustment Request - Cabinet Priority 5 for $166,221

Senate Appropriations Committee

Wednesday, January 10, 2007

Good afternoon, Chairman Holmberg and Members of the Committee.

My name is Linda Reinicke. I am the Child Care Resource & Referral Program Director in western ND and employed by Lutheran Social Services of North Dakota. My testimony describes the services delivered by Child Care Resource & Referral (CCR&R) and outlines the impact a proposed funding cut will have on CCR&R's ability to provide services.

Background
In 1991 Child Care Resource and Referral (CCR&R) was established in the Century Code to:

- Maintain and update (quarterly) a database of existing early childhood services
- Provide referral services to parents needing child care
- Offer parents consumer information on licensing, subsidies, and the quality and suitability of programs
- Provide technical assistance to existing and potential providers

In 1999, CCR&R was designated by the Department of Human Services as the lead agency to provide early childhood training enabling programs to meet their licensing requirements.

The child care industry faces many challenges – the lack of purchasing power by parent consumers, low business profitability due to high staffing costs, high staff and program turnover rates, and uneven availability of child care businesses in both urban and rural communities. These all contribute to an unstable child care delivery system.

CCR&R works to stabilize the system and holds the unique responsibility of relating to and supporting all parts of the child care industry—families, child care businesses, employers and policymakers. CCR&R, a one-of-a-kind intermediary, builds the quality, availability, and affordability of child care in North Dakota.

CCR&R Supports Working Families

Workforce participation by both parents in North Dakota continues to grow. Working families should be able to receive, in a timely and efficient manner, child care consumer information and child care referrals that specifically meet their care needs. In 2006, CCR&R assisted 4,190 North Dakota families find care for 5,304 children from birth to age twelve.

CCR&R Increases Access to Child Care

CCR&R has an integral role in growing the state's child care capacity. New and existing child care businesses depend on CCR&R's expertise to receive training, technical assistance, and resources unique to the child care field. In 2006, CCR&R provided on-site technical assistance to 1,090 programs and contacted 1,528 licensed family, group, center, preschool, and before and after-school child care programs to update data and offer assistance and support. These programs have the capacity to care for 31,959 children.

CCR&R Delivers Child Care Workforce Training

The state requires all licensed child care providers to receive 9 to 13 hours of approved training annually. In 2006, CCR&R conducted 346 training events (1,194 hours) attended by 5,062 participants.

Impending Budget Cuts

Due to federal block grant reductions, CCR&R faces a $166,220 funding cut for the next biennium. This amount represents an 8% reduction of CCR&R's current funding. CCR&R has experienced previous budget reductions, and the proposed funding level represents a total decrease of 17% since 1999.

CCR&R responded to the previous reductions by closing outreach offices, reducing staff, centralizing management, and maximizing technology. We made it work, not in the manner that best serves providers needing training and technical assistance or families searching for care, but we made it work.

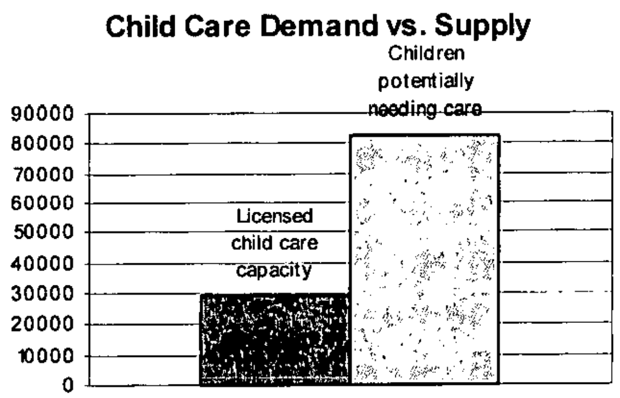
This next reduction, however, because CCR&R currently functions as a bare bones operation, will jeopardize the entire system and delivery of services. The cuts will compel CCR&R to reduce staff by 15% or two full-time equivalents which, in turn, will reduce access to provider training, decrease responsiveness to parents needing care, and make child care business support less available.

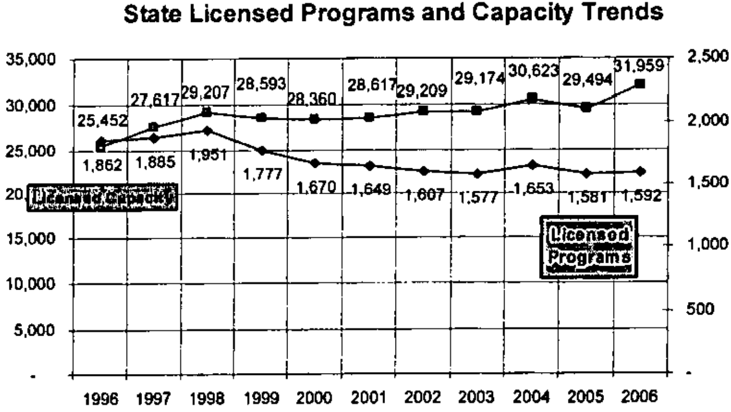
To address the shortfall and maintain the delivery of CCR&R services at the current level, CCR&R requests you amend Senate Bill 2012 to include the Optional Adjustment Request for $166,220 (Cabinet Priority #5).

Thank you for your time. I stand ready to answer any questions you may have.

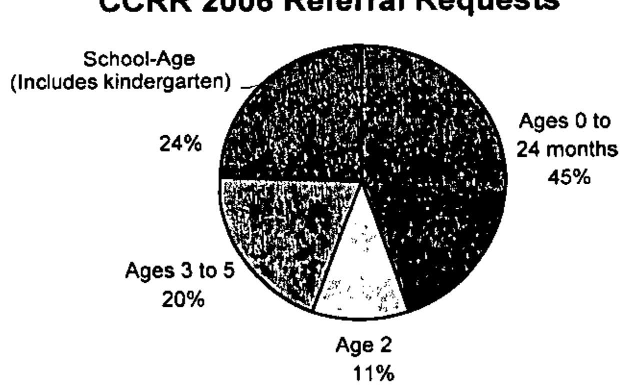
Child Care Data

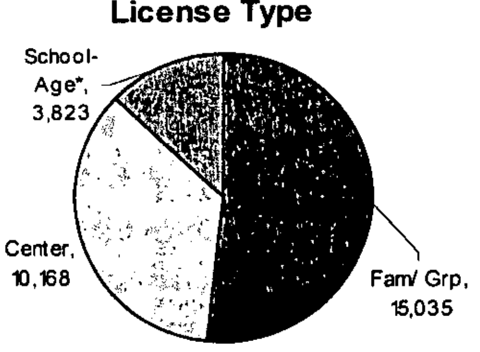
The demand for child care exceeds the current supply. CCR&R helps parents connect to available care and works to build the capacity of child care businesses.



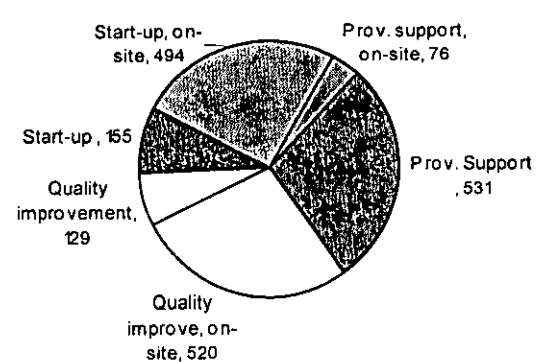


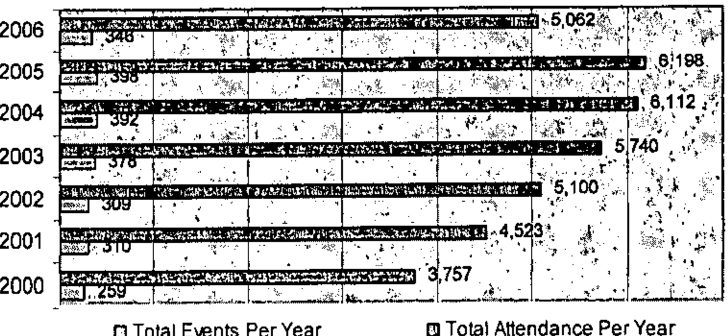
Parents of babies are the largest consumer needing child care referrals and consumer information from CCR&R.





CCR&R supports child care businesses with start-up information, parent referrals, training, health consultation, technical assistance and quality improvement projects.





My name is Michelle Dressler Johnson. I am a director at a local Early Childhood Learning Center. I have obtained my Early Childhood and Elementary Education degrees through the University of North Dakota.

I cannot stress enough the importance of Childcare Resource & Referral for childcare providers like myself. Providing no less than the highest quality of childcare is an option for me: not only because of my background and my passion to work with young children, but because I too have a 22 month old son, and like every mother I want a loving, safe, learning enriched environment for my child to grow and explore in.

I feel very confident in saying that we do provide quality childcare at my center. That is in large part because of Childcare Resource & Referral and the services they have provided the childcare staff and me. The on and off site training and workshops are valuable tools that many staff members (myself included) are using at home with our own families, along with at the center.

I have 73 children enrolled at my center and their ages range from birth to 12 years old. This is a very broad range of development. To know that at anytime I have a question, concern, thought or wonderment I can pick up the phone and consult with Childcare Resource & Referral is such a comfort.

It is also a continuous concern in the childcare profession of having a high turnover of staff. This again is where I rely heavily on Childcare Resource & Referral for their on going training and references. Training through Childcare Resource & Referral is one of the key instruments for childcare centers to keep the continuity of care and provide the highest quality practices.

TITLE IV-E ELIGIBILITY

The IV-E program, authorized by Title IV, Part E of the Social Security Act, provides funds to states to help maintain certain children in foster care or in adoptive families. To begin, there are two major categories of IV-E status: ELIGIBILITY and REIMBURSABILITY.

ELIGIBILITY: Determined one time at initial entry to foster care.

- The child must be a U.S. Citizen or Qualified Alien.
- Legal Removal – Initial court order must state "continuation in the home is contrary to the welfare of the child." The order must also state "reasonable efforts were made/or not required to prevent the child's removal from the home." The court order must remove the child from the home and place responsibility for the care of the child with a public agency.
- AFDC Relatedness – Based on AFDC rules of July 16,1996
  - Removed from the home of a specified relative in the month of removal or 6 months prior to the removal month.
  - Deprivation
  - Need (Asset/Income Tests)

REIMBURSABILITY: Determined Monthly

- Legal Responsibility
- Court Certification of "reasonable efforts"
- Not in receipt of AFDC or SSI
- Reimbursable Placement
- Need
- Deprivation
- Under 18 or under 19 for children in school who will graduate prior to their 19th birthday.

View Graph
Download Report
Split Screen

http://ndas.cwla.org

Number of Children in Out-of-Home Care, by Age Group, 2004

This table shows the age groups of children in out-of-home care on September 30, the last day of the federal fiscal year, as reported by state child welfare agencies. Out-of-home care is defined as 24-hour substitute care outside of the child's home in pre-adoptive homes, relative foster homes, non-relative foster homes, group homes, institutions, and supervised independent living situations. Children who have run away or are in their own home on trial home visits are also included in the numbers of children in care.

State (Selected) total	<1 [1]	1-5 [1]	6-10 [1]	11-15 [1]	16-18 [1]	19 and older [1]	Missing [1]
Minnesota 7,038	421	1,265	980	2,387	1,923	61	1
Montana 2,030	95	649	457	557	265	7	0
North Dakota 1,314	77	283	200	432	315	7	0
South Dakota 1,600	77	477	391	450	199	6	0
n	4	4	4	4	4	4	4
Total	670	2,674	2,028	3,826	2,702	81	1

N/A = Not Available
(E) = Estimate

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Related Internet Sites

Notes:

There may be discrepancies between the data on NDAS and the same data available through other sources. This is due to differences in the "versions" of the data. NDAS receives periodic updates to the AFCARS data that reflect re-submissions of the data from the states to the Children's Bureau. For the most current version of the data in use, please check the AFCARS source page.

The missing category may include children older than 21.

Sources:

[1] Child Welfare League of America. (2006). Special tabulation of the Adoption and Foster Care Analysis Reporting System. Washington, DC: Author. (Source Details...)

Related Information:

Number of Children in Out-of-Home Care, by Age Group (ARCHIVE)
Mean and Median Age of Children in Out-of-Home Care
Number of Children Entering Out-of-Home Care, by Age Group
Number of Children Exiting Out-of-Home Care, by Age Group
Number of Children Waiting to Be Adopted, by Age Group

Data from the CWLA National Data Analysis System (http://ndas.cwla.org) must be viewed within the context of each state's laws, policies, practices and definitions.

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Senate Bill 2012 – Department of Human Services
Human Resources Division of the House Appropriations Committee
February 28, 2007

Good morning Chairman Pollert and members of the House Appropriations Human Resources Division. My name is Leanne Johnson and I am employed by Catholic Charities North Dakota and serve as the Adoption Director for AASK (Adults Adopting Special Kids). I am providing this written testimony to request the inclusion of the Department of Human Service's OAR for the Children and Family Services Division, increasing funding for the reimbursement rate for the Outcomes Based Adoption Services contract into the final budget for the Department. This OAR, entitled "Adoption Pay Points for Outcome Based Contracting," can be found in the Category 5 OAR in the Children and Families Services Division budget and is in the total amount of $499,951.

The AASK program is a collaborative effort between Catholic Charities North Dakota and PATH ND, Inc. This program contracts with the ND Department of Human Services to provide adoption services for children in the foster care system, many of whom have special needs. These children have generally been in the custody of County Social Services or a Tribe prior to the termination of parental rights. Many times they have had multiple placements outside of their birth home. They may be older children, children placed along with a sibling for adoption, children with, or at risk for, a mental, physical, emotional disability, or they may be children of a minority race. Often, many children meet several of these criteria. Parents adopting these children can be family members, grandparents or foster parents. In addition, parents wishing to start, add to, or complete their family open their hearts and homes to adopt these

waiting children. The program provides a wide range of adoption services, including recruitment services, adoption home assessments, adoption placement and post-placement services, as well as post-adoption support services.

In 1993 when the AASK program began, 12 children were placed for adoption. In response to the growing need for adoption services, the program has grown exponentially. To illustrate this, it is interesting to note that during the past fiscal year, 108 North Dakota children with special needs were placed for adoption and the program assisted 7 additional children from other states to be placed for adoption with North Dakota families. Furthermore, when the program began, there was one program coordinator and three adoption workers to provide services. Today, there are 12 adoption workers, 2 supervisors and one director. Still – children and families wait.

Currently, the AASK Program is involved with 160 additional children in various stages of permanency planning, known as concurrent planning. In addition, the program is actively working to place 85 waiting children for adoption, 15 of whom do not have an identified adoptive family. There are roughly 26 children in adoptive placement awaiting the legal finalization of their adoption. This reflects a total number of 271 children receiving AASK services. Furthermore, the program is actively working with 97 families, providing adoption preparation, assessment or placement supervision services. The program is aware of 84 additional families throughout the state who are awaiting services. These families have attended the required pre-service training and are awaiting an adoptive home assessment. It is estimated that at least half of these families are ready to move to the next step of the process, but program

staffing limitations are hindering more active involvement. The program has utilized the services of a contract provider to help meet this need; however, this has not been a solution to the greater problem. Children and families are still waiting.

As noted above, the AASK program is funded through a contract with the ND Department of Human Services (DHS). In July 2005, DHS entered into a contract for Outcome-Based Adoption Services in which the contract provider (CCND) will be reimbursed at certain 'pay points' along the adoption process. Four pay points were established: Placement, Finalization, Timeliness (when the adoption is finalized within 12 months of the termination of parental rights), and a Degree of Difficulty (for children referred without an identified family and more intensive recruitment services were required). Targets and rates for these established pay points were negotiated during the Request for Proposal process. During the first year of the contract, the program exceeded three of the pay point categories, resulting in a higher reimbursement to the contract provider than the Department initially anticipated. A similar experience is anticipated for the current fiscal year. The actual outcomes have exceeded what DHS currently has in that line item budget. The additional funding in the proposed OAR is designed to meet this financial need based on (1) the established need within ND and (2) the documented success of the program. Please see attachment for specifics.

As the committee has heard in testimony by Paul Ronnigen, CFS Division Director, North Dakota will undergo a Federal Children and Family Services Review in 2008. The services provided by the AASK program are a critical component to the successful results of this review. The federal government will be looking at how North Dakota provides for the

adoption needs of children in the foster care system and the families adopting these children. Without adequate funding for the program, meeting the established standards is compromised. In addition, and most importantly, permanency for children is delayed. Children linger in foster care, which costs the state more money. If this continues, we all loose, especially the children who wait and wait and wait for a forever family.

I can talk at length regarding the statistics and the statutes that support my request today; however, the true message is that there are children in the state of North Dakota who need a forever family. It is their story, their lives that drive this program. In fact, Sam's* story illustrates the message I bring today. Sam's name has been changed to protect his identify, but the facts of the situation have not been changed. Sam is a healthy 8 year old boy who is needing (and deserving) of an adoptive family. He has been in foster care since he was four years old. He is a child for whom the program has made extensive efforts to recruit a family. As a result of this effort, some families have come forward who have completed the adoption study process and other families who have not. One particular ND family is very interested in Sam, but has not received an adoption assessment. Yet, they want very much to be considered. Current projections, with all creative options considered, indicate that the soonest this family may be able to have their adoption study started is within the next 6 months, possibly completed within 9 months. Finding an adoptive family for Sam is challenged and compromised when there is not a pool of qualified and prepared families. This is not a position in which this program should find itself. Nonetheless, it's a position it finds itself in today. It's a position in which we, all of us in the public's service, find ourselves in today. It's not

a position, though, in which we need to remain. Experience with this program has shown much can be accomplished with adequate resources. The time children and families wait can be reduced.

In order to provide quality adoption services to the children and families of North Dakota, I ask that you increase the funding level for adoption services for the children in foster care. DHS has put forth an OAR, Adoption Pay Points for Outcomes Based Contracting, and I urge you to support the inclusion of this amount in the final version of SB 2012. Thank you for the opportunity to provide information to your committee regarding this important matter.

Adults Adopting Special Kids ~ AASK
FY06 Program Report
(July 2005 – June 2006)

Contract Pay Point Targets:	Target	Actual
Placements	105	106
Finalizations	98	113
Timeliness	54	66
Degree of Difficulty	21	15

Overall Adoptive Placements for FY06: 115
(98 ND state custody children; 10 Turtle Mountain Child Welfare custody children; 7 out-of-state children)

Placement Related Information:

24 sibling groups (Involving 53 children)
103 foster adoptions (103 children with 86 families)
 95% of the children were placed for adoption with a family with whom they were living, 90% of whom were foster parents
30 children were adopted by a relative resource (26%)
6 "regular special needs adoptions" (involving 6 families)
7 children placed into North Dakota through ICPC
 (1-Montana, 4-Nevada, 1-Washington, 1-Texas)
15 children placed out of state
 (9-Minnesota, 1-Wisconsin, 2-South Carolina, 1-Ohio, 1-Michigan, 1-California)
Average age of child at time of placement was 5 ½ years old
1 child disrupted from adoptive placement
Children:

 Racial breakdown:
 73 Caucasian (3 children noted to be of Hispanic Origin)
  4 African-American
  15 Bi-Racial
  23 Native American
   Tribal Affiliation:
    Turtle Mountain: 11
    Spirit Lake: 8
    Standing Rock: 2
    Fort Peck: 2
 Gender:
  57 Male
  58 Female

Number of North Dakota adoptions with an approved Adoption Subsidy Agreement: 108
(71 IV-E eligible and 37 Regular State-Match with an average monthly payment of $592)

Number of Adoptions Finalized in FY 06: 115
(104 ND state custody children, 10 Turtle Mountain Child Welfare custody children and 1 out-of-state child)

Post Finalization Subsidy Applications Submitted: 0

Caseload status at end of FY06 (June 2006):
Children not yet in adoptive placement with TPR: 61 Concurrent Referral Status; 81 Active Referral Status
Children without a TPR: 113 in a Concurrent Referral Status and 2 in an Active Referral Status
Children in adoptive placement, not yet finalized: 7

The following statistics were determined based on the number of adoptions for ND custody children and Turtle Mountain Child Welfare custody children completed in FY 06:

1. Average time from date of initial referral to date of placement: 18 months
2. Average time from date of initial referral to date of finalization: 20 months
3. Average time from TPR to placement: 14.1 months
4. Average time from TPR to finalization: 15.9 months
5. Average length of time from placement to finalization: 2.6 months

Breakdown by Counties (all averages are calculated in months):

County	Number of Placements	Average Length of Time from Initial Referral to Placement	Average Length of Time from TPR to Placement	Number of Finalizations	Average Length of Time from Initial Referral to Finalization	Average Length of Time from TPR to Finalization	Average Length of Time from Placement to Finalization
Barnes	2	7.7	8.8	4	16.4	14.2	5.6
Bottineau	2	26.6	10.2	2	28.5	12	1.8
Burke	0	N/A	N/A	1	16	9.3	
Burleigh	3	22.1	10.7	1	28.5	4	.3
Cass	59	13.9	9.8	58	16.7	12.5	2.5
Grand Forks	7	24.8	11.5	11	26.7	12.5	2.6
Lamoure	0	N/A	N/A	3	17.3	15.3	9.1
Ramsey	8	19.0	14.1	8	20.7	15.9	1.7
Sargent	1	13	9.3	1	14.5	10.8	1.5
Stark	7	13.7	12.1	5	13.7	11	2.3
Steele	0	N/A	N/A	2	9.4	10.6	2.1
Stutsman	3	9.3	8.4	2	6.0	6.0	2.1
Ward	3	12.9	5.2	3	20	9.0	6.5
Williams	3	24.7	1.9	3	26.4	1.2	3.6
Turtle Mountain Tribal Children	10	38.6	54.2	10	39	54.6	.6
Total	108			114			

Adoptive Assessments: 97

(68 new, 24 updates, 4 subsequent studies, 1 denial)

Racial Breakdown:

91 Caucasian
1 Hawaiian/Pacific Islander
1 African American
3 Native American

Tribal Affiliation:

Turtle Mountain: 3

The following statistics were determined based on the number of new adoptive assessments and denials completed in FY 06:

1. Average length of time from all documentation received to completed study: 2.4 months
2. Average length of time from completed study to placement: 1.6 months
3. Average length of time from completed study to finalization: 3.5 months

Breakdown by Counties (all averages are calculated in months)

County	Number of New Assessments	Average length of time from all documentation received to completed study	Average length of time from completed study to placement	Average length of time from completed study to finalization
Adams	1	3.8	N/A	N/A
Barnes	1	1.3	2.2	3.6
Benson	2	.9	13.8	3.3
Bowman	1	7.7	1.6	5.8
Burleigh	4	3.3	1.1	2.6
Cass	28	2.2	1.5	3.0
Dunn	1	1.1	2.6	N/A
Grand Forks	6	2.4	.5	.9
Griggs	1	2.2	2.7	9.3
Mercer	1	.6	2.5	3.7
Nelson	1	.3	.5	N/A
Pierce	1	2.3	N/A	N/A
Ramsey	5	2.5	.5	3.7
Ransom	1	.7	.6	3.1
Renville	1	.8	N/A	N/A
Richland	1	2.4	.2	.7
Rolette	3	6.2	2.3	2.9
Sheridan	1	1.3	N/A	N/A
Stark	4	5.7	1.1	4.9
Stutsman	1	6.5	1.9	4.5
Ward	7	8.3	1.2	7.3

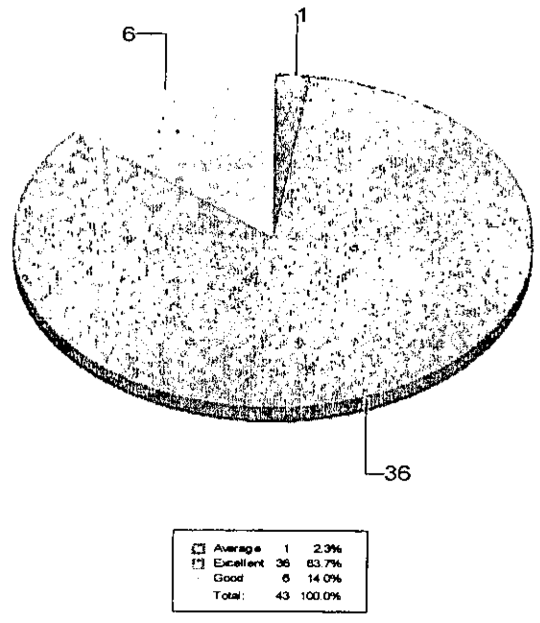
*N/A signifies that there was not enough information reported in order to figure an average (For example, the family may have had a study completed in FY 06, but did not have a placement in that same time frame.)

Number of Inquiry Meetings and PRIDE Trainings held in FY 06:

	Inquiry	PRIDE
Fargo	3	9
Grand Forks	1	3
Devils Lake	3	2
Minot	2	2
Belcourt	1	**joins Devils Lake; also beginning NATI PRIDE
Williston	2	1
Jamestown	2	1
Valley City		1
Dickinson	1	1
Bismarck	5	3

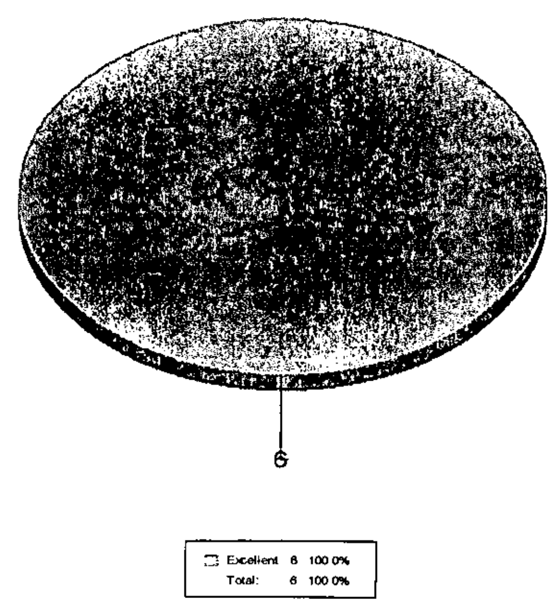
Overall Client Satisfaction Rate:

Exerted from the Client Satisfaction Surveys sent to families following finalization responding to the question: Overall, how would you rate services provided by AASK:



Average	1	2.3%
Excellent	36	83.7%
Good	6	14.0%
Total:	43	100.0%

Exerted from the Client Satisfaction Surveys sent to adopted youth following finalization responding to the questions: Overall, how would you rate the services provided by AASK?



Excellent	6	100.0%
Total:	6	100.0%

Additional Accomplishments during FY 06:

- AASK Executive Council finalizes AASK's Memorandum of Understanding (MOU) and By-Laws, thereby creating the AASK Advisory Committee (AAC). The AAC membership includes the AASK Executive Council along with two representatives from County Social Services, two representatives from the Regional Human Service Centers, the REACH Program Director, two Tribal Child Welfare Directors, an adoptive parent couple, and a foster parent couple. The AAC held its first meeting in October 2005 and has met on a quarterly basis.

- AASK received a grant from the Bremer Foundation for the purposes of Strategic Planning. Strategic planning meetings were held in March and June. The program's mission statement, values and goals were reviewed and a comprehensive three-year strategic plan was developed. Many of the items addressed in CCND's RFP(Request for Proposal) response were included in this plan, such as a more comprehensive plan to develop post-adoption services.

- AASK received notice at the end of June 2006 that funding was awarded from the Dave Thomas Foundation and the Wendy's Wonderful Kids Project. Funding will support a part-time child focused recruiter position for North Dakota. Funding received in the amount of $33,000.

- AASK initiated a contract with the state of Texas and became an approved provider for any child placed into North Dakota from Texas. During the year, one child from Texas was placed for adoption with a North Dakota family. This arrangement permits the AASK program to receive payment from Texas and not to utilize North Dakota funds for any child served through this contract.

- AASK submitted grant requests to Wal-Mart and have received community grant awards ranging from $500 - $1,000 from the following communities: Fargo, Jamestown and Devils Lake. Grant requests are still pending in Grand Forks, Williston, Minot, and Bismarck. AASK did not qualify for a community grant award in Dickinson.

- AASK has continued to serve on the ND Steering Committee for the REACH project. REACH has provided funding for an adoption worker position on the Turtle Mountain Indian Reservation, in cooperation with Turtle Mountain Child Welfare & Family Services. REACH has developed numerous recruitment materials, some with a focus on the needs of the Native American community. These materials have been made readily available to AASK and the North Dakota Recruitment and Retention Coalitions. In addition, REACH awarded a grant of $2,500 to AASK for the purposes of relative searches.

- AASK has established an account with US SEARCH, an organization designed to assist with relative searches. AASK participated in two trainings offered with Kevin Campbell, a nationally recognized presenter with the National Resource Center for Family-Centered Practice and Permanency Planning.

- Plans and procedures to implement Targeted Case Management (TCM) for Post-Placement Adoption Services were completed in FY 06. Polices and procedures are in place to begin billing TCM in FY 07.

- The AASK Director and State Adoption Administrator presented information about the new AASK Collaborative at the Children and Family Services Conference in July 2005. In addition, the AASK Director has presented information on AASK and adoption services to the two Child Welfare Certification Classes held during the fiscal year. An updated Power Point presentation was developed and utilized for the purposes of these presentations. In addition, this Power Point training has been utilized at a minimum of three regional trainings during FY 06, as requested and arranged with regional supervisors (Fargo, Devils Lake, Bismarck).

- AASK, in conjunction with CCND, began utilizing a managed information system (MIS), "Efforts to Outcomes" (ETO) operated by Social Solutions. A database of information was established to maintain demographic and case-related information. During the first year, the database was designed and implemented. In addition, the AASK program initiated a 'thin client' environment, connecting all staff members in the AASK program to the same computer server. This capability has permitted easier flow and access to program information.

- The program has seen a slight increase in the number of children served on a concurrent basis. This is in part due to greater emphasis throughout the state on early AASK involvement in the child and family team process. On average, the number of children served on a concurrent basis increased approximately 13% this first year.

Testimony on Senate Bill 2012
Senate Appropriations Subcommittee on DHS Budget
January 17th, 2007

Mr. Chairman and Members of the Committee. My name is Vicki Peterson and I reside in Bismarck, ND. I am a single mother with two boys, one diagnosed with Autism and special medical needs.

I am concerned about the Department of Human Services Budget for specific reasons I will state. First being the one that affects my family the most is Respite Care. I see an increase in this area but I do not believe it is enough to meet the needs of families.
I have recently went to Self-Directed Supports from a directed Provider. In both cases I receive only part-time hours of 60 hrs. per quarter. I have been appealing this situation for 2 years. My Autistic son has an extraordinary sleeping disorder which only allows him 3 to 4 hrs. of sleep in a 24hr.day. This may not happen in consecutive hrs, and medication we have tried has made the situation worse. With the limited hours I receive, my health has deteriorated and it is getting increasingly harder to care for my children at home. With the increase in Respite hours I would be able to get the amount of sleep I need to function as a family. My appeals go unanswered due to lack of funding. It is increasingly hard to find proper persons to care for my son due to the lack of full-time work. I recently had to pay out of my own pocket just to keep the one Respite Care Provider I had, due to a clerical error. I will not be able to keep her for long, as she needs full-time work. My son has become attached to her and it is extremely hard on our family and especially my Autistic son, to have Caregivers replaced, even if you can find them.

Another concern of mine is the issue of Medicaid Provided Diapers. When my son turned 4 we were told Medicaid would

provide for diapers for my son. We were issued $.58 per diaper

from a provider. The provider was losing dollars on this situation and we no longer could receive diapers because the providers pulled out of the program. Great Plains has taken over the program, but the product is unsatisfactorily for our children. They are one-size; which you could easily fit 3 of my child in one diaper, bulky and extremely uncomfortable(child with sensory issues makes this impossible to wear). The neighboring state of Minnesota is allowing $1.08 for the provider. We need to be at a dollar amount level equivalent to what are needs are for the provider not to lose money on the product. I currently spend over $100.00 per/month on diapers. On part-time wages this is quite a burden on my families budget. I implore you to take a look at the budget and make sure there is adequate funding for these programs.

On the issue of Infant Development Programs; I currently am worried about the funding for Children with Special Needs. The moving of 4 Infant Development Program out of the Human Service Development Centers and into the DHS Budget is of concern. As a parent whose child received services through this program, insure you this is the key to development. This program provide the In-Home support my family needed, with an Occupational therapist, Speech therapist and Physical Therapist my son needed for functional living. It also provided my son with Early Intervention in my home. This program was vital to my sons' education of today. Qualified personnel to deliver these services are extremely important for the welfare and learning process these children with special gifts to offer need. Please take a moment to look at this issue to insure adequate funding and to also take into consideration the growth of our state. Is there enough to meet the needs? A question I hope you ask yourselves as you deliberate this budget.

The last issue I would like to address at this time, is the Medically Fragile Waiver. The question is where is it in the Budget? I do see the Governor's Budget does not include this critical portion of legislation. This waiver is a viable piece for families to take care of their medically fragile children at home under a team setting. I know a lot of work went into this waiver and therefore the need for the funding is a concern. My son suffers from an unknown immune disorder, severe sleeping disorder and severe gastrointestinal issues which require specialized medical care. Would my son qualify for the waiver? Possibly not and possibly so, but without funding this Waiver is no longer. I work with families whose children I know would qualify and desperately need for you to consider this in your deliberations.

I am ending my testimony with some facts about Children with Special Needs. Autism affects 1-166 children; 67 children are diagnosed per day. Are these children in ND and will their be more, the answer would be yes. Leukemia affects 1 in 25,000, Muscular Dystrophy; 1 in 20,000; Pediatric AIDS, 1 in 8,ooo; Juvenile Diabetes, 1 in 500, 1 in1,000 babies are born with Down Syndrome the list goes on with many more. These facts come from the NIH and I believe we need to understand the growth as to the numbers of children with Special Needs and to remember they all have Special gifts to offer and contribute to our community.

I want to thank you for your time and patience in reading my testimony. I have attached a picture of my son Aaron who is 4, diagnosed with Regressive Autism. He is the joy of my life.

Vicki I Peterson
319 Aspen Avenue
Bismarck, ND 58503
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#12

Legislative Testimony: January 17th 2007

Deborah Jendro, District 44, Fargo ND

I am here today to ask the committee to appropriate more funding from the human service budget for voluntary placement of children who need treatment out of home thus preventing the painful act of relinquishing custody. I would also strongly urge you to increase funds for community based services to help keep our children at home and in their community and out of psychiatric residential placement if at all possible. This cannot happen without your help.

Listen to the story of a family in crisis:

I am a kid. I am scared and anxious. I am 13 years old. My mom takes me to the doctor several times a month. One day we were in his office and I could hear them talking. I don't understand everything I hear. They keep looking my way. My mom cries and the doctor keeps talking. I feel restless and agitated. Things have not been going very well for me. I hate school. The teachers do not like me. I am restless in school. I heard the school tell my mom that in my English class, I interrupted the class every 2 minutes. Oh well, she was going to put me out in the hall anyway. As a matter of fact…I kind of like it out in the hall. So there. I forget my back pack and loose my assignments. When I go home my mom asks if I have any homework. I get angry with her and leave the house. I meet up with some friends. We hang out. I do not go home for dinner, but wander in later and disappear into my room. Sometimes I sneak back out when my parents are sleeping. I was introduced to marijuana while I was out and about. The doctor found out about that after taking a urine test. I was tricked into that one. Tomorrow,: another day at school. This time they get mad at me big time and turn me over to press charge for being disruptive or something. Back to the doctor again.
We go home after our meeting. Dad is waiting. My brain does not always work right, but my ears are good and I can hear them talking. My mom cries again and I hear my dad…his voice is deep and strong. I hear him talk about money. What does it mean that word bankrupt? I hear him talk about me. I am scared. They are talking about what the doctor said. Oh no!! He says I have to go and live someplace else!! But, I love my mom and dad! This is my home. Please don't make me go…I promise to be good!…please mama…please daddy…..I am scared…and I cry and my mom cries and even my dad cries. But it too late…the doctor says I have to go.

I am the parent. I am about to attend a meeting with the people that have weaseled into my life because my child was born with a mental illness. You cannot see his disability on the outside, but it is there, hiding behind the very eyes I looked into on the day that he was born... His pain is very strong. No pill can take it away. My son, his name is Nick, has been going through some hard times. He has mental health concerns and the doctor wants him to get special treatment, but it has to be out of our home. I am very scared and nervous.

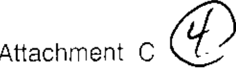
7/17/2000: "Our meeting did not go well. I did become a blubbering idiot just as I suspected. My emotions overtook me, as I felt so alone in the struggle to keep my son at home and in our custody. To the rest in the meeting, it was just a formality one goes through to receive assistance. To me it was the taking away of rights. It was like being swallowed up by quick sand. A giant force working against me, dragging me down further and further with each effort I made to pull myself free. Waiting and watching for the hand that would come and save me. The one with the strength of a grizzly that would knock away my adversaries with one sweep and jerk me from the depth of the destruction I felt when faced with residential placement and the taking away of my parental rights for my son Nick. The meeting left me feeling like we had no options. No time to

make large changes in a system gone awry. All alone on a rock in turbulent waters. No time, no money, no answers. Still nothing in writing. My mind a boggle. Words...mishmash in the jungle of my brain. They did not flow easily, but were stopped by the feelings of defeat. In short, I left the meeting with tears in my eyes and a stake in my heart. A promise of a phone call, and a court date pending, where I will be forced with reluctance to go through the shameful humiliating act of yielding our son to the guidance of a watch dog and not that of the parents that born him!"

You have just heard an entry from my journal on the day reality jumped up and slapped me in the face. The day when I was told my son would be sent to a residential treatment center and there was nothing I could do about it. Perhaps you could call it an "emotional rape": taking my strong feelings for my son and our situation and treating them in a violent, destructive and abusive way.

As the parent of a child who spent 3 years out of home in a residential treatment center, a residential child care facility, and foster care, and another child who spent months in the state hospital, I would like to ask you to support the funding of home and community based services for children and their families as an alternative to psychiatric residential treatment placements or institutionalizations and also, to assist in the transition of children, youth and young adults from Psychiatric Treatment Facilities and the State Hospital. Please be a part of the great movement to encourage collaboration efforts between children, families, system partners and other private and public stakeholders and assist in this great opportunity to benefit children and families in ND.

I would like to reiterate the fact that mental health concerns hold no boundaries. They are found amongst all types of families...race, creed or color...no matter. Within these differences, families have many things in common. They share the need for an accurate assessment and appropriate therapeutic, educational, social and recreational programs for their children. They also need services to help their children learn, develop, and grow in their own homes and communities. Children belong with their families. Let us bring ND out of the archives and into the world of modern treatment for our children and youth. Let us strive to be a role model in the world of healing child and family ... not just another set of statistics. Let us maintain their dignity and offer them the respect that should be afforded all families...to raise their child in their own home surrounded by the enduring relationship of immediate family. Let us concentrate more on revitalization and well being rather then the chaos, and mayhem of ripping down the walls that surround the sacredness of the family as a unit.
Take heed the words of a family who suffered emotionally and financially from such happenings. Yes folks, bankruptcy did happen. Not because we bought a lake home, or boat or new cars and tried to live out of our means, but because we had children with a mental illness.
With this I thank you for your gallant efforts to help the families and children of ND who are plagued by the stigma and trauma that is brought on by having a mental illness.

Attachment C 

See P. 2

Department of Human Services
2007-2009 Budget
Optional Adjustment Requests

Cabinet Category / Priority	Description	FTE	Total	General	Federal	Other
MMIS						
01	Completion of the Medicaid Systems Replacement		31,072,641	3,643,133	27,429,508	
CAPACITY						
02	Increased efforts to recruit and retain Foster Homes		150,000	112,500		37,500
02	Meth Residential Treatment Program		700,000	700,000		
02	Add FTE to convert temporary staff person - LR	1.00	20,782	20,782		
02	SMI Residential Beds - NE	1.00	730,028	540,002	190,026	
02	Addiction Counselor for Off Main Program - SE	1.00	95,631	86,067		9,564
02	Convert Temp MI Case Manager to permanent - SE	3.00	247,632	74,292	173,340	
02	CD Short Term Residential Services - WC		95,800	95,800		
02	2 Pilot Special Care Units for SMI Population	2.00	2,477,436	2,377,518	99,918	
		8.00	4,517,309	4,006,961	463,284	47,064
INFLATION						
03	Inflationary Increases for 07-09 - Medicaid		15,354,364	4,994,990	10,346,808	12,566
03	2007 - 2009 Inflation - DD		14,175,781	5,142,367	9,033,414	
03	Inflationary Increase for LTC		14,011,614	5,427,465	8,559,478	24,671
03	Inflationary Increase for Family Preservation Services - CFS		823,050	594,482	156,098	72,470
03	To add provider inflation of 3.8% to each year - CFS		2,693,070	551,589	1,773,281	368,200
03	Inflation for Contracted Providers - MH/SA		38,722	38,722		
03	Inflation for Contracted Providers - DSD		85,727	70,950	14,777	
03	Provider Inflation - NW		77,424	77,424		
03	Provider Inflation - NC		173,169	173,169		
03	Provider Inflation - LR		113,067	113,067		
03	Provider Inflation - NE		143,870	128,173	15,636	61
03	Provider Inflation - SE		233,018	233,018		
03	Provider Inflation - SC		150,204	111,265	38,939	
03	Provider Inflation - WC		173,920	111,398	60,634	1,888
03	Provider Inflation - BL		53,406	53,042	364	
		0.00	48,300,406	17,821,121	29,999,429	479,856
TRANSITION						
04	Developmental Center Resident Transition	14.50	8,146,353	3,698,744	4,447,609	
EXPANSION / ENHANCEMENT						
→ 05	Buy-In for Child with Disabilities & Special Health Care Needs	1.00	3,883,443	1,474,046	2,409,397	
05	Disease Management Expansion		3,700,000	1,332,740	2,367,260	
05	Healthy Steps Enhancements	1.00	1,633,973	1,633,973		
05	CNA Registry		300,257	75,081	225,176	
05	Non-Medical Transportation		348,648	335,922		12,726
05	Respite Care Vacation - HCBS		229,390	132,262	92,885	4,243
05	Add $10,000 to the QSP training budget		10,000	10,000		
05	Add $100,000 to the Guardianship service		100,000	100,000		
05	Add'l Family Preservation services, including Family Counseling		1,009,668	1,009,668		
05	Adoption Pay Points for outcome based contract		499,951	319,469	180,482	
05	Increasing the Safety Permanency funds to Counties		50,000	50,000		
05	To contract with the Attorney General Office		138,400	138,400		
05	To increase budget to cover foster care court costs		70,000	53,242	16,758	
05	To increase the Resource and Referral Network		166,221	166,221		
05	Medical Services HS Aide II - NE	1.00	64,804	64,804		
05	Psychology Internship APEC Site - NE		62,576	31,746	30,830	
05	Medication Monitoring Aide - WC	1.00	69,644	69,644		
05	Inc. Treatment Capacity for Addiction Treatment Needs (DOCR)	30.00	4,986,280	4,485,580	500,700	
05	SEHSC Inpatient Contract with MeritCare		200,000	200,000		
		34.00	17,523,255	11,682,798	5,823,488	16,969

Cabinet Category / Priority	Description	FTE	Total	General	Federal	Other
STAFF EQUITY						
06	Staff Equity Issues - HSC		253,635	135,010	94,859	23,766
06	Staff Equity Issues - SH		139,660	139,660		
06	Staff Equity Issues - DC		1,030,286	375,539	654,747	
		0.00	1,423,581	650,209	749,606	23,766
CAPITAL IMPROVEMENT / REPAIRS / EQUIPMENT						
07	Extraordinary Repairs - SH		1,153,500	1,153,500		
07	Major Capital Improvements - SH		3,362,757	3,362,757		
07	Renovations - SH		3,100,000	3,100,000		
07	Capital Improvements - DC		998,200	947,092	51,108	
07	Equipment - DC		92,640	80,782	11,858	
		0.00	8,707,097	8,644,131	62,966	0
PROVIDER REQUESTED ENHANCEMENT						
08	Medically Needy Income Level Increases		7,023,015	2,529,690	4,493,325	
08	Inc. Ambulance Service to Medicare Rates		664,665	239,412	425,253	
08	QSP Rate Increases		5,646,191	4,011,990	1,485,291	148,910
08	Nursing Facility Building Limit		543,998	195,948	348,050	
08	Staff Enhancement; ISLA and IHS Undermet		5,030,688	1,814,868	3,215,820	
08	$1.50 Hourly Wage increase - DD		26,723,483	9,711,305	17,012,178	
08	Increase Fringe Benefit multiplier - DD		5,003,955	1,817,678	3,186,277	
08	Severely Medically Fragile Children		986,794	355,443	631,351	
08	Behaviorally Challenging Children		2,321,037	836,037	1,485,000	
08	Increased Child Abuse and Neglect Reimbursement		3,530,726	3,530,726		
08	Case Management for children in the custody of the state		396,000	301,198	94,802	
08	Increase reimbursement to Counties for Child Care Licensing		195,480	195,480		
08	Independent Living Centers		2,128,328	2,128,328		
08	Additional funding for IPAT		500,000	500,000		
		0.00	60,694,360	28,168,103	32,377,347	148,910
DRUG COURT EFFORTS						
09	Drug Court - NC	1.00	86,660	62,361	24,299	
09	Matrix Treatment & Drug Court Impleme - NE	1.00	94,448	56,670	37,778	
09	Addiction Counselor for Drug Court - SE	1.00	95,630	91,574	4,056	
09	Drug Court Addiction Counselor - WC	1.00	100,769	82,268	18,501	
		4.00	377,507	292,873	84,634	0
SEX OFFENDER GROWTH						
10	Sex Offender Community Treatment		2,774,562	2,774,562		
10	Sexual Abuse Therapist - SE	1.00	97,282	87,552		9,730
10	4th Unit Sex Offender Unit	17.00	1,266,189	1,266,189		
10	Geropsych Sex Offender Nursing Home Unit	30.50	2,655,494	2,655,494		
		48.50	6,793,527	6,783,797	0	9,730
	Total Department Optional Adjustment Requests	109.00	187,556,036	85,391,870	101,437,871	726,295

*

Fully funded in Governor's budget

Partially funded in Governor's budget

1. The Governor's budget provided for 3% inflation for each year of the biennium instead of the 3.8% per year included in the OAR.

2. The Governor's budget provided for a $0.60 per hour increase for DD Providers instead of the $1.50 per hour included in the OAR.

Testimony
SB 2012 – Department of Human Services
House Appropriations – Human Resources Subcommittee
February 28, 2007

Chairman Pollert and members of the subcommittee:

Hello, my name is Roxane Romanick and I live in Bismarck, ND – District 35. I am here today to ask you to consider several issues related to the Department of Human Services budget.

I am the parent of a seven year old little girl with Down Syndrome. Although I'm here as a parent and a private citizen today, I cannot ignore the additional hats that I wear, which allow me access to information regarding the human service budget and feel it's important to acknowledge them as well. I am currently a governor-appointed member and the interim chairperson of the North Dakota Interagency Coordinating Committee and also work, both professionally and as a volunteer in a capacity to support parents who have young children with developmental delays. Through my work and as Elizabeth's mom, I have had the opportunity to become friends with other parents of children with special needs in our state. I consider these individuals to also be parent leaders in the field who want to insure that we provide the best quality supports that we can.

This morning I had my daughter draw you a picture, the one attached to the front of this testimony. It's the picture of her home. If you would for a moment, pretend that the materials of her home are made up of the very services and supports that are needed to keep children like my daughter living with her family and thriving in her community, then you would see that the materials would consist of things like: Infant Development, access to Medicaid, access to assistive technology, Family Supports through the DD grants budget like Family Subsidy and well-paid respite providers, access to appropriate and adequate health care, access to quality child care, durable medical equipment like diapers, free and appropriate education that is inclusive of all children's learning needs, access to effective and up-to-date information. When Elizabeth was born, the walls of our "pretend" home were thick with services. She was born needing heart surgery, she had failure to thrive, low tone, infantile seizures, many different medical specialists and home interventionists. Today our walls are thinner, more lean, but still made of different material than that of our neighbors. Not better, not worse, just different. While the Romanick walls may be thinner, many of my fellow family leaders who are raising their children with unique needs at home are not. What I worry about as I watch families struggle to raise their children at home is that the walls are cracking, windows are leaking, and we're starting to let the properties that support families and children with special needs deteriorate – I'm worried that the neighborhood's going to go to the dogs (as they say).

We're making a good start and I'm excited about some of the movement that has happened in the Senate: assistive technology funding, SB 2326 – funding for the Medicaid buy-in and the medically fragile waiver, funding for SB 2186 – technical assistance and training for child care providers, some increase in pay for DD providers, broadening eligibility criteria for Healthy Steps and Medicaid, increases in special education funding, as well as the full passage of the Governor's Budget for DHS without any cuts to services that mean something to families raising kids at home. You won't be surprised, I'm sure to know that I want more cracks filled, more windows sealed, more walls strengthened. Please consider the amendments that were considered by the Senate for increases to Medicaid reimbursement for diapers, the 10% increase for Family Supports, and the increase to the Infant Development budget (the latter are both in the DD grants budget). These were not additional supports that were added into the final bill that you have before you.

I wish that I had the luxury today to come here and talk with you about one single issue but I don't. I have attempted to the best of my ability to examine the Governor's budget and how it supports the programs that have been important in our lives and the families that I know. I have also followed the action of the Senate and am aware of what was funded and what was not. I continue to worry about many more tubes of caulking and sealant to make sure kids stay at home.

In-home supports and Family Subsidy:
These two programs are critically important to families in supporting their children with special needs however families are often faced with having to wait for funding or having less funding or service than they need. We were lucky as a family to have had access to help right away with excess medical needs during Elizabeth's first year of life, but I have been in situations where funding is needed and families have been told they are on a waiting list. This is especially true for in-home supports. Just prior to this legislative session, I knew 15 families that were waiting for in-home supports. Some of those families had been waiting for at least two years. In January of this year, funding was made available for all of the families to get in-home supports. I do not want to see another family have to wait that long again.

While these families are pleased as punch to have finally gotten access to In-home supports, there are others who have In-home support contracts, but do not have enough to make it work. A request from the Developmental Disability Division reveals that there are currently 1452 hours of additional hours requested by families that are not being covered. How accurate is this number? Is that a lot or is that a little? I don't know, but I know that even if there were one hour requested and not filled, I'd be here asking. I would contend that we don't have an accurate accounting of unmet need. How do families and case managers negotiate a requested amount? How do families know that they have an option to disagree with their current contract? The family support contracts are negotiated within the context of a case management relationship and probably differ from case manager to case manager. It is difficult to talk about a need when you can't do anything about it because you know there is no additional money to meet this family's need and it's difficult to ask when you know there's no money. There were no documented appeals regarding in-home supports until January of this year. Does this mean everyone was content or did it mean that people did not know how to exercise their rights to appeal the decisions that were made for them?

The request for you to consider the full increase in provider rates that were presented as an OAR is critical to insure that providers can recruit and hire people to directly provide in-home supports. Families who have an in-home support contract often report that while they have funding, they cannot use it because they can't find a suitable person to stay and work with their child. An increase in overall funding besides the rate increase for In-home supports would assist the Department to be able to meet families' needs when families need it.

You have heard about the claims that there is an institutional bias in the long-term care and aging population. I'm not sure how that discussion is perceived or whether it's even helpful to you in trying to make a decision about what you're going to fund, but you need to know it also exists for children and families as well. If I add up the line items in the DD grants budget that support child with special needs: all three Family Support line items, Family Subsidy, ICF-MR for children, and Self-directed supports for families as well as the ICF-MR for children costs ($44,579, 591), and then subtract the ICF-MR costs to get a picture of the expenditure that supports caring for children with special needs at home – 54% of the total budget available is going to support children in institutional care. Data from the Department of Human Services revealed that 1614 children, birth to 18 are MR-DD eligible. **Sixty-five** of these children live in ICF-MR group facilities (4%). The fact that 54% of the budget is going to support 4% of the population who live outside of their family home and in an institutional setting is astonishing to me. We may truly need to use 54% of the current budget to keep children with extreme needs

at home and we may very well need institutional care for children. I'm not here to deny those needs of children who need institutional care, but could we start to talk about how we make sure adequate funding is going towards all aspects of care? We need a continuum, but please don't fund one aspect of care (ICF-MR) without considering the needs of families raising their children at home.

I would like to point out that inherently there are well-intentioned practices in place that could become incentives for local school districts and Developmental Disabilities to place difficult children out of home and community. One of those is the policy that if a child is placed out-of-district by a non-educational entity, 100% of the costs (minus a standard deduction of $6000) are paid by the state Department of Public Instruction not the local district. A state study of special education funding conducted in July 2006 by the American Institutes for Research addresses the issues related to this current state practice. Often the line between educational and home-based need can become blurred. For example, let's just say that a child who is difficult to manage is not encouraged to attend a full day of school because of many needs that the school can't meet. This puts the care responsibility back on the parent, who then has increased in-home support needs. When parents collapse or are faced with quitting work, it is quite easy to say that it's a failure on the parents' part not the educational system and children are placed by DD not the school. In addition, in-home support dollars are distributed regionally. If a child is placed in an ICF-MR, this then frees up dollars from a high cost contract to distribute to other families and children in the region. We are all good-hearted, but when we see all of the needs, sometimes the choices do not promote pro-family or pro-inclusion.

Please consider talking to families that have had to place their children in ICF-MR's. What truly led them to feel that they needed to do that? There are children who can't live at home no matter what, but is that true for all 65? I've heard testimony that services and supports are few and far between in rural settings. I would argue that we have the technology available, intellect and creativity to figure this out if we were truly committed to keeping kids with their families and in their schools and to functional outcomes for kids (like being with friends, learning to live with others in a community, etc.). There is still prejudice and fear about children with special health care needs. We are not so far away from Grafton as we think.

Please consider the small items (small in the perspective of a huge budget, but huge for families) such as the diaper reimbursement issue which if not addressed continues to depreciate the value of the "family home". I'm sure that you've all heard about this issue, but it does help you realize how even battling over the smallest item can make things difficult to continue to have your child at home. Because of the quality of diaper that the current Medicaid reimbursement rate ($.58) will buy, families are paying out of pocket to purchase diapers that fit their child and accommodate for the active lifestyles that children have. Most medical providers are not accepting Medicaid as a reimbursement for diapers and those that do provide a sub-standard product. Families are also not able to utilize the Family Subsidy program to help with this expense because technically diapers are covered by Medicaid – a double whammy. Reimbursement at a higher rate ($1.08 in Minnesota) would help with this problem.

Please consider a similar amendment to the one that the Senate turned away with the following consideration: Setting a payment range or creating language that directs the Department to set a range provides a safety net that insures providers will not request a higher payment for a product that is cheaper. It will also mean however that families may need to be educated on the fact that there are payment options if they have a claim denied. Families will need to be diligent to see that the range that the Department uses meets their needs.

This process of justifying needs eats families alive. They have to bare their private lives and souls to you, share with you their worries and fears, take off time from work, find child care or friends to transport kids, give up homework time to write legislators or testimony, re-open old

wounds, get bounced around by the various entities who also want money. There is no money for a paid lobbyist and it's even difficult to get together to talk about what is the right way to tell the stories. There are true fears that if a family speaks out, they will lose what they already have. I recognize that it's tough work for you too and you are probably experiencing some of the same things, losing time with family, making different child care arrangements, adding more miles to your car. The only difference is that you made a choice to do this work; families with children with special needs did not, no matter how you frame it.

Thank you for your continued interest for North Dakota's children and the families that raise them.

Thank you for your time.

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"More alike than different"

1

Testimony
to
Senate Appropriations Human Services Subcommittee
by
Susan Offutt, Ph.D.

Chairman Fischer and members of the Committee, thank you for this opportunity to provide information regarding the Anne Carlson Center for Children (ACCC). I am Dr. Sue Offutt and work as the Associate Director for Operations at the UND Center for Rural Health, under the direction of Dr. Mary Wakefield.

Today I am speaking to you as the Chair of the ACCC Board of Directors. The ACCC Board consists of 16 individuals with a vast array of expertise including: banking, medicine, health care consultation, church leaders, special education, law, parents of children with special needs and one of your own, Senator Flakoll. My interest in Anne Carlsen stems from over twenty five years working in the professions of early childhood and special education. I am honored to be here today representing an organization that has a rich history of over 80 years as a leader in working with children who have special needs and their families. North Dakota should be proud of this premier facility developed by Dr. Anne Carlsen so that all children would have an opportunity to reach their fullest potential, despite the barriers they encountered. The Board of Directors is committed to helping lead The Anne Carlsen Center and continue on the path set by our predecessors.

The mission of the Center is to provide children with specialized health care and educational needs, and their families, excellence in services from ACCC. As such, the Board enlists a belief that no child or family will be turned away from receiving services

at ACCC – no matter the severity of the disability or the potential cost of providing quality care for that child.

As you will come to know, the current state reimbursement rate does not meet the needs for providing the necessary care for all children... Although in the past the foundation budget has supported that shortfall, I must tell you that many of the current Board members question if this practice should continue. The shortfall per year is not financially sound for an organization year after year, yet the deep commitment to providing services to ALL children prevails.

What would happen to those children if ACCC did not accept them? Where would they go? How much additional would that unnecessarily cost North Dakota? Yes, the ideal would be that every child could reside in their home town, however as a resident of rural Walsh County I can tell you the specialists needed to provide the same level of care ACCC does, just are not available. It is no secret that there is a statewide workforce shortage in healthcare, pediatric medicine, special education, mental health, and many of the other allied health professions that are necessary to meet the ever demanding needs of the medically fragile and behaviorally challenged children residing at ACCC.

As we look to the future, on behalf to the Board of Directors, I am asking that you favorably consider the 2 Optional Adjustment Requests for The Anne Carlsen Center endorsed by the Department of Human Services and the Governor. The Center's CEO will discuss these in detail with you.

In my capacity as chair of The Anne Carlsen Center for Children Board and in my N.D. Rural Health capacity at the School of Medicine and as a taxpayer of this state, I urge you to support the Center's 2 OAR requests. Thank you. Dr. Sue Offutt

(2)

TESTIMONY
SENATE BILL 2012 - DEPARTMENT OF HUMAN SERVICES
SUBCOMMITTEE SENATE APPROPRIATIONS
SENATOR FISCHER, CHAIRMAN
JANUARY 17, 2007

Chairman Fischer, members of the Subcommittee, my name is Dan Howell and for the past 7 years, I have had the privilege and honor to be the Chief Executive Officer of the Anne Carlsen Center for Children (ACCC) located in Jamestown, North Dakota. I serve in the shadows of our namesake, Dr. Anne Carlsen. Dr. Anne Carlsen, is one of only 35 individuals who have received the prestigious Teddy Roosevelt Roughrider Award. She has been the driving force and inspiration for over 65 years as the Center has taken on the challenge of caring for this State's, as well as in some cases, the nation's most challenging children with special needs.

The ACCC today cares for 54 of the State's most medically fragile and behaviorally challenged children. On a map that has been passed out to you, 53 of the 54 children are from the State of North Dakota. We have children from 22 different counties from Hettinger County in the southwest portion of the State to Mountrail County in the northwest portion of the State to Pembina

County in the northeast portion of the State, and to Richland County in the southeast portion of the State. It is interesting to note that our reimbursement for the 1 child that is at the Center from Moorhead, Minnesota, is $90 a day greater than the reimbursement we would receive from the State of North Dakota. This amounts to approximately $32,000 a year in additional reimbursement for just this 1 child.

I am here today in support of SB 2012 and Optional Adjustment Request (OAR) #8. Specifically, there are 2 line items in OAR #8; one for 7 medically fragile children at the ACCC, and the other for 56 behaviorally challenged children around the State of North Dakota. Your OAR chart, page 2, sets these out.

Many of you in this room today recall during the 2005 legislative session that the ACCC brought in front of both the Senate and the House funding needs to fill a gap in reimbursement for medically fragile children. In the end, the legislature added approximately $600,000 in State and Federal funds to the Governor's budget for 29 medically fragile children around the State of North Dakota. Of these 29 children, 19 at that time were

being served by the ACCC. The ACCC received approximately $360,000 during this biennium for these 19 children that added approximately $26 per day to our daily rate.. Words cannot begin to express my gratitude to each of you who voted favorably for our request.

Today the request is a similar one. The problem that the Center, as well as other similar providers face today, is one of serious shortfalls in reimbursement. The continued costs to provide services for 2 populations; 1) medically fragile children, and 2) behaviorally challenged children, are increasing faster than the reimbursement for these same services. The ACCC is seeking additional reimbursement to cover the costs of care necessary for these 2 distinct populations of children who have such significant special needs.

In the binders that have been passed out to you are a number of items that provide background information with regards to our issues. I will be focusing the bulk of my written testimony today on Tab 4 and Tab 6.

Medically Fragile Children

The definition for children with medical fragility is one that has been developed by the State of Oregon Department of Human Services and has been adopted by the North Dakota Department of Human Services.

As I indicated earlier, the ACCC is presently serving 19 medically fragile children. Because of the generosity of the North Dakota Legislature during the 2005 session, the costs for 12 of our medically fragile children and the reimbursement for these 12 is approximately the same. However, for 7 of the State's most medically fragile children who reside at the ACCC. The problem of a shortfall in reimbursement between our actual cost and our reimbursement is still significant. The average cost per child per day for just these 7 children is $567.37. Reimbursement to the ACCC is at an interim rate of $405.17 per day. This leaves the Center with a daily loss of $162.20 per child, or a loss of $414,421 each year for just these 7 children.

To cover this annual gap in funding reimbursement, the ACCC must access its donated foundation funds, which we rely on

for capital improvements and modernization, as well as support of student activities that help these special children with normal childhood experiences like prom, fishing trips, baseball trips, summer camp at the Elks Camp Grassick, and many other activities which helps foster growth and independence for these children.

Behaviorally Challenged Children

Similar to the medically fragile scoring criteria, the State of Oregon has also developed scoring criteria for behaviorally challenged children. The North Dakota Department of Human Services has also adopted this criteria. In using this scoring criteria, the Department of Human Services indicated that there are 56 children around the State, which meet a minimum level in the behaviorally challenged scoring criteria. The ACCC serves 36 of these children or approximately two-thirds on our campus in Jamestown. The second part of OAR #8, which I would like to address, specifically talks about these special children and the additional funding gap that the ACCC, as well as other providers who have children's programs around the State of North Dakota face.

The number of children at the ACCC that have Behavioral Support Plans has increased 150% over the past 10 years. While the number of approved direct care FTEs from the Department of Human Services to care for these childern has increased by 13.9 FTEs or only 18.9%.

In addition to the Oregon scoring criteria, the ACCC uses 3 levels when classifying behaviorally challenged children. Level 1 classification needs a mild level of staff intervention. Problems with these behaviorally challenged children include: learned helplessness, non-compliance, and mild symptoms associated with ADHD. They require standby or indirect supervision with minimal direct supervision. Level 2 includes significant symptoms associated with ADHD, mild forms of self-injurious behavior (e.g. hand-biting), mild forms of aggressive behaviors or risk of injury, and mild property damage (an example of this may be ripping or clearing a table). These Level 2 children require line of sight supervision at all times, with moderate levels of direct one-on-one supervision. Level 3 children need significant level of staff interventions. Their behaviors may include pica, significant forms

of self-injurious behaviors such as head-banging, significant forms of aggressive behaviors where risk of injury to themselves and staff is major, significant property damage (e.g. throwing a television, putting holes in wall, breaking windows). These children require high or constant levels of direct one-on-one supervision, intervention for guidance, training and safety. A decade ago, 5 children met the Level 3 criteria, in 2005 22 children met the Level 3 criteria.

Because of this significant rise in the types of behaviors that the children at the ACCC are presenting with, we staff 109.3 direct care FTEs.

On June 10, 2003, a letter was sent by persons in the Department of Human Services, which talked about the assignment and use of staffing enhancements. The first paragraph states,

> "Due to budget limitations, staffing increases will only be approved based upon a percent increase in units or reduced where there is a decrease in units. Other than for new placements from Jamestown State Hospital or Grafton

Developmental Center, additional enhancements for staffing on an individual basis will not be approved, and other non-staffing enhancements will not be eligible for consideration."

While it can be said some modifications and flexibility with enhancements have been granted on a limited basis, the ACCC has not received substantive increases in approved staffing levels since March of 2003.

The Department of Human Services currently reimburses the Center for 87.48 FTEs. This is a shortfall of 21.82 FTEs and is a serious financial loss for us.

With compensation including salary and benefits, the ACCC has an annual reimbursement loss of $585,020 for the care and support of these children and young adults with behavioral disorders. As many of these children and young adults reach the age of 21 and move into a different group home environment across the State of North Dakota, or if children transition into a different group home environment across the State of North Dakota prior to the age of 21, providers across the State who take care of

behaviorally challenged children will be faced with the same concerns that we are addressing today.

The ACCC is blessed to have 2 pediatricians on our staff, Dr. Myra Quanrud and Dr. Beverly Ricker. With the capabilities and technology that is offered at the ACCC, along with the capabilities of both Dr. Quanrud and Dr. Ricker, the Center is able to keep many children on our campus when they fall ill or may have required hospitalization.

Because of the high level of intensity with the children at the Center, many children when they are hospitalized are needing care at Gillette Children's Hospital in Minneapolis or the Mayo in Rochester. In 2005 and 2006, it was documented by the Center that 174 hospital days and 21 pediatric intensive care days were avoided due to the Center having medical and technical capabilities to take care of these children right at the Center. Recent reimbursement rates per day for Gillette Children's Hospital and the Mayo were unavailable to us, but during the last biennium, Mayo was being reimbursed by the State at approximately $2,000 per day for children from the ACCC who were hospitalized in Rochester.

Conclusions

An argument can be made that as the ACCC may be helping the State of North Dakota save Medicaid funds, we are in turn being penalized for accepting the State's most medically fragile, as well as the State's most behaviorally challenged children and young adults.

The type of child and young adult that the ACCC serves today has taken on a very high degree of intensity. The ACCC over the past 65 years has gladly accepted the most challenging special needs children across the State of North Dakota. We do so today with open arms because of Dr. Anne Carlsen's philosophy that all children deserve the chance to be as independent as possible within the confines of their disability. For these children she said, and I quote, "There is a higher price tag associated with their care and their quest to become independent. Rewards in the community make it well worth the investment. Their growth should not be limited because of what are often preconceived notions that they may never contribute to society."

Chairman Fischer, and members of the Subcommittee, I urge you and your colleagues to support OAR #8 and specifically the line items for 7 medically fragile children for $986,794, of which $355,443 are general fund dollars. I also encourage you to support OAR #8 for 56 behaviorally challenged children across the State of North Dakota for $2,321,037, of which $836,037 are general fund dollars.

I would be pleased to answer any questions that the Subcommittee has at this time. We stand ready to provide whatever further information you may need.

Thank you.

Dan Howell, Chief Executive Officer
Anne Carlsen Center for Children

Testimony for Senate Bill 2012
Department of Human Services Subcommittee
Senate Appropriations Committee
Senator Fischer, Chair

Mr. Fischer, members of the subcommittee, thanks you for the opportunity to testify for Senate Bill 2012. My name is Dr. Myra Quanrud, and I am a pediatrician and the Medical Director at the Anne Carlsen Center for Children. I have been in this position since 1994, and I can't begin to tell you what I have learned from the children of this state who come to learn at the Center. I can tell you more easily what I didn't know upon my arrival there— how do I change a Trach? What's a MicKey? What is autism? And there are thousands more questions which will never be answered, such as, why does Michael bite his fingers? Why can't Arianna be without her ventilator? Why does Matty's foot swell? I often remind others that the ACCC Answer Book has not yet been written, and our kids wouldn't read it anyway...

Why are these kids so hard to take care of? Two reasons: 1) they have medical needs in combinations know one knows about yet, and 2) they have behavioral challenges that no one has "the" answer to yet. Our job is to learn from the children, and do our darndest to help them live their lives.

We help them live their lives. That means teetering on the edge between the dignity of risk, and the safety of a protecting hand.

In the Statement of Need, you will see two sets of scoring criteria. These are the Oregon Criteria used to standardize the measurement of severity of medical and behavioral needs. These criteria were used last year to define "medical fragility" and have been expanded to define "behavioral intensity" as well.

Under Tab 4, you will find the score tallied for our most medically fragile child, Arianna. Unfortunately, at the moment, Arianna is hospitalized in Pediatric Intensive Care, and as usual, she is stumping all of her caregivers—we can't find an obvious reason why she is so ill, but there she is. Page 4 will show you Arianna in all her glory on better days.

Under Tab 5, you will find the breakdown of scoring for behavioral intensity, which looks very much like the scorecard for medical needs. A better illustration of behavioral intensity is perhaps better given by the behavioral support plan for Kendra B, listed on pg 8—16. This may seem like a nitpicky and miserable way to conduct a life—room searches, pocket searches, and restrictions from the kitchen. I assure you, however, that this behavioral support plan is what gives Kendra her freedom. As long as these restrictions are seriously and painstakingly followed, Kendra is safe and secure enough in her environment to learn, and grow, and be a teenager. If the plan is NOT followed, Kendra could die. It's as simple as that. She could eat herself to death, even in a matter of hours.

I ask you to turn to tab 8 in the Statement of Need. There you will find information about the medical care of Michael G. Please page through this section, and please note the excruciating detail of his medical care plan. This isn't written just for the nurses and doctors: everyone who comes into contact with Michael needs to know and follow this plan. Why? If the plan isn't followed, he will die. He's tried before, on many occasions. Simple, stupid things like a splash of baby formula on his hand can literally put him on the brink of death. Other little things, like an over-full bladder (which he can't feel) can make him *look* like he's on the brink of death. One has to be able to tell the difference. The 5 page medical plan you see has nothing to do with his actual

medical cares—but everything to do with how he looks and responds from moment to moment.

You will also see Michael's behavioral scoring criteria. Michael doesn't just have complicated medical issues—he has a host of behavioral issues as well, starting with self-biting to a point where one cannot trust him for an instant. The hand (even one paralyzed up to the shoulder) truly is quicker than the eye. Michael demonstrates both ends of the care spectrum at ACCC—he is very medically fragile, and very behaviorally intense.

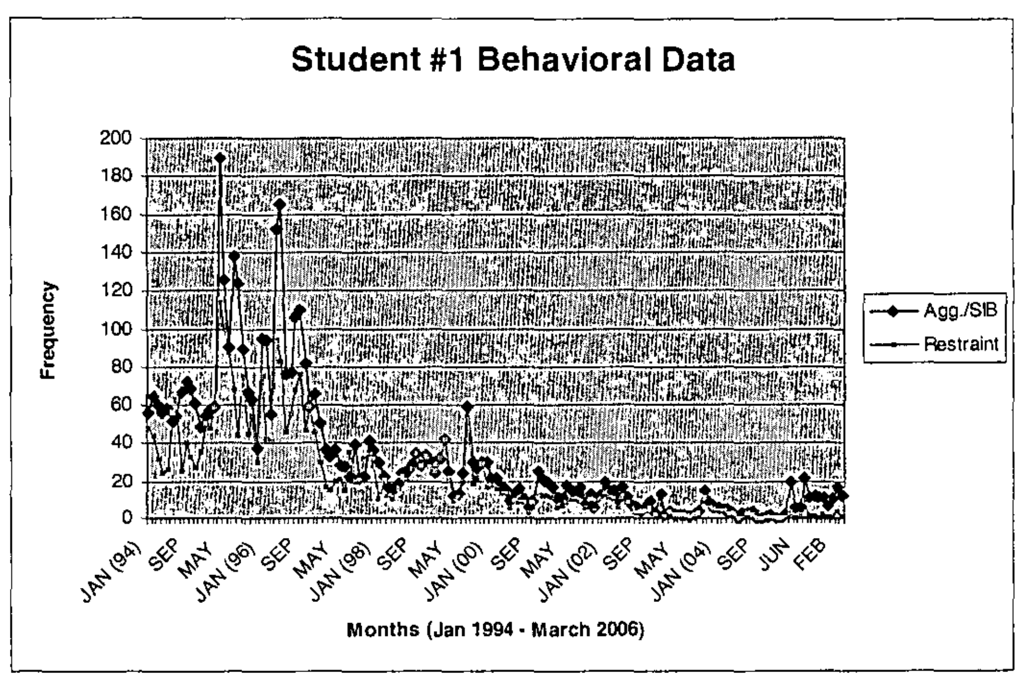
Attached to this testimony are some sheets, which indicate some of the amazing progress made by children with severe behavioral intensity. One of these children (#2) has moved to a less intense setting closer to home. One (#1) has "aged out" and moved to the Developmental Center at Grafton. The only other option for him was the ND State Hospital—even with the dramatic improvement in his behavior. Another (#5) has made huge strides in only 6 months since his admission, and I can see him someday returning to his home community and taking an active role in life there.

Kids like Arianna, Michael, and Dane are at ACCC because, aside from the hospital, this is the only place for them. A hospital is no place to live, and not what the people of ND should be paying for in the long term.

Student #1
Diagnosis: Autism, Moderate Mental Retardation
Reason for Placement: Significant behaviors at school (i.e., aggression, stripping, refusing to do any work) and home (i.e., aggression towards mother) that required physical intervention (i.e., restraint)
Result of Placement: The students aggressive behavior (i.e., hitting others) and self-injury (i.e., banging head on hard surface and/or hitting head with hand) decreased from a level of approximately 60 incidents per month (with a high of 190 incidents per month shortly after admission) to approximately 10 incidents or few per month at the time of discharge. At the time of admission through most of his stay, the student required a safety restraint 60%-100% of the time due to the severity of his behavior. At discharge this was down to a zero or near zero level. This process took several years.

The interventions utilized for Student #1 include: behavior support program and psychiatric services (i.e., medication management).

The following represents the behavioral data for Student #2 from January 1995 through March 2006:



Student #2

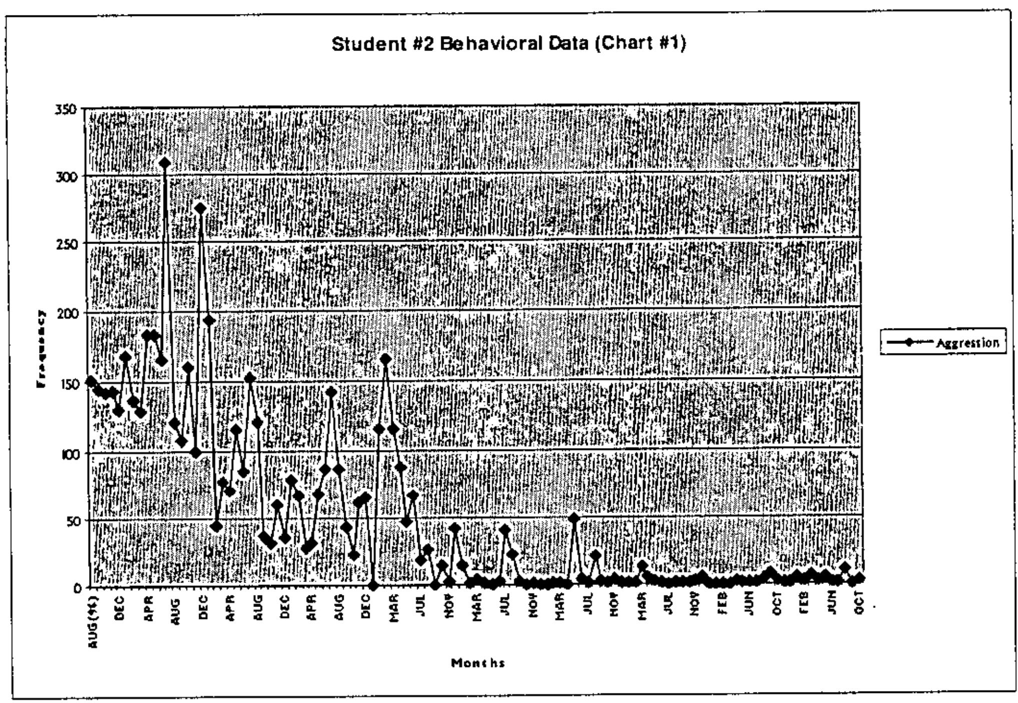
Diagnosis: Pervasive Developmental Disorder (NOS), Mild Mental Retardation

Reason for Placement: The student was having significant behaviors (i.e., aggression) at home and at school. This behavior was directed towards his mother, younger sister, and teachers. The significance of the behavior resulted in several incidents of his being removed from the home and placed at Psychiatric Hospitals in both Minot and Bismarck. Each incident required a physical intervention (safety restraint).

Result of Placement: As shown by the data below, the frequency of the students aggression decreased significantly. In fact, to the point that he was able to return and live in a group home in his home community. By decreasing the frequency of his aggressive behavior to near zero levels, the number of physical interventions required decreased to that same level. This process took several years.

The interventions utilized for Student #2 include: behavior support program and psychiatric services (i.e., medication management).

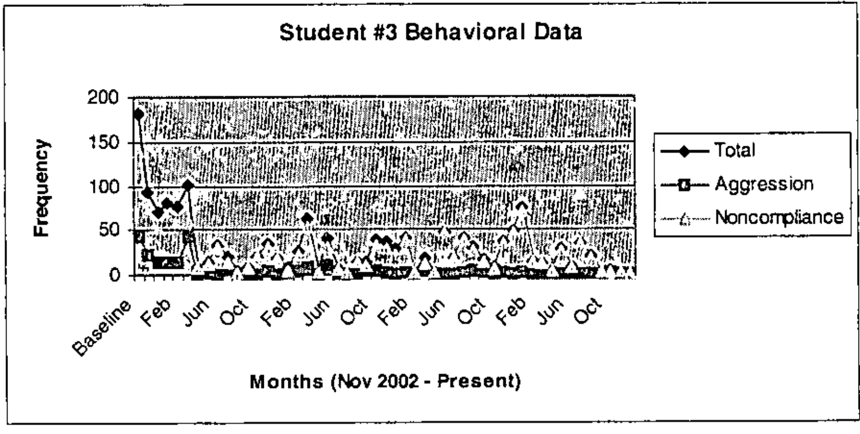
The following represents the behavioral data for Student #2 from August 1996 through October 2005:

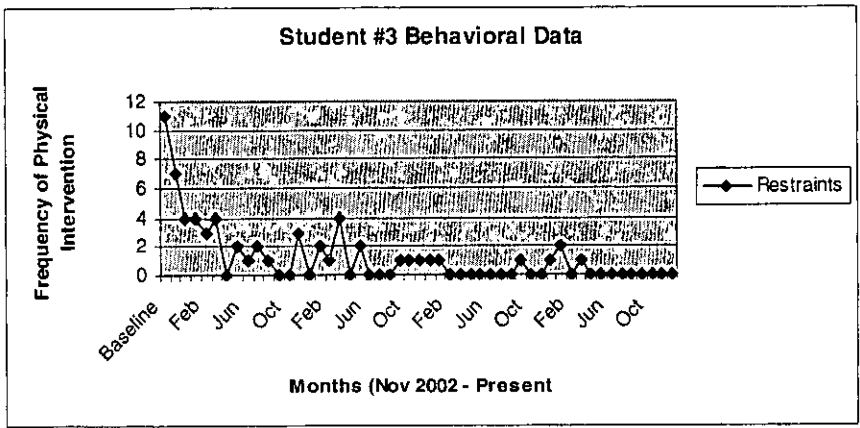


Student #3
Diagnosis: Neurofibromatosis Type I, Mild Mental Retardation, Bipolar Disorder (possible), Intermittent Explosive Disorder, Seizure Disorder, Scoliosis
Reason for Placement: This student moved to ACCC from another service provider and group home. He had significant aggression (i.e., hitting others, kicking others, and breaking property). The significance of the behavior resulted in physical and mechanical restraints.
Results of Placement: This students aggressive behavior towards others and property has decreased to zero or near zero levels thus effectively eliminating the need for physical intervention.

The interventions utilized for Student #3 include: behavior support program and psychiatric services (i.e., medication management). It should be noted, that the medication utilized to help with behavior management has decreased significantly from the time of admission to the present.

The following represents the behavioral data for Student #2 from November 2002 though the present:



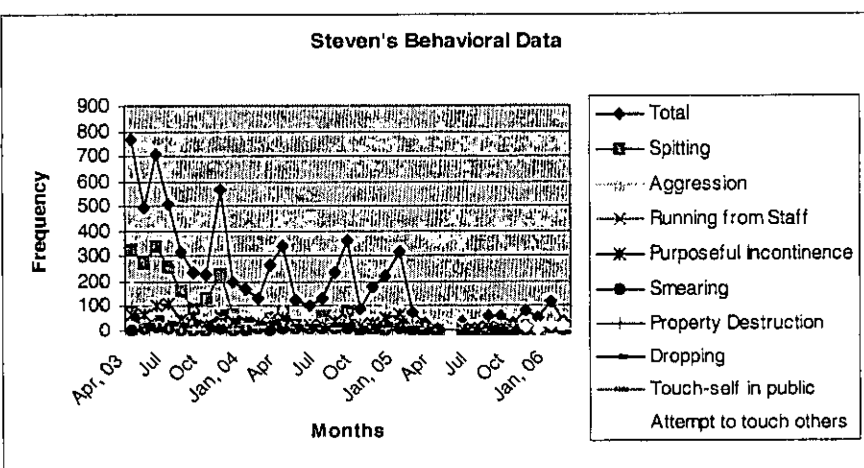


Student #4

Diagnosis: Anoxic Brain Injury and Encephalopathy due to Hypoxic Ischemic Insult at birth, Mild Mental Retardation, Seizure Disorder
Reason for Placement: This student was admitted to ACCC due to significant behavioral issues. These issues resulted in his moving into a group home several years prior to his admission to the center.
Results of Placement: As shown by the data, there has been significant improvement in the students behavior almost immediately and that improvement has maintained through the present time.

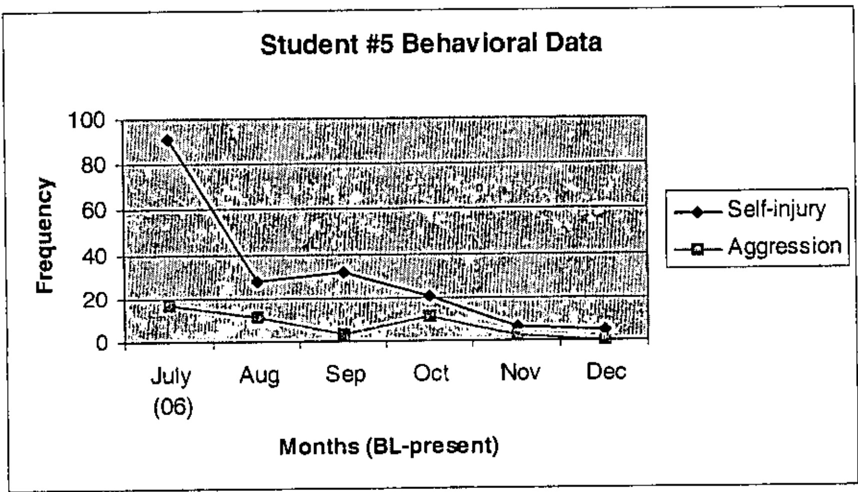
The interventions utilized for Student #4 include: behavior support program and psychiatric services (i.e., medication management).

The following represents the behavioral data for Student #4 from April, 2003 through March, 2006:



Student #5
Diagnosis: Autism, Mild Mental Retardation
Reason for Placement: Prior to coming to ACCC, student #5 was displaying significant aggression towards his mother. He also had refused to go to school for almost the entire year prior to coming to ACCC. In fact, he would not leave the house and was terrified when it rained or snowed outside due to a traumatic incident.
Results of Placement: From day one, this student has attended full-day school. He lives in a cottage at the center which requires him to walk outside in order to go to school. He currently (including when it rains or snows) walks to school, goes out into the community for work and leisure experiences and his aggressive behavior has decrease to near zero levels. This is significant in that his aggression (i.e., hitting, grabbing, and choking)was severe due to his size and strength.
The interventions used for Student #5 include: behavior support plan and psychiatric services (medication management).

The following represents the behavioral data for Student #5 from July 2006 through the present:



In addition to the significant decrease in negative behavior, #5 has also made the following improvements:

- Prior to his admission, student #5 had refused to go to public school for the entire preceding school year. He is going to school full-time.
- Prior to his admission, student #5 would not leave his house. He is now going to school daily, going out on vocational work experiences in the community, and is enjoying leisure activities in the community.
- Prior to his admission, student #5 would not go outside when it was raining or snowing. He is now walking to school and going out into the community in the rain and snow.

TESTIMONY
SENATE BILL 2012 – DEPARTMENT OF HUMAN SERVICES
HOUSE APPROPRIATIONS – HUMAN RESOURCE DIVISION
REPRESENTATIVE POLLERT, CHAIRMAN
FEBRUARY 28, 2007

Chairman Pollert, members of the Committee, my name is Dan Howell and for the past 7 years, I have had the privilege and honor to be the Chief Executive Officer of the Anne Carlsen Center for Children (ACCC) located in Jamestown, North Dakota. I serve in the shadows of our namesake, Dr. Anne Carlsen. Dr. Anne Carlsen, is one of only 35 individuals who have received the prestigious Teddy Roosevelt Roughrider Award. She has been the driving force and inspiration for over 65 years as the Center has taken on the challenge of caring for this State's, as well as in some cases, the nation's most challenging children with special needs.

The ACCC today cares for 54 of the State's most medically fragile and behaviorally challenged children. On a map that has been passed out to you, 53 of the 54 children are from the State of North Dakota. We have children from 22 different counties. From Hettinger County in the southwest portion of the State to Mountrail County in the northwest portion of the State to Pembina County in the northeast portion of the State, and to Richland County in the southeast portion of the State. It is interesting to note that our reimbursement for the 1 child that is at the Center from Moorhead, Minnesota, is $90 a day greater than the

reimbursement we would receive from the State of North Dakota. This amounts to approximately $32,000 a year in additional reimbursement for just this 1 child.

I am here today in support of SB 2012 and Optional Adjustment Request (OAR) #8. Specifically, there are 2 line items in OAR #8; one for 7 medically fragile children at the ACCC, and the other for 56 behaviorally challenged children around the State of North Dakota. Your OAR chart, page 2, sets these out.

Chairman Pollert and members of the Committee, your colleagues in the Senate have added $300,000 in general fund dollars for medically fragile children. This $300,000 in general fund dollars for the biennium would go exclusively for 7 medically fragile children at the ACCC.

The Senate has also added $200,000 in general fund dollars for 56 behaviorally challenged children around the State of North Dakota. 36 of those 56 children reside at the Center.

Many of you in this room today recall during the 2005 legislative session that the ACCC requested from both the Senate and the House funding needs to fill a gap in reimbursement for medically fragile children. In the end, the legislature added approximately $600,000 in State and Federal funds to the Governor's budget for 29 medically fragile children around the State of North Dakota. Of these 29 children, 19 at that time were

being served by the ACCC. The ACCC received approximately $360,000 during this biennium for these 19 children that added approximately $26 per day to our daily rate. Words cannot begin to express our gratitude to each of you who voted favorably for our request.

Today the request is a similar one. The problem that the Center, as well as other similar providers face today, is one of serious shortfalls in reimbursement. The continued costs to provide services for 2 populations; 1) medically fragile children, and 2) behaviorally challenged children, are increasing faster than the reimbursement for these same services. The ACCC is seeking additional reimbursement to cover the costs of care necessary for these 2 distinct populations of children who have such significant special needs.

In the binders that have been passed out to you are a number of items that provide background information with regards to our issues. I will be focusing the bulk of my written testimony today on Tab 4 and Tab 6.

Medically Fragile Children

The definition for children with medical fragility is one that has been developed by the State of Oregon Department of Human Services and has been adopted by the North Dakota Department of Human Services.

As I indicated earlier, the ACCC is presently serving 19 medically fragile children. Because of the generosity of the North Dakota Legislature during the 2005 session, the costs for 12 of our medically fragile children and the reimbursement for these 12 is approximately the same. However, for 7 of the State's most medically fragile children who reside at the ACCC. The problem of a shortfall in reimbursement between our actual cost and our reimbursement is still significant. The average cost per child per day for just these 7 children is $567.37. Reimbursement to the ACCC is at an interim rate of $405.17 per day. This leaves the Center with a daily loss of $162.20 per child, or a loss of $414,421 each year for just these 7 children.

To cover this annual gap in funding reimbursement, the ACCC must access its donated foundation funds, which we rely on for capital improvements and modernization, as well as support of student activities that help these special children with normal childhood experiences like prom, fishing trips, baseball trips, summer camp at the Elks Camp Grassick, and many other activities which helps foster growth and independence for these children.

Behaviorally Challenged Children

Similar to the medically fragile scoring criteria, the State of Oregon has also developed scoring criteria for behaviorally challenged children. The North Dakota Department of Human

Services has also adopted this criteria. In using this scoring criteria, the Department of Human Services indicated that there are 56 children around the State, which meet a minimum level in the behaviorally challenged scoring criteria. The ACCC serves 36 of these children or approximately two-thirds on our campus in Jamestown. The second part of OAR #8, which I would like to address, specifically talks about these special children and the additional funding gap that the ACCC, as well as other providers who have children's programs around the State of North Dakota face.

The number of children at the ACCC that have Behavioral Support Plans has increased 150% over the past 10 years. While the number of approved direct care FTEs from the Department of Human Services to care for these childern has increased by 13.9 FTEs or only 18.9%.

In addition to the Oregon scoring criteria, the ACCC uses 3 levels when classifying behaviorally challenged children. Level 1 classification needs a mild level of staff intervention. Problems with these behaviorally challenged children include: learned helplessness, non-compliance, and mild symptoms associated with ADHD. They require standby or indirect supervision with minimal direct supervision. Level 2 includes significant symptoms associated with ADHD, mild forms of self-injurious behavior (e.g.

hand-biting), mild forms of aggressive behaviors or risk of injury, and mild property damage (an example of this may be ripping or clearing a table). These Level 2 children require line of sight supervision at all times, with moderate levels of direct one-on-one supervision. Level 3 children need significant level of staff interventions. Their behaviors may include pica, significant forms of self-injurious behaviors such as head-banging, significant forms of aggressive behaviors where risk of injury to themselves and staff is major, significant property damage (e.g. throwing a television, putting holes in wall, breaking windows). These children require high or constant levels of direct one-on-one supervision, intervention for guidance, training and safety. A decade ago, 5 children met the Level 3 criteria, in 2005 22 children met the Level 3 criteria, a 330% growth.

Because of this significant rise in the types of behaviors that the children at the ACCC are presenting with, we staff 109.3 direct care FTEs.

On June 10, 2003, a letter was sent by persons in the Department of Human Services, which talked about the assignment and use of staffing enhancements. The first paragraph states,

> "Due to budget limitations, staffing increases will only be approved based upon a percent increase in units or reduced

where there is a decrease in units. Other than for new placements from Jamestown State Hospital or Grafton Developmental Center, additional enhancements for staffing on an individual basis will not be approved, and other non-staffing enhancements will not be eligible for consideration."

While it can be said some modifications and flexibility with enhancements have been granted on a limited basis, the ACCC has not received substantive increases in approved staffing levels since March of 2003.

The Department of Human Services currently reimburses the Center for 87.48 FTEs. This is a shortfall of 21.82 FTEs and is a serious financial loss for the Center.

With compensation including salary and benefits, the ACCC has an annual reimbursement loss of $585,020 for the care and support of these children and young adults with significant behavioral disorders. As many of these children and young adults reach the age of 21 and move into a different group home environment across the State of North Dakota, or if children transition into a different group home environment across the State of North Dakota prior to the age of 21, providers across the State who take care of behaviorally challenged children will be faced with the same concerns that we are addressing today.

The ACCC is blessed to have 2 pediatricians on our staff, Dr. Myra Quanrud and Dr. Beverly Ricker. With the capabilities and technology that is offered at the ACCC, along with the capabilities of both Dr. Quanrud and Dr. Ricker, the Center is able to keep many children on our campus when they fall ill or may have required hospitalization.

In 2005 and 2006, it was documented by the Center that 174 hospital days and 21 pediatric intensive care days were avoided due to the Center having medical and technical capabilities to take care of these children right at the Center. Reimbursement rates per day for pediatric stays in North Dakota were approximately $1,100 per day. During the last biennium, Mayo was being reimbursed by the State of North Dakota at approximately $2,000 per day for children from the ACCC who were hospitalized in Rochester. This amounted to an approximate savings to the State of North Dakota of over $200,000 in 2006.

Conclusions

An argument can be made that as the ACCC may be helping the State of North Dakota save Medicaid funds, we are in turn being penalized for accepting the State's most medically fragile, as well as the State's most behaviorally challenged children and young adults.

The type of child and young adult that the ACCC serves today has taken on a very high degree of intensity. The ACCC over the past 65 years has gladly accepted the most challenging special needs children across the State of North Dakota. We do so today with open arms because of Dr. Anne Carlsen's philosophy that all children deserve the chance to be as independent as possible within the confines of their disability. For these children she said, and I quote, "There is a higher price tag associated with their care and their quest to become independent. Rewards in the community make it well worth the investment. Their growth should not be limited because of what are often preconceived notions that they may never contribute to society."

Chairman Pollert, and members of the Committee, I urge you and your colleagues to support OAR #8 and specifically increase the line items for 7 medically fragile children $153,924, of which $55,443 are general fund dollars. I also encourage you to support and increase OAR #8 for 56 behaviorally challenged children across the State of North Dakota $1,765,790, of which $636,037 are general fund dollars.

I would be pleased to answer any questions that the Subcommittee has at this time. We stand ready to provide whatever further information you may need.

Thank you.

TESTIMONY
By
Calvin N. Rolfson
before the
House Appropriations Committee
Human Services Subcommittee
on behalf of
The Anne Carlsen Center for Children
In support of
SB 2012
February 28, 2007

Chairman Pollert and members of the Human Services Division. My name is Cal Rolfson. I represent the Anne Carlsen Center for Children (the "Center') in Jamestown, North Dakota. My purpose today is just to outline the nature of the testimony that will be presented to your subcommittee today. Following the testimony of two witnesses, I will present a brief overview.

You will each receive a tabbed document that will be a reference point to follow during the testimony. To save time, we will not comment on some of the tabs. We hope you will read them later.

To begin, the Center's CEO, Dan Howell, will give you an overview of the issues facing the Center. Following Dan's testimony, Myra Quanrud, M.D., will share examples of the special and necessary care that the Center

provides to these special kids. After Dr. Quanrud, I will close with brief summary remarks.

CONCLUDING REMARKS

7 Medically Fragile Children

These medically fragile children require the step-down ICU-type of care that the Center provides. As Dan said, the Center loses about $900,000 each biennium in caring for just seven of these fragile children. If these 7 kids alone were NOT at the Center, because of the intensity of the care they require, they would most likely be in a hospital setting at a cost of 3-4 times per day more than that which the State pays to the Center for doing essentially the same level of care.

The current policy of North Dakota places the Center in a pure catch-22. First, the Center looses nearly a half-million dollars each year for 7 kids. Yet, their mission does not allow them to say "no" to anyone needing their care. When these special kids are admitted to the Center, it saves hundreds of thousands of dollars yearly for the State, and the Center loses hundreds of thousands of dollars. The Center bears all this because of its mission. If it

continues without relief for them, the only real option for the Center is to revise its mission statement.

You may recall the one example of 5-month old Arianna during the last Session. The State was being billed by Mayo $3,000 each day for her care and the State was paying $2,000 per day. When the Department literally pleaded with the Center to take Arianna, they accepted her because the Department simply asked. How ironic that when Arriana arrived, the Center was paid, at that time, about $375 per day for her care, thus saving the State about $1,625 each day (a $593,000 annualized savings for the Department for just this one child), while at the same time causing the Center to incure a red ink loss of about $50,000 per year just for Arianna's care alone.

Behaviorally Challenged Children

Regarding the increasingly high level of behaviorally challenged (BC) children that are being cared-for at the Center, I invite you to look at the third page of Tab 5. On the second page, there is a chart. Note the dramatic changes that have occurred in BC admissions over the past 10 years, with essentially a flat increase in FTEs to care for that challenging population.

Remember, the OAR for this category is shared with 6 other ICF/MR facilities in North Dakota who have 20 BC children among them. We strongly support that sharing.

Conclusion

The Department of Human Services expresses pride in the care that is provided by the Center and they know the level of quality is second to none. The Center is essentially an available agent to carry out the Department's legal responsibility to care for these special people. DHS has recognized this biennium that there is a need to increase funding to the Center, but was prevented from including this funding into its main budget because of Executive direction requiring a "hold even" budget. Director Olson has toured the Center. The Interim Budget Committee on Human Services, under Senator Dever's leadership, has toured the Center and held hearings there this summer. Some members of your Appropriations Committee were there. If you haven't been there, it's a trip you should make and you are invited to do so, with or without advance notice.

I know you will give real consideration to the financial losses the Center faces in caring for the State's most precious and fragile of its children. I will

be here during the Session. I pledge to work with you to secure the answers you may require, and to make it work.

You honor us and the memory of Anne Carlsen by allowing us to share these comments with you.

Thank you. May I respond to any further questions?

Calvin N. Rolfson (Lobby Lic. #96)
Anne Carlsen Center for Children

TESTIMONY
By
Myra J. Quanrud MD FAAP
before the
House Appropriations Committee
Human Resources Subcommittee
on behalf of
The Anne Carlsen Center for Children
In support of
SB 2012
February 28, 2007
Representative Chet Pollert, Chair

Representative Chet Pollert, members of the subcommittee, thank you for the opportunity to testify for Senate Bill 2012. My name is Dr. Myra Quanrud, and I am a pediatrician and the Medical Director at the Anne Carlsen Center for Children. I have been in this position since 1994, and I cannot begin to tell you what I have learned from the children of this state who come to learn at the Center. I can tell you more easily what I didn't know upon my arrival there: how do I change a Trach? What is a MicKey? What is autism? And there are thousands more questions which will never be answered, such as, why does Michael bite his fingers until they bleed? Why can't Arianna be without her ventilator? Why does Matty's foot swell? Why does Kendra want to eat until her stomach bursts (Prader Willi Syndrome)? I often remind others that the ACCC Answer Book has not yet

been written, and our kids wouldn't read it anyway.

You need to understand from a medical (and perhaps legal) standpoint why it costs so much time, staff and resources to care for these, the most fragile and challenging of our state's children. I hope I can briefly help with that today.

Why are these kids so hard to take care of? Two reasons: 1) They have serious medical needs in combinations no one knows about yet, and 2) they have behavioral challenges that no one has the answer to yet. Our job is to learn from the children, and do our darndest to help them live their lives.

*We help them live **their** lives.* That means teetering on the edge between the dignity of risk and the safety of a protecting hand.

In the handout you received, you will see two sets of scoring criteria. These are the Oregon Criteria used to standardize the measurement of severity of medical and behavioral needs. These criteria were used last

year to define medical fragility@ and have been expanded to define behavioral intensity as well.

Under Tab 4, you will find the source tallied for our most medically fragile child, Arianna. Unfortunately, her condition has deteriorated, and she is now receiving palliative care. She still attends school when able, and plays with her toys. Page 4 will show you Arianna in all her glory on better days.

Under Tab 5, you will find the breakdown of scoring for behavioral intensity, which looks very much like the scorecard for medical needs. A better illustration of behavioral intensity is perhaps given by the behavioral support plan for Kendra B, listed on pp 8-16. This may seem like a nitpicky and miserable way to conduct a life: room searches, pocket searches, and restrictions from the kitchen. I assure you, however, that this behavioral support plan is what gives Kendra her freedom and keeps her healthy. As long as these restrictions are seriously and painstakingly followed, Kendra is safe and secure enough in her environment to learn, and grow, and be a

teenager. If the plan is NOT followed, Kendra could die. It's as simple as that. She could eat herself to death, even in a matter of hours. She takes constant care.

I ask you to turn to Tab 8 in the Statement of Need. There you will find information about the medical care of Michael G. Please page through this section, and please note the excruciating detail of his medical care plan. This isn't written just for the nurses and doctors: everyone who comes in contact with Michael needs to know and strictly follow this plan. Why? If the plan isn't followed, he will die. He has tried before, on many occasions. Simple, stupid things like a splash of baby formula on his hand can literally put him on the brink of death. Other little things, like an over-full bladder (which he can't feel) can make him look like he's on the brink of death. One has to be able to tell the difference. The 5 page medical plan you see has nothing to do with his actual medical care, but everything to do with how he looks and responds from moment to moment.

You will also see Michael's behavioral scoring criteria. Michael doesn't just

have complicated medical issues; he has a host of behavioral issues as well, starting with self-biting to a point where one cannot trust him for an instant. The hand (even one paralyzed up to the shoulder) truly is quicker than the eye. Michael demonstrates both ends of care spectrum at ACCC: he is very medically fragile, and very behaviorally intense. He needs one-on-one staff care at all times or he will die.

Attached to this testimony are some sheets, which indicate some of the amazing progress made by children at ACCC with severe behavioral intensity. One of these children (#2) has moved to a less intense setting closer to home. One (#1) has aged out, and moved to the Developmental Center at Grafton. The only other option for him was the ND State Hospital at 3 to 4 times the cost of similar cases at ACCC, even with the dramatic improvement in his behavior. Another (#5) has made huge strides in only 6 months since his admission, and I can see him someday returning to his home community and taking an active role in life there. The Center takes pride in being able to take children with seriously high behavioral needs and, through careful attention, treatment, and love, significantly reduce

their behaviors.

Kids like Arianna, Michael, and Dane are at ACCC because, aside from the hospital, this is the only place for them. A hospital is not place to live, and not what the people of North Dakota should be paying for in the long term

The ACCC saves our state dollars by providing care and education to the most fragile and challenging of its children. The ACCC needs enhanced funding to stem the flow of red ink. You, as policy makers for North Dakota, have the opportunity to play a vital role in the Center's life and in the life of these kids. It is absolutely supportable from every perspective—whether fiscal or political, medical or ethical.

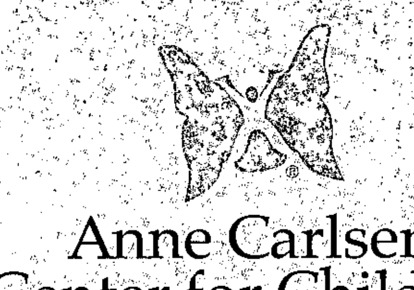
Thank you. I would be happy to respond to any questions.

Myra Quanrud, MD FAAP
Medical Director
Anne Carlsen Center for Children

Statement of Need to:

House Appropriations Committee

2007 North Dakota Legislative Assembly



Anne Carlsen
Center for Children
Changing Lives Forever

INTRODUCTION

"This school welcomes all, embraces each, supports everyone, and hopes that you find yourself better for having been here."

~Sally Huss

Anne Carlsen Center for Children was founded over 65 years ago on the belief that children with disabilities should have the opportunity to become as independent as possible. Today, we carry on the mission of our founders.

Our past is defined by courageous decisions on the part of this organization's leaders. The choice to build a special place for children with physical disabilities in the 1940s took courage.

In the 1980s, those children began receiving education in the public schools, thanks to legislation that required schools to provide greater access. That meant a change for our organization. We made the conscious choice to change our focus and begin educating and caring for children with cognitive and physical impairments even though our building was not best suited or our staffing adequate. Folks here at the time, though, had a common sense of purpose defined by one word...independence.

We are rallying around similar choices today, adapting our programs, buildings, and technology to serve a group young people who have one common goal to be as independent as they can possibly be.

At the same time, we are faced with financial concerns similar to many other organizations who work with children and adults with developmental disabilities. We look to the state to help adequately fund the care and services ACCC provides and address the current gap in funding.

"We shall never know all the good that a simple smile can do. "

Mother Teresa

"I am not afraid of storms, for I am learning how to sail my ship."

--Louisa May Alcott

A simple smile filled with light can dance across a room and tickle the many hearts.

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HISTORY

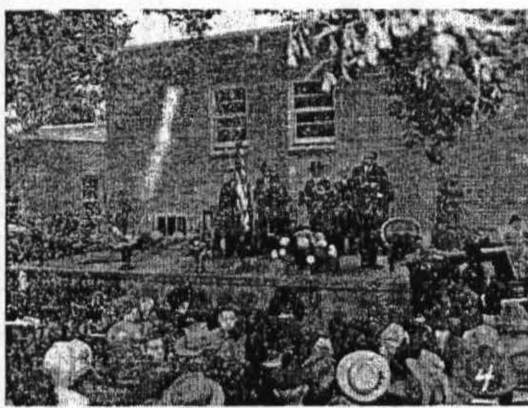
1922: The Evangelical Good Samaritan Society was granted state licensure of incorporation for a fee of $5.

1923: The first Good Samaritan Society home was opened in Arthur, N.D. with 13 residents.

1932: A former Presbyterian college in Fargo, N.D., was offered to the Good Samaritan Society for the Crippled Children's School. Lelend Burgum was superintendent.

1938: Rev. W.B. Schoenbohm joined the Good Samaritan Society as superintendent. Anne Carlsen, a quadruple congenital amputee, joined the staff as a high school teacher.

1940: Lutheran Hospitals and Homes Society purchased the Crippled Children's School and moved it to Jamestown, N.D. Construction began in the fall at Horseshoe Park on six acres purchased for $450.



1941: Despite inclement weather, nearly 1,000 people gathered Sept. 21 to help dedicate the new school. The original building cost $58,000 to construct and was paid for entirely with private donations. It opened its doors to 18 students on Sept. 22. The School included two modern classrooms, a craft room, library, therapy room, dining hall, recreation room, and dormitory for 35 children.

1943: A new sunroom was dedicated Sept. 5.

1946: Anne Carlsen earned her master's degree in education from Colorado State University in Greeley.

The School purchased additional acreage to the east and west of the school.

1948: Anne Carlsen was named the school principal. The School purchased additional acreage to the northwest.

1949: The Easter Seal Wing, dedicated May 29, included three classrooms, rooms for occupational therapy, physical therapy, hydrotherapy, speech correction, storage, and exercise and a dormitory for 32 boys. Additional remodeling provided a junior high school room, a staff dining room and additional medical isolation facilities.

Anne Carlsen completed the doctoral program at University of Minnesota and was named child guidance director of the School.

A summer session called the Cerebral Palsy Training Program and Parents Conference was started in cooperation with the N.D. Easter Seals Society.

1950: Dr. Anne Carlsen was named superintendent after Rev. W.B. Schoenbohm resigned to take a new position in Iowa.

1953: Two classrooms and a laundry unit were added to the growing facility. The School's enrollment climbed to 59.

A postgraduate business education course started to offer young people with special needs a chance to prepare for office jobs. It was discontinued in 1968 when two commercial colleges in the state were on ground level and accessible to those with disabilities.

1955: Students of the high school and commercial department started the first all-school yearbook, the Island Echo.

1958: A Ford Foundation grant for $33,200 and Hill-Burton Funds approved by the N.D. State Health Planning Commission provided money for construction of the industrial arts department, homemaking department, and new kitchen and dining room facilities.

Dr. Anne Carlsen received the President's Trophy as Handicapped American of the Year. The award is given annually to the person who has helped to advance the cause of the employment of the physically disabled.

1962: The new occupational therapy department and all-purpose auditorium/gymnasium, with a seating capacity of 400, was dedicated in May. The auditorium included a permanent, handicap-accessible stage area.

Today children use the auditorium for phy-ed class, recreation, and performing in events like their annual Christmas program.

1965: A new heating plant, physical therapy department and speech therapy department with a special classroom for the hearing impaired were added.

1966: North Dakota Governor William Guy honored Dr. Anne Carlsen with North Dakota's highest honor, the Theodore Roosevelt Roughrider Award. The award is given to persons who have brought credit to the state by achieving national recognition in their fields of endeavor.

1968: The new limb and brace department was constructed. A vocational evaluation program, sponsored jointly by the School and the Vocational Rehabilitation Division, started and continued through 1973. The prevocational classroom for students not academically inclined but able to benefit from further practical training and therapy, was kept as part of the program.

1971: The Crippled Children School dedicated a new modular dormitory designed to house 32 students. Thousands of gifts, matched by a 46 percent grant from Hill-Burton Construction Funds, supported the project.

1975: Dr. Anne Carlsen was inducted into the National Teachers Hall of Fame at Fullerton (Calif.) College.

1976: A second modular dormitory was added.

1980: The name of the school was changed to Anne Carlsen School, in honor of Dr. Anne Carlsen who had served as teacher, principal and administrator for more than four decades.

1981: Dr. Anne Carlsen retired from her administrative position and took a part-time consulting job with the School. She continued to maintain office hours and serve as a consultant and mentor to staff and students until the time of her death.

Dr. Anne received the W. Clement Stone Foundation Endow-a-Dream Award, given each year to honor an individual who has used a positive mental attitude to overcome adversity and make contributions to the betterment of humanity. A check for $50,000

was given to the School for its endowment fund.

Henry Edwards was named the school's administrator.

1983: An extensive remodeling project updated the staff and student dining areas, hallways and one dormitory.

President Ronald Reagan appointed Dr. Anne Carlsen vice-chair of the President's Committee on Employing the Handicapped.

1984: The focus of the Center's programs expanded to include young people with severe multiple disabilities.

All the children benefit from the warm-water swimming pool during gym class, in therapy sessions, and for open swim time in the evenings.

1985: The therapeutic swimming pool and whirlpool were completed so students could begin benefiting from physical, recreational and social therapy. The pool floor can be raised and lowered to any water depth between zero and five feet.

A statue of Dr. Anne Carlsen and a child was dedicated at the front entrance of the school.

1986: The School's program was expanded to include services and placement for children with autism.

1987: A Communication and Mobility Assessments program began. As part of the program, a team of therapists evaluates children within and outside the School to recommend more appropriate communication and mobility programming.

ACCC started its program for children with autism and behavior-related disorders.

1988: Anne Carlsen School was licensed as an Intermediate Care Facility for the Mentally Retarded.

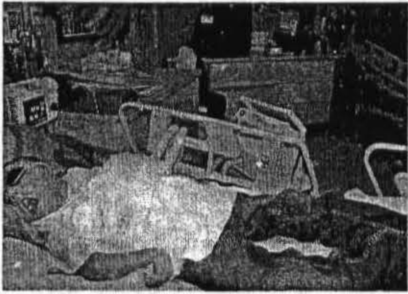
The local Head Start program relocated in the school building, giving young children with and without special needs a chance to interact with each other.

The Community Integration and Vocational Development Program began providing young adults with disabilities valuable work experiences as trainees in local businesses.

1989: The Therapeutic Equestrian Program began offering horseback riding for children with disabilities. The program uses physical, speech and occupational therapies while the children ride.

1990: Michael J. Numrich was named Administrator.

The Advanced Care Unit opened, providing state-of-the-art medical care and skilled personnel for medically fragile youngsters.



The advance care unit provides hospital-level medical care to the most medically-fragile children.

1991: The School celebrated its golden anniversary with a year-long series of events, including a staff-alumni reunion and celebration banquet.

The program offering daily living skills and

vocational experience for young adults with disabilities was named Transitional Services.

1992: The School's education services received accreditation as an elementary school from the prestigious accrediting agency, North Central Association.

Fundraising began for the Resource Center, a regional focus of information training and equipment for children with special needs and their families.

The Store Room opened its doors with consigned crafts and goodies. Kids gained work experience there before they moved to jobs in the community.
Dr. Anne Carlsen was chosen as one of 22 North Dakotans to serve on Governor-elect Ed Schafer's transition team and she was named Psychologist of the Year by the North Dakota Psychological Association.

The School received a President's Grant from Lutheran Health Systems to develop and put in place a system of providing rehabilitation services to children from all Lutheran Health Systems facilities throughout the nation.

1993: The name of the school was changed to Anne Carlsen Center for Children to better reflect its broader scope of services.

1995: Dr. Anne Carlsen and the Center celebrated her 80th birthday. Contributions honoring her totaled more than $25,000 and helped purchase a handicapped-accessible van.

1997: Mike Gillen was named administrator.

The Center began a five-year renovation project to enable it to better meet the needs of its children.

1998: The Anne Carlsen Tree of Life was dedicated, revealing 700 names of those who had contributed at least $5,000 to the Center.

1999: The Nature Trail's bridge was completed, thanks to Eagle Scout John [illegible]oetz who constructed the bridge as part of his scouting project.

The Guest House, which serves as a home-away-from-home for visiting families, was re-sided.

2000: Dan Howell was named administrator.

The Center's parent company, Lutheran Health Systems merged with Samaritan Health System of Phoenix, Ariz. to create Banner Health System.

2001: The Center celebrated its 60th anniversary with a number of events including: a ribbon-cutting ceremony which culminated a five-year, $1.6 million remodeling project, an alumni reunion where over 70 graduates of the Center gathered, and a gala event highlighted with a benefit concert by acclaimed pianist Lorie Line and her Pop Chamber Orchestra. Over 1,500 people attended the performance which raised more than $20,000 for Center programs.

The Council on Quality and Leadership in Supports for People with Disabilities gave the Center its highest accreditation rating - three year with distinction. Less than 10 percent of organizations accredited by The Council receive this grade.

2002: The Center's namesake, Dr. Anne Carlsen, passed away on Dec. 22.

2003: On July 1, the Center became an independently-owned organization operated by a governing board of directors.

Construction began on a residential expansion and remodeling, adding three residential cottages to the campus and remodeling the existing dorm area, increasing the Advanced Care Unit from six to 16 beds.

2004: In July, 16 students moved into new homes located just yards from the main campus when two of three houses were completed in the first phase of a major remodeling and expansion project designed to enhance the living environment to better meet the needs of today's residents.

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Chief Operating Officer

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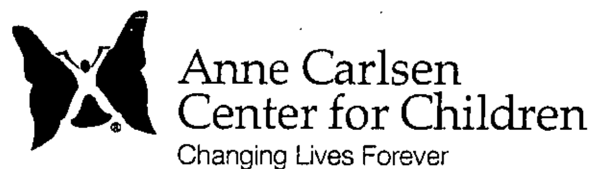


ISSUES OVERVIEW

Medically Fragile Funding Reimbursement

Background

Anne Carlsen Center for Children (ACCC) in Jamestown, N.D., is an ICF-MR facility licensed by North Dakota. It provides hospital-level care to a majority of the State's most medically-fragile children. Of its 54 licensed beds, 19 are occupied by children and young adults who are medically-fragile. To care for these children, ACCC is staffed 24/7 by caregivers specializing in pediatric care including pediatricians, RNs, LPNs, and LSTs (direct care providers), a social worker and behavioral specialist. Supporting our staff are a consulting clinical psychologist, psychiatrist, neurologist, and physiatrist.

A diagnostic example of the level of medical fragility of a typical child at ACCC may include congenital myelomalacia of the spinal cord, hypoplastic lungs and thorax, seizure disorder, brain atrophy, tracheostomy, gastrostomy and ventilator dependency, and congenital facial abnormalities.

The Need

- The ND Legislature granted ACCC interim funding in the 2005 session to help offset ACCC's annual loss of more than $1.1 million for the care of its 19 medically-fragile residents.

- Since the 2005 session, the number of medically-fragile residents has increased from 17 to 19, requiring even more expenses to meet their care needs.

- For reimbursement purposes, the N.D. Department of Human Services (DHS) treats funding of medically fragile residents the same as all other children and adults in ICF-MR facilities across the state, *including those with no physical disabilities.*

- In the 2005 session, the legislative assembly provided additional funding for the care of 12 of ACCC's 19 medically-fragile residents, granting approximately $360,866 in additional reimbursement. That helped reduce the funding gap, however as needs continue to grow, expenses far surpass the new reimbursement rate.

- DHS currently reimburses ACCC at an interim rate of $405.17 per day. ACCC's average cost for caring for each of its 7 most medically fragile residents is $567.37/day, leaving ACCC with a daily loss of $162.20 per child or $414,421 loss each year *for just these 7 children.*

- To cover the annual gap in funding reimbursements, ACCC must access its donated Foundation funds, which it relies on for capital improvements and modernization as well as support of student activities that help residents have normal childhood experiences like prom, summer camp at Elk's Camp Grassick, and trips to baseball games.

- According to the North Dakota Medicaid Department, reimbursement for a medically-fragile child at a neonatal or pediatric ICU hospital (e.g., Mayo) is approximately $2,000 per day. ACCC provides essentially the same services as a hospital pediatric ICU for $567.37 per day and receives State Medicaid reimbursement at a rate of only $405.17, which includes the 2005 legislative appropriation for the past biennium, or $26/day per child.

- Without adequate funding reimbursement, ACCC may be faced with the need to refuse admission of medically fragile children or risk financial harm to the whole organization. Anne Carlsen Center for Children will not reduce the level of care medically and legally required to serve children currently under its care because of its 65-year tradition to serve these special children.

- Other states (e.g., South Dakota, Illinois, Alabama, Florida) distinguish their medically-fragile children from adults and children who are not medically-fragile and reflect it in funding enhancements for their care.

- If North Dakota's most medically-fragile children are not at ACCC, they would likely be in nursing homes or specialty hospitals like Mayo, which are the only other places equipped to provide the level of skilled nursing these children require. This would be at significantly higher costs to the state.

- ACCC seeks support of the Governor's Optional Adjustment Request in the amount of $828,842 to the DHS Budget (SB #2012) to resolve this crisis. We recognize the Governor included $986,794 in the OAR, but in reviewing our most recent cost analysis our request amount of $828,842 is reflective of our current need (a reduction of $157,952 from the OAR).

This scoring tool, developed by the [redacted] DHS, helps ACCC evaluate the intensity of long-term, specialized medical care [redacted]dren require on a daily basis.

MFCU CLINICAL CRITERIA

Child's Name: *Arianna* [redacted]

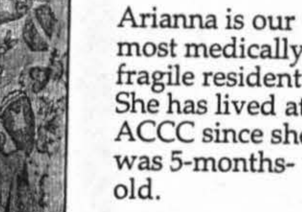
CARE ELEMENTS	CARE	POINTS	CARE ELEMENTS	CARE	POINTS	CARE ELEMENTS	CARE	POINTS
Overall			**GI/Feeding**			**Respiratory**		
1. Intervention no more than 2x noc	2		1. difficult/prolonged oral feeding	2	2	1. O2 via cannual lowflow rate	2	2
2. Intervention > 2x at noc	3	3	2. complex dietary needs	2		2. O2 unplanned chng >1x/d	3	3
3. Needs isolation	2		3. uncomplicated G tube feeding	1		3. Tracheostomy	5	5
4. Complic. Med Schedule > q2hr	2		4. G tube feeding with min. problem	2	2	4. cyanosis req pulse oxim	4	4
5. Mod ongoing assess	4	4	5. NG tube feeding	3		5. C02 monitor	5	
6. Continual assessments	6		6. J tube feeding	4		6. signif. apnea/brady (requires monitor)	3	
7. 2-10 hrs per week of LN	2		7. mod-sev problem w/tube feeding	2		7. suctioning <q 4 hr	2	2
8. Needs LN > 10 hrs per week	3		8. reflux without airway involv	2	2	8. suctioning 1-4 hrs	3	
9. Needs LN > 10 hrs per day	6	6	9. reflux with airway involv	3		9. suctioning > q 1 hr	5	
10. VS/Neur/Resp asses < q4hr	2		**Neurological**			10. CPT or Neb Rx < q 4 hr	2	2
11. VS/Neur/Resp asses q2-4hr	3	3	10. szs-no intervention (>1x/week)	1		11. CPT or Neb Rx q 2-4 hrs	3	
12. VS/Neur/Resp asses q 0-2hr	4		11. mild-mod szs (min. intervention)		1	12. CPT or Neb Rx > q 2 hrs	5	
Skin/Physical Management			12. -1x/w - 1x/d	2		13. resuscitation within 1 yr	4	
13. ROM	2	2	13. – 1-4x/d	3		14. resuscitation within 1 mos	9	
14. OT (in the home)	2	2	14. ->4x/d	4		15. needs support to main airway but survives > 2 hrs without	5	
15. PT (in the home)	2	2	15. Mod-sev szs (mod + intervention)			16. cannot main airway without contin. Supp.	9	9
16. Stoma care (@stoma)	2	4	16. ->1x/week	5		17. Ventilator	3	3
17. Stage 2 skin breakdown	2		17. ->6x/day	6		18. - No resp effort	12	
18. Stage 3-4 skin breakdown	4		**Urinary/Kidney**			19. – vent > 12 hrs/d	9	9
Metabolic			18. urinary cath. qday or <(not self)	2		20. – vent < 12 hrs/d	6	
19. Insulin-dependent	2		19. Indwelling cath or cath > qday	3	3	21. – standby only	3	
20. gluc monitoring < qid	1		20. Peritoneal dialysis	5		22. Vent unplanned chngs >qd	6	
21. gluc monitoring > qid	2		21. Hemodialysis (in the home)	8		**Vascular**		
22. sign. Metabolic disorder	4		22. – more than 1x per day	4		23. Central lines	8	
						24. Central line w/TPN	10	
						25. IM/SQ pain control	3	
						26. IV pain control	8	
						27. Occ transfusion/IV <q mos	2	
						28. IV Rx less often than q 4 hr	5	
						29. IV Rx q 4 hr or more often	6	
SUBTOTAL		26	SUBTOTAL		10	SUBTOTAL		39

Person Completing: *Sandy Perkins, RN* **TOTAL (ALL COLUMNS):** *75* **Date Completed:** *3-9-06*

Pg. 3

PHOTO GALLERY

Medical Care



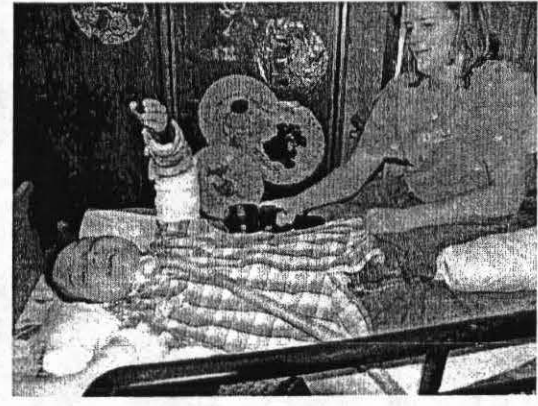
Arianna is our most medically-fragile resident. She has lived at ACCC since she was 5-months-old.

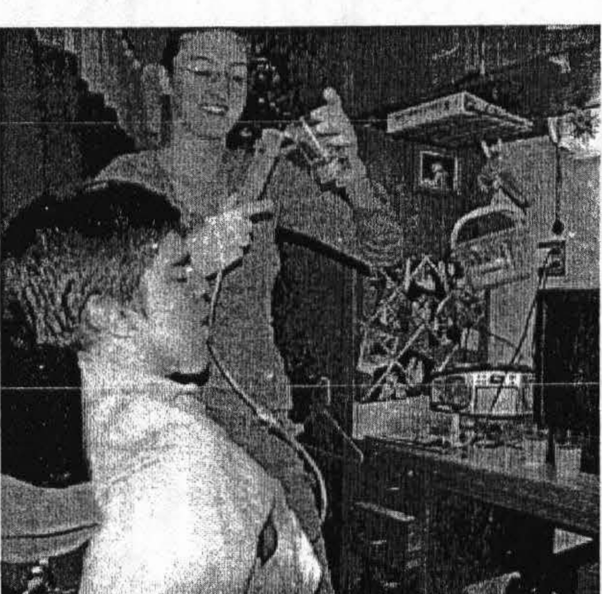
If it weren't for Anne Carlsen Center for Children's medically-fragile housing, the level of care Arianna requires would only be available in a pediatric intensive care unit of a hospital or a long-term care facility at daily costs far exceeding our $567.37 cost. Because of her care, Arianna is thriving – going to Halloween parties, reading stories, and playing peek-a-boo! But look closely – in each picture you can see signs of her life-saving equipment…it's never far from her side. And neither are the nurses who must constantly monitor her activity.

PHOTO GALLERY

Medical Care

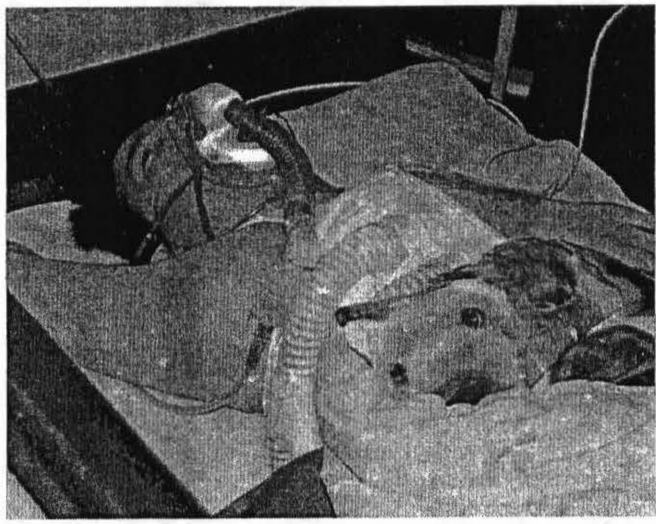
(Right): Registered nurses administer respiratory treatments to residents on a regular basis. Without trained nurses, these treatments might require hospital stays or frequent trips to medical clinics.





(Left) Fourteen (14) of ACCCs 54 residents are fed through a g-tube, meaning they're unable to orally eat and/or take medications orally. Nurses administer nutrition and use g-tube to administer critical medications to the children.

(Right) Skilled nursing care makes it possible for children to return home sooner after illnesses requiring hospitalization. Instead of moving from an ICU unit to a hospital step-down unit, this young man returned to his home at ACCC, where he was able to receive necessary treatment to continue to strengthen his respiratory system and help him regain his health.



ISSUES OVERVIEW

Behaviorally Challenged Funding Reimbursement

Background

Anne Carlsen Center for Children (ACCC) in Jamestown, N.D., is an ICF-MR licensed by North Dakota. Since 1987 it has provided care for children and young adults with autism spectrum disorder and other advanced behavior-related disorders. Of its 54 licensed beds, 36 are occupied by children and young adults with behavior-related disorders. To care for these children, ACCC is staffed 24/7 by caregivers specializing in pediatric care including pediatricians, RNs, LPNs, and LSTs (direct care providers), a social worker and behavioral specialist. Supporting our staff are a consulting clinical psychologist, psychiatrist, neurologist, and physiatrist.

The Need

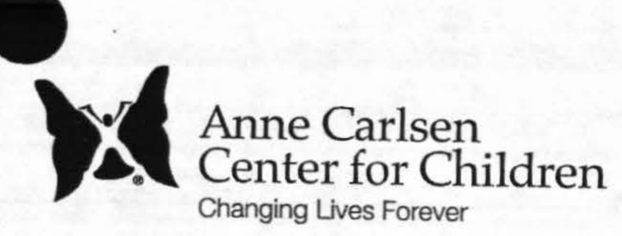
- The number of children at ACCC on behavior support plans has significantly increased from 17 to 44 in the past 10 years while the number of DHS-approved direct-care FTEs has only increased by 13.9.
- A number of ACCC's medically-fragile residents also have behavioral challenges, critically compounding care requirements.
- Based on Oregon scoring criteria, which is recognized by the ND Department of Human Services, the level of behaviors of its residents has increased 56 % in the past 10 years. Of the 44 residents and day students currently on behavior support plans, 22 are classified at a Level 3, the highest, most severe level in the scoring matrix.

Behavioral Classifications

- Level 1 (mild level of staff intervention): Problematic behaviors include learned helplessness, noncompliance, mild symptoms associated with ADHD, various forms of self-stimulatory behavior. Requires "stand by" or indirect supervision with minimal direct supervision (1:1 intervention).
- Level 2 (moderate level of staff intervention): Problematic behaviors include significant symptoms associated with ADHD, mild forms of self-injurious behavior (e.g. hand-biting), mild forms of aggressive behavior where risk of injury is minor or non-existent, and mild property damage (e.g. ripping, clearing a table). Requires line-of-sight supervision with moderate level of direct supervision (1:1 intervention)
- Level 3 (significant level of staff intervention): Problematic behavior includes pica, clopement/AWOL, significant forms of self-injury (e.g. head-

banging), significant forms of aggressive behavior where risk of injury is major, significant property damage (e.g., throwing TVs, putting holes in walls, breaking windows). Requires a high or constant level of direct supervision (1:1 intervention) for guidance, training, and safety.

- For reimbursement purposes, the N.D. Department of Human Services (DHS) funding allocations for staffing do not support the children's actual staffing needs.
  - The actual number of occupied hours (those where a child is under ACCC's care) has increased by 28,974 in the past 10 years due to changes in the number of available beds.
  - In the past 10 years, hours per occupied days went from 8.730 to 11.73 hours, or an increase of 3 hours. DHS-approved direct care staffing per occupied day has gone from 8.73 to 9.266 hours, an increase of .536 hours.
  - DHS currently reimburses ACCC for 87.48 full-time equivalents (FTE). To appropriately meet the needs its residents, ACCC staffs 109.30 FTEs, a shortfall of 21.82 FTEs
- With an average compensation rate (salary and benefits) of $12.89 per hour, ACCC has an annual reimbursement gap of $585,020 for the care and support of children and young adults with behavior disorders. To cover the annual gap in funding reimbursements, ACCC must access its donated Foundation funds, which it relies on for capital improvements and modernization as well as for support of student activities that help residents have normal childhood experiences like prom, summer camp at Elk's Camp Grassick, and trips to baseball games.
- Without adequate funding reimbursement, ACCC may be faced with the need to refuse admission of children with severe behavior needs or risk financial harm to the whole organization. Anne Carlsen Center for Children will not reduce the care medically and legally required to serve children currently under its care because of its 65-year tradition to serve these special children.
- Other group homes in the state have denied admission to some of our current residents because they could not adequately afford to support the staffing needs of the individuals.
- If North Dakota's most severely behaviorally challenged children were not at ACCC, they would likely be in facilities out-of-state, at a far greater cost to the state.
- ACCC seeks support of the Governor's Optional Adjustment Request of $2.4 million to the DHS Budget (SB #2012) to resolve this crisis for 56 children in the state. Of this amount, ACCC will need to receive $1.17 million in reimbursement for adequate staffing to support the behavior needs of 36 children.



COMPARISON

Behaviorally-Challenged Level Changes

Year	# kids with B.C. score of 142+	% increase in kids with 142+	# kids with B.C. Level 1	% increase	# kids with B.C. Level 2	% increase	# kids with B.C. Level 3	% increase
1995	2		6		6		5	
		200%		+16%		+33%		+100%
2000	6		7		8		10	
		218%		+42%		+50%		+120%
2005	19	From 1995-2005, 750% increase	10	From 1995-2005, 66 % increase	12	From 1995-2005, 100% increase	22	From 1995-2005, 340% increase

Behaviorally-Challenged Comparison Summary

Total # B.C. kids at ACCC

1995: 17 } +8…48%
2000: 25 } +19…76%
2005: 44

1995–2005: +27…158%

 # same B.C. kids at ACCC after 1995

2000 - 9

2005 - 1

	Highest B.C. score	Average B.C. Score
1995	142	80
2000	220	94
2005	248	128

Average B.C. score increase

1995 – 2000: 18%

2000 – 2005: 36%

1995 – 2005: 60%

	# B.C. kids with ◂ score of 30	# B.C. kids with ◂ score of 80	# B.C. kids above 200 (L3+)
1995	2 of 17…12%	10 of 17…59%	0
2000	2 of 25…8%	12 of 25…48%	1…+100% from 1995
2005	1 of 44…2.3%	16 of 44…36%	9…+800% from 2000

#Level 1 vs. #Level 3	
1995	-1…-13%
2000	+3…+43%
2005	+12…+120%

DHS Oregon Department of Human Services

This criteria evaluates the intensity of behavior challenges presented by children and helps ACCC establish guidelines for staffing needs to best care for each child.

Behavioral Conditions Criteria

Name *Kendra B* Person(s) interviewed ____
Interviewer ____ Date *2005*

Initial Intake ☐ Final Intake ☐ Re-evaluation ☐

1. Requires supervision/intervention during night-time because child:	
A. **Sleeps only 3-5 hours at a time:** 1-3 days a month=2; 1-3 days a week=3; 4-7 days a week=4	2
B. **Sleeps < 3 hrs maximum at a time:** 1-3 days a month=3; 1-3 days a week=6; 4-7 days a week=8	0
C. **Requires intervention to return to sleep:** lasts up to 15 min=2; up to 45 min=4; longer than 45 min=6	6
D. **Unpredictable sleep schedule:** 1-3 days a month=3; 1-3 days a week=6; 4-7 days a week=8	8
2. Destruction to property in the home:	
A. **Damages structural fixtures (windows, walls, floors, etc):** In last 6 months=4; 1-3 days a month=6; 1-3 days a week=8; 4-7 days a week=10	6
B. **Damages fixtures and appliances (toilet, washer, mattresses, sofa, TV, phone)** in last 6 months=2; 1-3 days a month=4; 1-3 days a week=6; 4-7 days a week=8	2
3. Requires intervention due to aggressive behavior toward others:	
A. **Aggressive behavior that evokes fear in person attacked:** In last 6 months=2; 1-3 days a month=3; 1-3 days a week=4; 4-7 days a week=6	3
B. **Aggressive behavior that causes injury (not requiring medical attention):** In last 6 months=4; 1-3 days a month=6; 1-3 days a week=8; 4-7 days a week=12	0
C. **Aggressive behavior that causes injury that requires medical attention:** In last 6 months=6; 1-3 days a month=9; 1-3 days a week=12; 4-7 days a week=15	0
D. **If scored in B or C and weighs 100-139 lbs = 12; 140-179 =24; 180 or above = 36**	24
E. **Is aggressive towards vulnerable people in the home (elderly, <4 yrs, etc.) = 8**	0
4. Engages in Minor Self-Injurious Behaviors resulting in temporary damage (May include ingesting small non-edible items, gagging self, self-inducing vomiting, hitting, pulling out hair, biting, scratching, banging head, excessive water intake):	
In last 6 months = 4; 1-3 days a month = 8; 1-3 days a week = 12; 4-7 days a week = 15	12
5. Engages in Self-Injurious Behaviors resulting in severe, permanent damage (May include ingesting large/sharp inedible objects, pulling out permanent teeth, banging head on hard/sharp surfaces, cutting self, gouging eyes, hospitalization for water intoxication):	
In last 6 months = 12; 1-3 days a month = 15; 1-3 days a week = 18; 4-7 days a week = 20	12

75

Page Total ________

6.	School Attendance:	
	A. Child has a shortened school program (4 pts)	O
	B. Child school program takes place at home (6 pts)	O
	C. School tensions: Suspension, parents frequently called to school for behavioral problems (4 pts)	O

7.	Problem behaviors (profoundly affect child and family functioning):			
		Frequency	Intensity (0-6 pts.)	Total
	A. Screaming/ high pitched vocalization	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	a. 1 = lasts between 15 and 1 hour. 2 = lasts between 1 and 3 hours. 3 = lasts longer than 3 hours.	O
	B. Obsessive/ Compulsive behavior	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	b. 1 = if interrupted or redirected does not become aggressive but may quickly return to activity. 2 = if interrupted will eventually escalate into behavior destructive to self, others or environment. 3 = quickly escalates into destructive behavior.	6 / 2
	C. Running/ darting from adult caregivers	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	c. 3 = emergency services contacted for assistance finding. Incident resulted in major injury to child or others.	6 / 3
	D. Refusing food/ extreme food choices	Daily = 6	d. 0 = no impact on health or weight loss. 3 = documented significant weight loss, obesity, or other documented health impact.	6 / 3
	E. Smearing feces	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	e. 1 = touches feces when diaper full or at elimination times. 2 = digs. 3 = smears or eats feces	O
	F. No impulse control for dangerous activities	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	f. 1 = Requires interventions. 2 = actions have caused minor injury to self or others. 3 = has resulted in major injury to self or others.	6 / 3
	G. Extreme sensory sensitivity requiring intervention	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	g. 1 = prevents child from participating in specific activities. 2 = leads to injury to self or others but injury is minor or easily interrupted. 3 = leads to significant injury to self or others.	O
	H. Constantly mobile	Daily = 6	h.	O
	I. Removes clothing	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	i. 1 = removes only shoes/socks. 2 = removes shirts/pants. 3 = removes underware .	O
	J. Setting Fires	3 = opportunist; 6 = intentional seeker	j. 1 = plays with matches/fascinated with fire in inappropriate settings. 4 = has set a fire. 6 = has set numerous fires & at least 1 has involved significant damage.	O

Child's Name ______ Date ______ Page Total ______

8.	Requires intervention due to sexualized behaviors (includes behaviors harmful and/or inappropriate to self and others):	
A.	Exposure of genitals or touching self sexually in public 1-3 days per month = 2; 1-3 days per week = 4; 4-7 days a week = 6	0
B.	Touching others or asking others to touch self sexually 1-3 days per month = 4; 1-3 days per week = 8; 4-7 days a week = 12	0
C.	Touches younger child sexually 1-3 days per month = 8; 1-3 days per week = 14; 4-7 days a week = 18	0
D.	Sexually aggressive towards others 1-3 days per month = 8; 1-3 days per week = 14; 4-7 days a week = 18	0

9.	Difficulty participating in activities:	Total
A.	Behavior prevents FAMILY from participating in routine family activities (8 pts.)	8
B.	Behavior prevents OTHERS (siblings' friends, etc.) from entering the family home (8 pts.)	8
C.	Behavior prevents CHILD from participating in family activities out of family home or in public places (6 pts.)	6
D.	Behavior prevents CHILD'S participation in family activities in the home (6 pts.)	6
E.	History of public endangerment by intentional activities (10 pts.)	0
F.	Behavior interferes with transportation of child (6 pts.)	0

10.	Requires physical, mechanical, or medical restraints for management of major/extreme self-injurious behavior or physical aggression:		Total
	Frequency : In last 6 months = 2; 1-3 days a month = 4; 1-3 days a week = 6; 4-7 days a week = 8	Intensity: (1-3 pts.)	4 / 1

11.	Requires modifications in response to behaviors:				
A.	Additional locks on exterior doors and/or windows (4 pts.)				4
B.	Additional interior doors added inside the house (Storm or half doors, etc.) (10 pts.)				0
C.	Locked interior doors, drawers, and cabinets (10 pts.)				10
D.	Locks on household appliances and fixtures (8 pts.)				8
E.	Secure yard/fencing (8 pts.)				8
F.	Safety glass in windows (15 pts.)				15
G.	Alarm systems (15 pts.)				15
H.	Filter systems including air conditioning used to modify negative behaviors (4 pts.)				0
I.	Adaptive routines	MILD (5 pts.)	MOD (10 pts.)	SEVERE (15 pts)	10
J.	Child proofed home	MILD (5 pts.)	MOD (10 pts.)	SEVERE (15 pts)	15
K.	Modifications to vehicles (10 pts.)				0

12.	Other disability or medical conditions requiring specialized intervention (4 pts for each)	8

1126
35
75
236

Child's Name ______ Date ______ Page Total ______

FOR OFFICIAL USE ONLY

ANNE CARLSEN CENTER FOR CHILDREN
BEHAVIOR SUPPORT PLAN

Student: K.B.
Date of Birth: November 23, 1988 **Age:** 17 years, 7 months
Date of Admission: September 10, 2001
Review/Approval Date: July 12th, 2006 **Approved Through:** January 12th, 2007
Person Responsible: Tom Gaffaney
Diagnosis: Prader Willi Syndrome, Mild Mental Retardation

Presenting Problem: As listed, K.B. carries the diagnosis of Prader Willi Syndrome, which has some unique and significant characteristics.

What to expect:

- Frequent temper tantrums to varying degrees
- Constant food seeking/Frequent food stealing
- Stubbornness/Argumentative
- Perseveration (same question/topic)
- Skin picking
- Lying and blaming others
- Difficulty handling change
- Short-term memory dysfunction
- Problems following sequences
- Auditory processing delays
- **Manipulative**

Why does the above occur? Prader Will Syndrome is a genetic/chromosomal disorder that has associated brain damage. The brain damage usually involves the Frontal lobe (affecting impulsivity and reduced tolerance to frustration), Temporal Lobe (affecting emotions, aggression, and "lack of control"), and the Hypothalamus (affecting appetite, onset of puberty, mood, body temperature, sleep patterns). **This syndrome has "life threatening" consequences due to over eating as well as engaging in "unsafe" behavior in order to gain access to food.**

What to avoid:

- Leaving food accessible
- Unexpected changes in routine
- Arguing / Trying to reason during a tantrum
- Teasing / Sarcasm
- Ignoring inappropriate/targeted behavior
- Promising what cannot be delivered
- Unreasonable expectations/time constraints
- Giving open ended questions/choices (i.e., "What would you like for a snack?")
- Delaying positive/negative consequences
- Taking her behavior personally.
- Staff eating in front of her. In fact, in the cottage that she resides, staff cannot bring food items into the cottage either for their breaks or their ½'s. Exceptions are made for NOC staff, however, if they still have food left and it is time to do rounds, they need to clean it up and lock it up in the pantry. When they are done eating, they must dispose of it in a garbage receptacle outside of the cottage.

Behavior Support

1. Environmental/Social:
   a. All food items in the residential area need to be out of sight and locked up. No food items allowed in her dorm room for her, her roommates, or staff.

b. Going out to eat is limited to going with her family, her classroom, and per her behavior contract. Any exceptions must be approved by Sheila D, Corby M, or Tom G.

c. The Pantry, all cupboards with food items in it and the kitchen fridge are to be locked at all times except when being accessed (when done, they need to be immediately locked again).

d. Alarms! K.B.'s room has a series of alarms in place to notify staff if/when she attempts to leave her room via the door or her windows during sleeping hours. This alarm is hard-wired and part of a security system in place on all of the bedrooms. In addition, hallway doors are alarmed at all times so that the students cannot leave out the back of the cottages. The front and side doors are alarmed at all times. If someone attempts to exit the side door, the alarm will go off until the pin is replaced (which has to be done from the inside...so K.B. cannot reset it). The front door has an alarm that goes off each an every time the door is opened until it is shut. K.B.'s bedroom door also has two additional alarms on it that are used when the hard-wired alarm is not operational (i.e., when staff are doing rounds during sleeping hours as well as during all non-sleeping hours. These alarms are utilized when K.B. chooses to be in her room by herself (during non-sleeping hours) and when staff ask her if she will go into her room and do leisure activities so they can assist other students when necessary. These alarms are seen as necessary for whenever K.B. is not in-line-of-site of staff due to her foraging behavior. When she is in the room by herself, she still needs to be checked on every 10-15 minutes.

e. The cranks on her windows have been removed so she cannot open them without staff assistance (to prevent elopement).

f. Utilize the ½ day rule. If K.B. has a tough morning (e.g., emits several target behaviors) it is okay to withhold special activities that morning. If however, she turns her day around, has a good afternoon, etc. she should be able to go to special events/activities later in the day and vise versa. This goes for anything. If staff (on duty or off) want to take K.B. somewhere with them, as long as she is behaving...she needs to be allowed to go. The exception would be going out to eat (again, that is a family activity or part of her contract only).
    i. **NOTE** – If K.B. is not allowed to go somewhere because of her behavior, you must still provide guidance to her to do something (e.g., can be anything except the original activity that she cannot do). If you do not, she will sit and "stew" about the situation and her behavior will not improve.

g. Never use the word MAYBE with K.B.. She will take that as a yes. If you do not know, tell her that. If the answer is NO...don't avoid it...just tell her NO.

h. K.B. is not allowed to go into the Kitchen/Pantry area, into the office, or into other cottage-mates rooms. No exceptions. She can invite kids into her room (make sure they do not have food items with them). She is to assist with her medication and receive treatments in the sun room area of the cottage or in her room.

i. Snacks – K.B. is given some control over her snacks. She gets three a day in which she is allowed to choose (from options) what she would like. Her snack should be brought to her when she chooses so she isn't tempted to take other items from the snack cupboard.

j. Meals/snacks need to be dished up and served for her (no exceptions). This will decrease temptations she may have while in the kitchen. She is allowed to put on her own dressing or spread butter/peanut-butter on her bread once the portions have been placed on or by her plate. She is not to have any part of meal preparation or clean-up with the exception of putting her plate back on the kitchen counter when she is done. She needs to be line-of-site at all times during the meal.

k. During meals/snacks, give her choices of drinks that are allowed with her diet.

l. Meals, with the exception of caloric intake, which is monitored closely, cannot be withheld for any reason.

m. With regards to her 1400 calorie diet. Follow it...no substitutions.

n. Also, at breakfast time, there has been a history (even prior to admission) of having morning difficulty. Often times, if allowed to eat prior to finishing her morning cares, she will not complete them on time to get to school or "start her day". Therefore, she must complete her morning ADL's prior to eating. On the occasion where she is struggling and refusing to do her cares, provide intermittent prompting letting her know that as soon as she is done, she will get to eat breakfast, no exceptions. Follow her Morning Routine Guidelines.

o. Her bedtime is 9pm on school nights and 10pm on non-school nights.

p. When bathing/grooming, allow her privacy, however, check in on her often (every 5 minutes or so).

q. Leisure time – Keeping K.B. busy will help keep her mind off of food. Some preferred leisure activities include the following:
   i. Swimming
   ii. Playing with her dolls
   iii. Computer games
   iv. Nintendo
   v. Card Games
   vi. Color
   vii. Word Searches
   viii. Movies
   ix. Puzzles
   x. Going for walks
   xi. Shopping
   xii. Helping staff

r. Supported Leisure Routines – K.B. is a teenager and needs to be supported in engaging in some "typical" teenage girl routines. These include:
   i. Shopping – a few ideas would be to have her use her allowance money to go shopping at thrift stores or rummage sales. You can go to the mall to browse at clothing. By going to the mall and walking around stores and from store to store, you are also helping her exercise.
      1. However, watch her closely to prevent shoplifting. Make sure and check her pockets before leaving the store (depending on the type of store you are at). *Remember, her hand is quicker than your eye.*
      2. Whenever she purchases something, remember "one in, one out". In other words, when she brings something home, she needs to get rid of something.
      3. K.B.'s mother will purchase all of her clothing!
      4. Do not give/loan her money to purchase stuff!

   ii. Social night – Plan puzzle or game nights either in the gym or in the cottage. Include similar aged peers from other dorm/cottage areas. There are nights like this planned, but it can be more fun for her if she perhaps prints out invitations or sets it up and picks 3 or 4 people to do the activity with.

iii. Volunteer work - She likes animals. Contact the humane society and see if she can go out there one day a week after school and feed or walk (exercise) the animals.

iv. Gardening – Have K.B. help out in watering plants around the cottage or the plants/trees outside of the cottages.

s. No Access Rules – K.B. may not enter the staff office, other student's bedrooms, or the kitchen. This is to prevent her foraging behavior.

t. Room/Backpack/Person Search Guidelines – Twice daily, staff will search K.B.'s room for items (especially food) that she may have taken. On school days, the morning search will be done by staff (cottage parent) after she goes to school. The second search will be done prior to her going to bed and K.B. will assist staff. On non-school days, K.B. will assist with both searches. K.B.'s backpack will also be searched in school prior to her going home. Upon returning from a home visit, staff will assist K.B. with unpacking (check coat and pants pockets too) to assure she didn't sneak anything back from her visit.

u. Weight check – K.B. will weigh and record her weight each evening before going to bed. Staff will assist with this process.

v. Chore/Assistance Restrictions – K.B. likes to help, however, staff need to make sure that the tasks she helps with do not involve access to the garbage receptacles and or any activity in the kitchen.

w. SCRIPTS – A set of scripts/guidelines have been developed for staff to follow during specific situations. These include but are not limited to:
   i. Breaking her contract.
   ii. Boundary Issues – found in an area that she wasn't supposed to be in or when she somehow prevents you from getting into a location where she is (e.g., pushed dresser in front of her door, locked the door to the room she is in, etc..
   iii. Stealing – when K.B. is found with any food item (or remnant) that she isn't supposed to have…or any item for that matter.
   iv. Arguing.

x. **Computer Access – Follow these guidelines:**
   i. **K.B. has access to both the cottage computer and her own computer. However, she needs to use them appropriately.**

   ii. **Please monitor which web sites she visits as she should not be visiting "food" sites or on sites where she can purchase stuff as she has attempted to order several thousand dollars worth of doll "stuff".**

   iii. **As for her personal computer, it has been set up with a password that staff know (but K.B. does not).**

   iv. **During awake hours, K.B. should be allowed to access her computer anytime she would like (staff must log in).**

   v. **During sleeping hours, access to it can be denied by logging out (as she does not know the password). The password is written in her chart.**

   vi. **As of late, K.B. has been deleting the files of other students and deleting e-mails immediately after she creates or receives them (and staff should be monitoring their content). For this reason as well as other inappropriate computer use, follow these guidelines:**

1. **If K.B. misuses the cottage computer, she loses access to it for 1 week.**
2. **Staff need to monitor K.B.'s use of the cottage computer closely. The need to either be with her when she uses it or check in on her frequently (i.e., every minute).**
3. **K.B. is not allowed to use the "trash on the computer".**

2. Emotional:

a. Anticipate frustrating events. Help her remove herself from the situation and/or redirect her to a different activity or train of thought.

b. Praise her heavily when she demonstrates good self-control (i.e., when she had the opportunity to take food and didn't, when her schedule was changed, and/or when she is able to deescalate during a tantrum).

c. Once a tantrum does occur, use a "non-punitive time-out" until she has regained control. You cannot reason with her during this time! It won't work! Pick I quiet isolated space in the cottage and instruct others to ignore her.

d. Minimize unexpected changes in schedule or plan

e. Give concrete choices of two items/activities. Giving her open-ended questions (i.e., "what would you like to do or what would you like for snack") can lead to confusion or anxiety and cause other problems.

3. **Structural:**

a. Use a timer to indicate completion of an activity or waiting period when necessary.

b. Post a list of expected rules (attached) in her room, in the bathroom and the classroom. Keep a couple of copies handy so that they can be brought to K.B. when necessary for her to review.

c. K.B. will have copies or her program, rules, behavioral scripts, etc.. When you need to refer to them, make sure that when you review them with her, you use her copies as opposed to the ones in her chart.

d. School Day Morning Routine:

i. Prior to Breakfast:

1. Gets out of bed.
2. Goes to the bathroom (if needs to).
3. Shower.
4. Get dressed.
5. Comb and style hair (ask for help if needed).
6. Clean up room and bathroom and make sure everything is put away.
7. TRY AND COMPLETE THESE ACTIVITIES BY 8:15AM. IF NOT DONE BY 8:30AM, SHE WILL NOT HAVE TIME TO EAT A REGULAR BREAKFAST, SO OFFER HER A BREAKFAST BAR AND MILK OR A CAN OF ENSURE.

ii. Breakfast:

1. Goes to the dining room table to eat breakfast.
2. Drinks water first.
3. Eat breakfast in 30 minutes. If she makes it to 25 minutes and has not finished, staff need to remind her that she only has 5 minutes left (set timer). If the timer goes off, her breakfast is done.

iii. After Breakfast:
1. Brush teeth for 2 minutes (use timer if necessary).
2. - Clean/Wash face.
3. If she has time before 8:55am, she can read a book, work on a puzzle but cannot play Nintendo or Gameboy before school.
4. At 8:55am she will be done with her ADL's, chores, and activities and room will be ready for school.

K.B.'s PM Routine

3pm Routine:

- I will have snack and be completed with it after 20 minutes. If I reach 15 minutes and have not completed my snack staff will let me know that I have 5 minutes remaining and a timer will be set. When the timer goes off I am finished with my snack
- If I do not have snack before _____pm I will need to wait until supper to eat
- I will complete my homework if I have any
- Do my 30 minutes of exercise
- On Tuesday's and Friday's I will start my laundry
- If I finish my homework and exercise and there is time before supper I may do an activity of my choosing such as my puzzles, computer, watch TV, play a game etc.

Supper Routine:

- Come to the table once my plate has been dished up
- I will not argue with the staff about my meal
- I will drink my water first
- I will eat my meal within 30 minutes. If I reach 25 minutes and have not finished eating, staff will let me know that I have 5 minutes remaining and will set a timer. When the timer goes off I am finished with my supper.
- I will place my dishes on the counter and leave the dining room

After Supper:

- I will do my weights
- I will collect shredding from all cottages and complete it. (if needed I will go over to the main building and use the shredder at the nurse's station)
- If time before pm snack I will be able to do an activity of my choosing (TV, computer, puzzle)

Before PM Snack:

- I will then assist staff to clean the bathrooms for my chore
- After I have completed my chore I will get ready for bed.
  - I will brush my teeth for 2 minutes using the timer
  - I will clean my face
- I will go with staff to my bedroom and complete my room search for the evening with my LST.
- I will then use the bathroom before going to bed.
- I need to be in bed by 9pm

PM Snack :

- I will eat my vegetables within 20 minutes. If I reach 15 minutes and have not finished staff will remind me that I have 5 minutes remaining and set a timer. When the timer goes off I am finished with snack.

4. **Positive Consequences:**
   a. Praise all appropriate behavior and when she demonstrates good control.

   b. Behavior Contract – This will be a contact between staff and K.B. (both sign). If K.B. goes a week without stealing anything that belongs to someone else or a food item and has no more than 4 episodes of noncompliance per day, she will earn a trip out to eat with staff.

   c. Chores/Sense of Responsibility and Control – K.B. will have a list of daily expectations (see attached) that she will be able to do. Upon completing them, she will earn $5 per week that she can spend on any non-food item. The money will be delivered at the end of the week (with the exception of any money required to replace items that she may have taken from someone else). She should be doing more chores on the weekends to provide some structure on days when she has more "down time".

5. **Negative Consequences:**
   a. For not doing schoolwork – she will have to complete it as homework and get it done prior to any evening activity with the exception of supper.

   b. Evening activities: If K.B. does not complete her homework or is extremely noncompliant to the point of breaking her contract, special activities can be withheld. However, remember you do need to set something else up for her so that she stays busy.

   c. Four or more noncompliance episodes per day = no special activity for that ½ **of the day** and loss of contract.

   d. Stealing items from others and/or food = apologize, give/put back if possible, broken contract and no special activity for that ½ of the day.

   e. If the stolen item is not returnable for any reason (e.g., ate part of it, do not know who it belongs to, she wrote her name on it, etc.) then she is to replace the item(s) by purchasing replacement with her chore money.

   f. Arguing = Quiet time in her room or a chair away from others for a minimum of 3 minutes or until calm.

   g. If at any time, K.B. drops to the floor, calmly ask her to stand up. If she refuses, let her sit while you ignore her. Discretely instruct others to do the same. Do not get into a power struggle with her. If she absolutely needs to be somewhere, you can use a manual wheelchair to support her transition.

Fading: Studies have shown that providing a very restrictive environment with a concrete set of rules/expectations is the most effective and often the only way to manage the behavior of individuals with Prader Willi Syndrome. This being said, the restrictiveness of her program will be addressed at least annually by the HRC and at her IHP.

Generalization: This program will be followed by staff across all setting to ensure generalization.

Data Collection: Data is collected with regards to the frequency of her stealing and noncompliance as well as her chore compliance.

Thomas Gaffaney, Behavior Analyst

Student ID: #944
Behavior Support Plan 08-05

K.B.'S RULES

1. BEDTIME ON SCHOOL NIGHTS IS AT 9PM. BEDTIME ON NONSCHOOL NIGHTS IS AT 10PM
2. HOMEWORK NEEDS TO BE DONE BEFORE PLAY TIME.
3. I WILL TELL THE TRUTH.
4. I WILL LISTEN TO MY STAFF AND WILL NOT ARGUE WITH THEM.
5. I WILL NOT TAKE THINGS FROM OTHER PEOPLE OR THEIR AREAS/ROOM WITHOUT PERMISSION. IF I DO AND I BREAK THEM OR WRITE MY NAME ON THEM, I WILL HAVE TO REPLACE THEM.
6. I WILL NOT TAKE FOOD
7. I WILL FOLLOW MY DIET.
8. I WILL STAY OUT OF THE KITCHEN, OFFICE, AND MY FRIENDS ROOMS.
9. WHEN IT IS TIME TO GO TO BED, I WILL USE THE BATHROOM FIRST.
10. I WILL HELP STAFF CHECK MY ROOM EACH EVENING BECAUSE I KNOW THEY ARE TRYING TO KEEP ME SAFE.
11. WHEN EXCITED, I WILL CALM DOWN BY TAKING A DEEP BREATH, THINK ABOUT WHAT I WANT TO SAY, AND USE A NORMAL VOICE.

SCRIPTS:

1. <u>Breaking of contract</u>:

"K.B. you broke your contract by ____________________." "We'll do better next time.
(insert behavior here)

- Pull out a new contract and have her sign it. The starting date will be the next day.

2. <u>Boundary Issues</u>: When she is found in an area she wasn't supposed to be (e.g., kitchen, staff office, another person's bedroom, out of her room when she was supposed to be in there).

"K.B., you are not supposed to be in the ____________________." You need to leave and go to
(insert location here)
your room and find something to do (or go back to bed if it is during sleeping hours)."

- You must search her hands and pockets prior to her leaving.
- You must check around the cottage to see if she hid anything prior to you finding her.
- Do not argue with her, if she starts to talk back, simply repeat the phrase above.
- If she refuses to go immediately to her room or drops to the floor, don't say anything, just wait her out and keep her within eye sight.

3. <u>Stealing</u>: Anytime K.B. is found with food (or remnant), or any other item that you know does not belong to her.

"K.B., this does not belong to you and you shouldn't have it." **[If you don't know where it came from…].** *"Where did this come from or who does it belong to?"* **[If she tells you and it hasn't been opened (food), take the item from her and both of you go to that person or area and have her apologize while you return it…If it has been opened (food), take if from her, tell her she needs to apologize, have her walk with you while you throw it away and find the person she took it from, and purchase a new one]. [If you know where it came from…]** *"K.B., you need to return it right now (if unopened food or another item)" or "K.B., you need to throw it away (if opened food)."*

- If it involves a food item from the kitchen and you are able to save it, remember, she is not allowed in the kitchen so have her put it on the counter and you will need to put it away.
- When it comes time to replace an item, K.B. needs to be involved in at least part of the process. Do this by having her fill out the money slip and get the money from the front office to replace the item. If it is not a food item, she can also go purchase the item. If it is a food item, staff will need to go purchase it.
- When K.B. is required to throw something away, immediately have someone (not K.B.) take the garbage bag to the outside dumpster so that she cannot go back to it later.

4. <u>Arguing</u>:

In general…

"K.B., I am not going to argue with you, that is how it is going to be."

- Do not repeat more than one time.
- Prompt others to refer her back to you.

In response to her diet/meal…

"K.B., we are following your menu (show her the 1400 calorie diet for that day/meal) and there are no exceptions."

PHOTO GALLERY

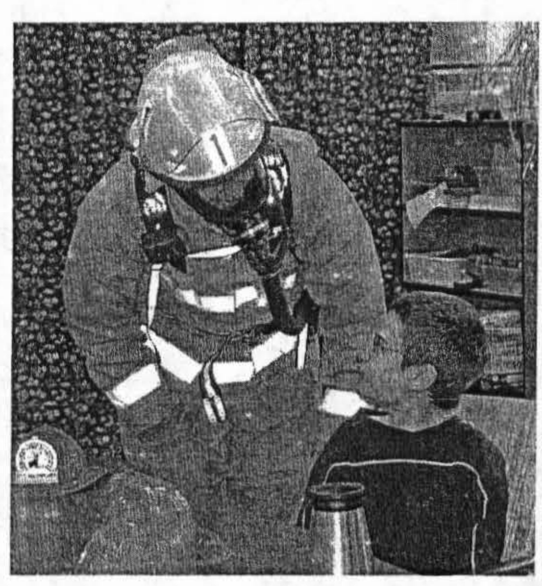
Care for Behaviorally Challenged Children

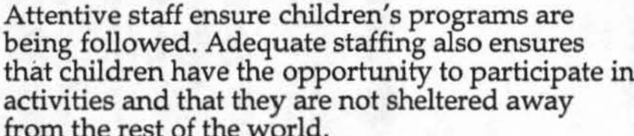
Caring for children with high behavior needs is a 24x7 job that leaves many families exhausted and broken. In the past 10 years, number of kids living at ACCC with behavioral challenges and the level of those behaviors has increased dramatically. Dedicated and loving staff who ensure consistent care make it possible for them to thrive.

At left, Kendra (in the cowboy attire) and her friend Nikki enjoyed the annual Halloween festivities at ACCC. Kendra's behaviors are among the highest of any child living at ACCC. Prader-Willi Syndrome, an eating disorder where she's unable to feel full, is life-threatening. Staff are with her around-the-clock to help her control her eating…and save her life.

PHOTO GALLERY

Care for Behaviorally Challenged Children




Attentive staff ensure children's programs are being followed. Adequate staffing also ensures that children have the opportunity to participate in activities and that they are not sheltered away from the rest of the world.

Instead, they have opportunities to go to school and learn about fire safety, or enjoy a baseball game.

Consistent approaches to teaching skills like computer and meal-time activities help the children develop skills more quickly.

Presented to the Interim Budget Committee on Human Services, Sen. Dick Dever, Chair. May 2006

Anne Carlsen Center for Children
Jamestown, North Dakota

Executive Summary
Reimbursement Concerns

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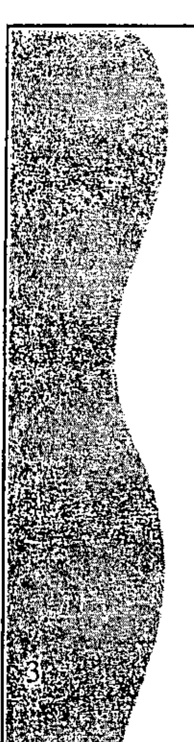
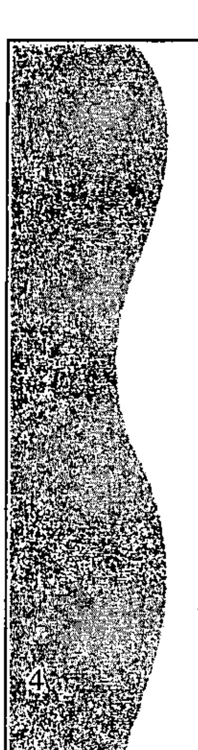


Medically Fragile Children

- 21 children meet DHS adapted Oregon scoring criteria
- Average score rose 8.5% from 2005 to 2006
- 2006 scoring range 19 – 74

3



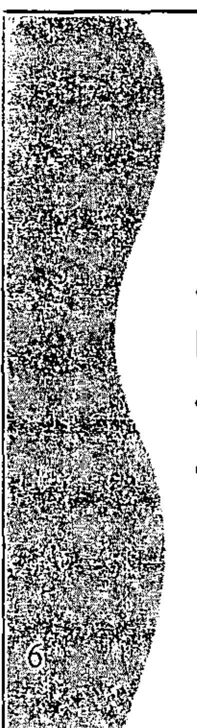
Most Severe Medically Fragile Children

- Seven (7) children
- Average score 52.5
- Average cost per child per day versus interim rate = $179.23 per day gap
- $457,932 gap in reimbursement per year for these 7 children

4

Remaining Medically Fragile Children

- Fourteen (14) children
- Children average score 23.5
- Scoring similar to other medically fragile children in state.
- Average cost per child per day close to proposed interim rate.



Behaviorally Challenged Children

- 150% rise in children on behavioral support plans over 10 years
- 33% on support plans in 1995
- 79% on support plans in 2005

Behaviorally Challenged Children (continued)

- 56% rise in scoring based on Oregon criteria over last 10 years
- Average score 82 in 1995
- Average score 128 in 2005
- Average score of the 10 most behaviorally intense children in 2006 – 219.8

7

Behaviorally Challenged Children (continued)

- 23.06 FTE difference in actual direct care staff versus DD allowed staff
- $614,419 gap per year

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Summary

- Medically fragile reimbursement gap $ 457,932
- Behaviorally challenged reimbursement gap $ 614,419
- TOTAL (per year) $1,072,351

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Medically Fragile/Behavioral Children Supporting Material

10

Most Severe Medically Fragile Children

2006 Average Cost	$567.37
2006 Interim Rate	$388.14 *
Difference	$179.23

$179.23 x 7 x 365 = $457,932

* Includes approximately $16.48 per day for medically fragile children based on action of 2005 legislative. Sunsets June 30, 2007

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Behaviorally Challenged Children

	1995	2000	2005
Children On Behavioral	18/53	24/51	45/57
Support Plans	33.9%	47.1%	79.0%
	Number of Children		
Level 1 Criteria	6	7	10
Level 2 Criteria	6	8	12
Level 3 Criteria	6	9	23
Average Criteria Score	82	94	128
Top 10 Average Score	108.5	149.7	219.8

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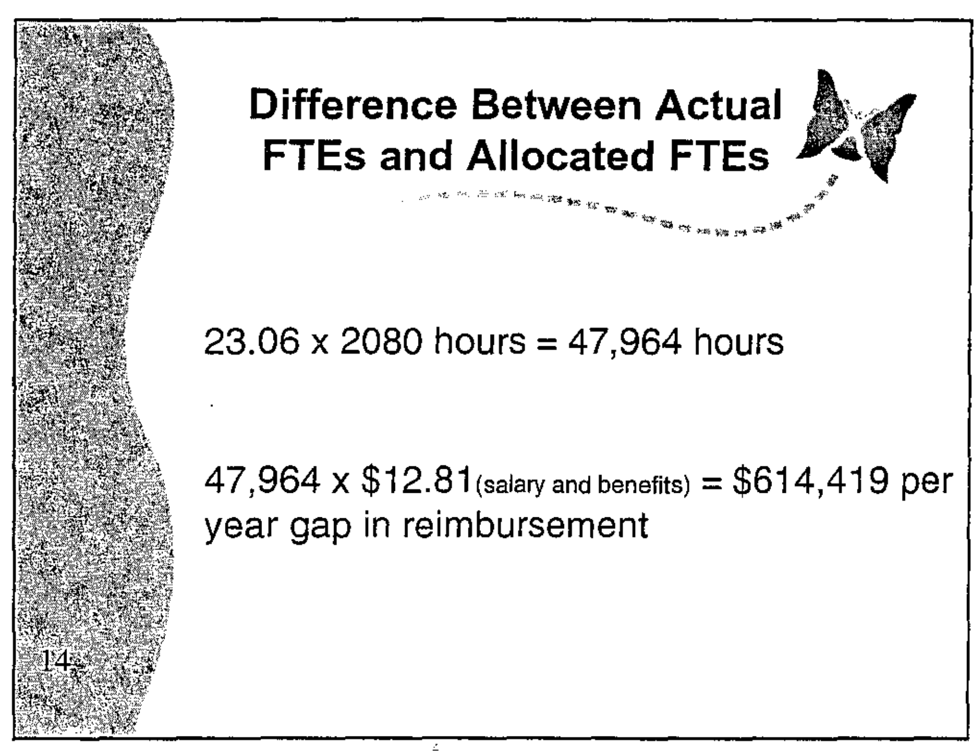
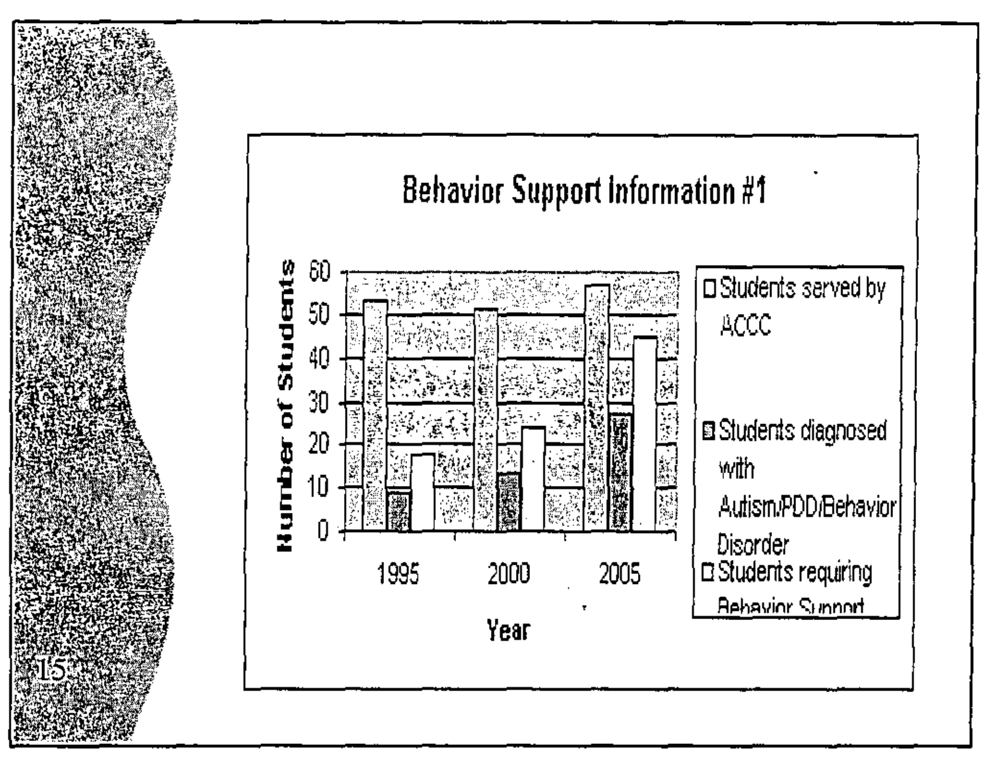
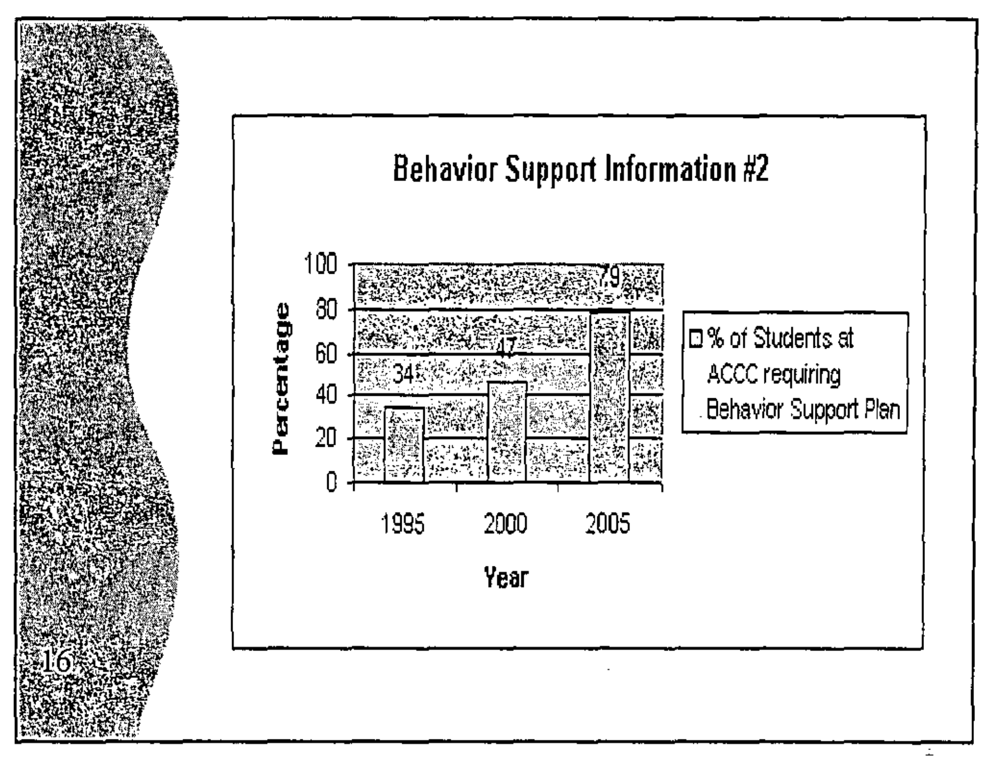
Behaviorally Challenged Children (continued)

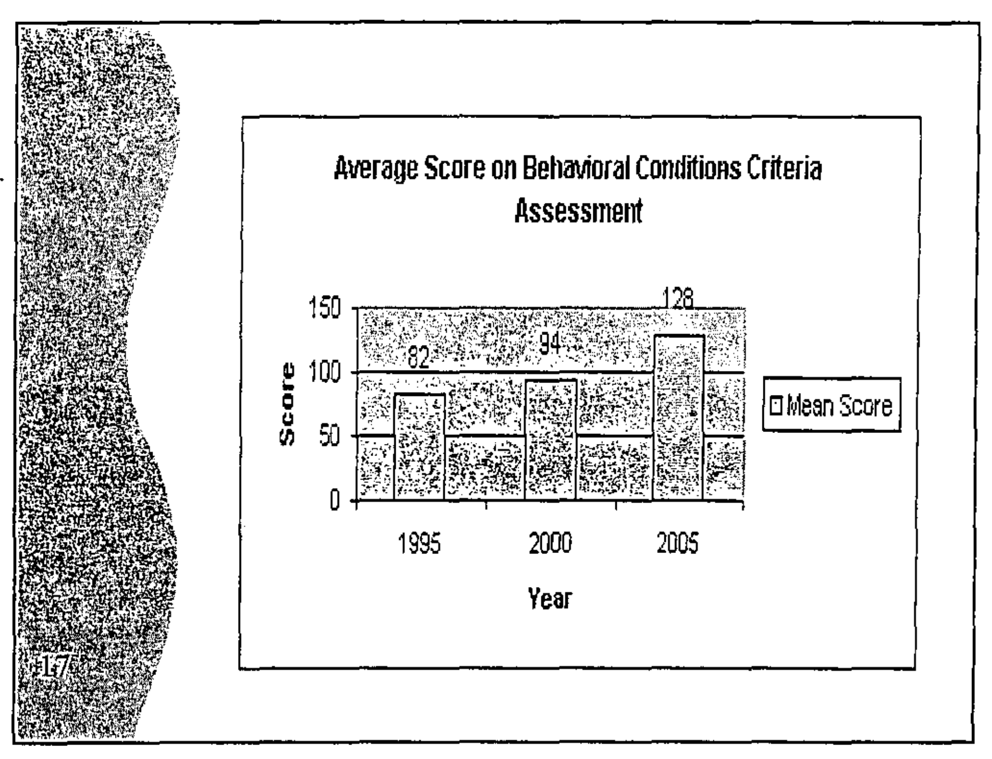
	1995	2000	2005
Direct Support FTEs	72.74	78.14	109.76
FTEs Allowed	72.77	78.67	86.70
Difference	-0-	-0-	(23.06)

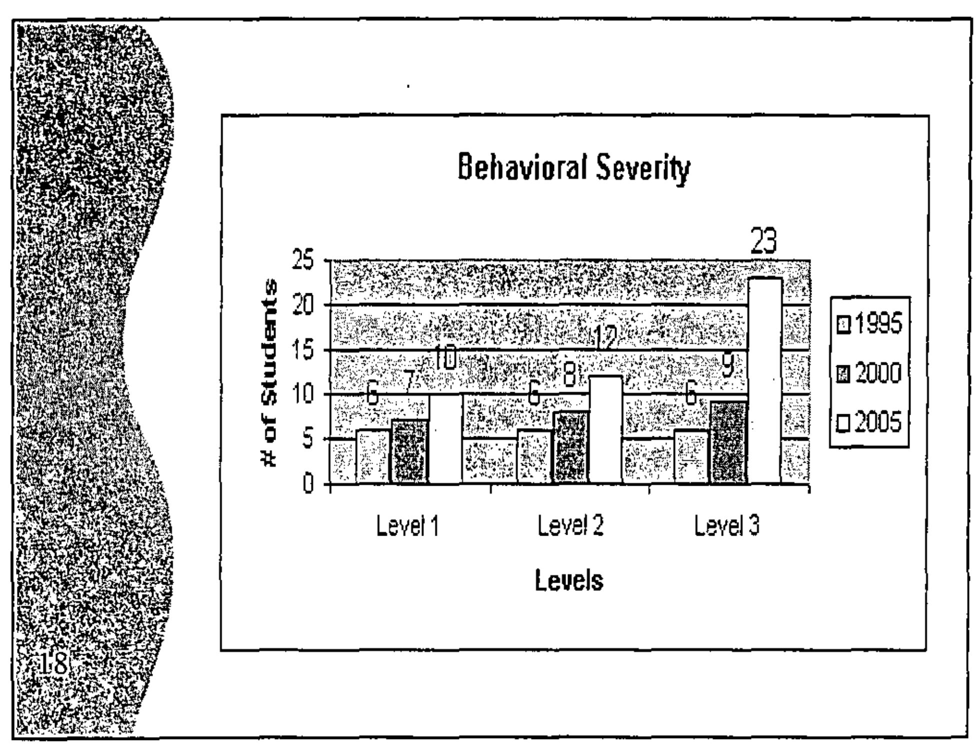
13

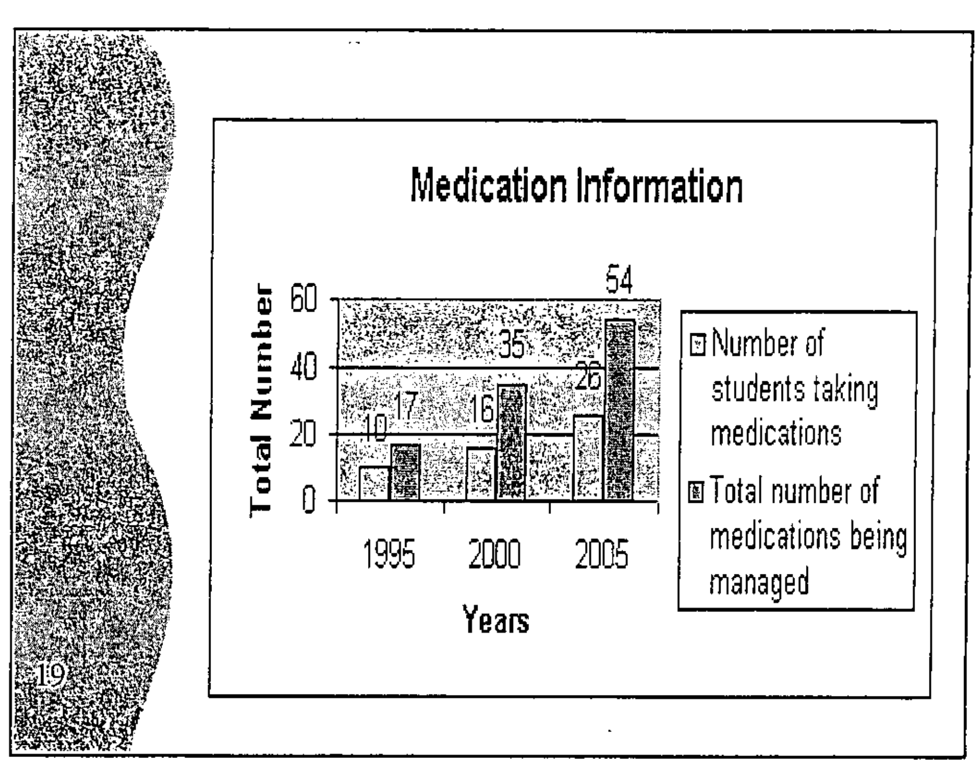


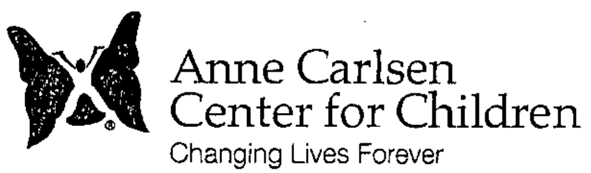

Behavior Support Information #1
Number of Students
60
50
40
30
20
10
0
1995
2000
2005
Year
Students served by ACCC
Students diagnosed with Autism/PDD/Behavior Disorder
Students requiring
15


Behavior Support Information #2
Percentage
100
80
60
40
20
0
34
47
79
1995
2000
2005
Year
% of Students at ACCC requiring Behavior Support Plan
16


Average Score on Behavioral Conditions Criteria Assessment
150
100
50
0
Score
82
94
128
1995
2000
2005
Year
Mean Score
17


Behavioral Severity
25
20
15
10
5
0
# of Students
6
7
10
6
8
12
6
9
23
Level 1
Level 2
Level 3
Levels
1995
2000
2005
18


Medication Information
Total Number
60
40
20
0
10
17
16
35
26
54
1995
2000
2005
Years
Number of students taking medications
Total number of medications being managed
19



SUMMARY

Current Funding Reimbursement Needs

Medical Care for 7 Medically-Fragile Children

Average cost per year/per child:	$207,090
DHS reimbursement per year/per child:	$147,887
Difference per year/per child:	-$ 59,203
Total Annual Loss	**$414,421**

Staffing for 36 Behaviorally Challenged Children

Actual annual FTE Staffing of 109.30	$2,930,464
DHS reimbursement of 87.48 FTEs	$2,345,444
Difference	-$ 585,020
Total Annual Loss	**$ 585,020**

Combined Total Reimbursement Gap

Per Year: $999,441

Per Biennium: $1,998,882

Dec. 31, 2006

MEDICAL CARE PLAN

The following information highlights one of the many children living at ACCC who have high level medical care needs as well as intense behavior challenges. Following is his medical care plan which is referred to by all staff who work with this young man. It provides insight into the intense level of needs ACCC's medically-fragile residents have on a daily basis.

Following this child's care plan is his Behavioral Conditions Criteria worksheet and medically-fragile clinical criteria worksheet, both based on criteria adopted by the state of Oregon. Not only does he have intense medical care needs, but he is also one of the higher scoring residents in the area of behavior support needs.

Red, blotchy rash – **what does this mean?**

- May need suctioning
- Clonus
- Autonomic dysreflexia
- Allergic reaction
- Anaphylaxis reaction

Not all allergic reactions are of the anaphylactic type – staff working with Michael MUST ALWAYS:

- Wash their hands prior to working with Michael and/or touching any thing that belongs to him.
- Staff cannot wear lotions and/or perfumes
- Use only the soap provided at ACCC – he is allergic to Aloe
- Notify a nurse IMMEDIATELY if you notice any red, blotchy rash developing
- Get Michael out of his chair and/or stander any time you notice any redness and/or rash so the nurse can assess him
    1. Think about what Michael has been doing
        - A. Has he eaten within the last hour or so? If so, what did he eat – triple check the ingredients
        - B. Did the staff wash their hands prior to working with him?
        - C. Did the staff use any lotion/ perfume?
        - D. Assess for any swelling (eyes, neck, lips etc)
        - E. Where has Michael been the past 1-2 hours – what was the classroom doing? (i.e. home economics???)
        - F. Any other children near Michael or did one of the children touch him/lick him?
        - G. When was Michael last cath? Last void? Palpate his bladder
        - H. When did Michael have a BM last? Check his residential flow sheets. Michael needs to have a BM every other day or he requires a Dulcolax Suppository.
        - I. Obtain vital signs. Always get a blood pressure from his thigh and use the appropriate size cuff. Remember in an autonomic dysreflexia episode his blood pressure goes up. In an anaphylactic reaction his blood pressure drops.

J. Monitor vital signs (BP, AP and RR) at least every 10-15 minutes until the episode is resolved and record on the VS flow sheet.
K. Once the rash disappears, take his blood pressure hourly x2

If the rash was determined to be caused from clonus (increased muscle tone) and shaking of his extremities – attempt to STOP the clonus as soon as possible. How?
- Attempt to reposition him
- Place the wedge under his knees (refer to teaching strategy book for pictures)

If the rash was determined to be caused because he needs suctioning – remove his Passey and suction as soon as possible. REMEMBER WHEN SUCTIONING MICHAEL:
- You must DEEP suction – pass the suction catheter down until you meet resistance – DO NOT FORCE.
- Monitor his oxygen saturation levels – if low he needs more suctioning and if they do not go above 92% he should be given supplemental oxygen.
- Generally you can feel the congestion in his lungs by placing your hand gently over his chest.
- Sometimes he requires the cool mist to help loosen some of his the secretions if you are unable to suction them all out.
- When removing the catheter – remove it slowly in a circular motion. Often times you can feel where the plug is and you have to "fish" for it. Michael does fine during suctioning – sometimes gets very gaggy if the secretions are thick. If you withdraw the catheter quickly you most likely will not get many secretions, certainly not all of it.
- Michael may need a "as needed" trach change if doing all the above suggestions do not help.
- Michael usually does not have his O2 sat monitor on throughout the day unless he is ill. If he is not feeling well and/or until you really know Michael well, do a spot check at 12 noon.
- When Michael's pulse oximeter is on, monitor his oxygen saturation levels and heart rate throughout the time you are suctioning him.

If the rash might be caused from an autonomic dysreflexia episode assess and monitor the following –

1. **BLADDER STATUS (most common cause)**
   A. Assess if the bladder is full, stretched and/or possibly has a urinary tract infection.
   B. Did he void?
   C. When was he cathed last?
   D. If cathed recently, is the bladder still full. If full – empty the bladder **slowly** by cathing prn. If the bladder is emptied quickly, it may cause bladder spasms, causing his blood pressure to rise. It is recommended, not to remove more than 500 cc at a time). Michael has been cathed for more than 500 cc in the past without problems; however, remember to do it **very slowly.**

2. **BOWEL STATUS**
   A. Assess if the bowel is distended/impacted
   B. When was his last BM?
   C. Does he need a suppository? Michael is to receive a Dulcolax Suppository as needed every 2nd day without a stool
   D. Is the bowel full of gas?

3. **SKIN – MONITOR FOR PRESSURE SORES/PAINFUL STIMULUS**
   A. Is his clothing tight or restrictive? If so, loosen the tight clothing
   B. Assess for pressure sores/prolonged pressure (i.e. skin breakdown, pressure from splints, pressure on toes from AFO's in his shoes, etc)
   C. Pressure to his skin from sitting/lying on wrinkled clothing – always be sure his clothing is as wrinkle free as possible.

D. Assess how incontinent product was put on – be sure there is not pressure against his penis/testicles
E. Assess for toenail problems

*** If an episode persists after removal of the suspected cause – NOTIFY THE PHYSICIAN IMMEDIATELY

If the rash was determined to be caused by an allergic reaction, possible anaphylaxis – assess the following and treat:

1. Remove his clothing so you can assess the extent of the rash on his entire body (Is it fading or getting worse?)
2. Assess for swelling of his face, neck, lips, ears and eyes (Know what is normal for Michael)
3. Monitor vital signs – especially blood pressure and pulse
4. Assess airway, breathing, circulation
5. Monitor lung sounds (wheezing, tightness)
6. Monitor O2 saturation levels
7. Administer supplemental oxygen to keep his oxygen saturation level greater than 92%.
8. Benadryl as directed
9. Epinephrine as directed (Always call the Physician) – In Michael's case, we can administer the Epipen first and then call the physician)
10. Remove/avoid the causing agent if known

** Sometimes a reaction occurs and the symptoms go away only to return 2-3 hours later. The physician may wish to continue treatment for a little longer period of time (i.e. additional doses of Benadryl)

RESPIRATORY

- Michael is a diaphragmatic breather (sometimes abdominal breathing); therefore, you will not see the typical intercostal breathing. (You may see substernal retraction).
- CPT twice daily and as needed followed by 5 minutes of hand held CPT to his Left Lower Lobe (LLL) with suctioning in the trendelenburg position
- Albuterol or Atrovent nebs as needed for wheezing
- Michael is on the pulse oximeter during the night and as needed for spot checks and if ill.
- Michael receives supplemental oxygen as needed (generally when ill or with allergic reactions or autonomic dysreflexia episodes) to keep sats >92%
- Cool or warm mist is used to his trach for moisture as needed (Warm mist is usually more effective)
- SIMV with rate of 2 on vent at night
- Wall CPAP with cardens valve as needed
- Trach is regularly changed twice weekly (Monday and Thursday mornings) and as needed
- The trach stoma is cleansed with soap and water three times daily (each shift)
- The trach ties are changed after his bath and as needed (dorm staff may do)
- Michael wears a Passey Muir valve on his trach while he is awake unless he is congested.

BACLOFEN PUMP

- Must wear loose clothing – clothing that is not tight around the abdomen
- Must wear the abdominal binder for support during all wake hours and when up in his wheelchair
- Monitor for any bruising around the pump site
- He needs to stay at least 3 feet away from anyone with a VNS (Vagal nerve stimulator due to the magnets they carry)
- Do not place anything directly over the pump site (except for the binder)
- **Symptoms of under dose include:**

A. Itching
B. Blood pressure changes
C. High fever
D. Spastic or rigid muscles
E. Altered mental status

- **Symptoms of over dose include:**

A. Drowsiness
B. Lightheadedness/dizziness
C. Slow and shallow breaths
D. Seizures
E. Loss of consciousness

SKIN/COCCYX AREA

- Michael is prone to skin breakdown (remember he has no feeling)
- His skin requires careful monitoring
- Michael is freshened every two hours. He must be taken out of his chair to see if his product is soiled. YOU CANNOT just do a sneak peak – it doesn't work!! Once checked, Michael can get back in his wheelchair for one more hour.
- Cleanse after having a BM carefully. You cannot apply hard pressure due to his skin breaking down very easily. Wipe gently.
- Tilt his chair all the way back (when reclined he is at a 90 degree angle)
- Michael has a pressure reduction mattress on his bed
- Clean the stomach stoma with soap and water two times a day
- Eucerin cream (original or sensitive skin formula) may be applied to his skin as needed for dryness
- Monitor all skin for redness due to immobility
- Monitor the skin under AFO's and arm splints for redness
- Monitor the skin on his coccyx (tailbone) due to a history of skin breakdown in this area. Bag Balm ointment may be applied to his coccyx as needed.
- When Michael is in his wheelchair, he requires a position change for at least 3 minutes every 27 minutes
- He may be up in his wheelchair for a maximum of 3 hours at a time as tolerated
- If Michael's chair cushion becomes soiled, the cover is removable and washable. Refer to the directions on the side and read carefully

ELBOW SPLINTS

- Must be monitored for redness
- Removed every hour for 10 minutes – this also includes the WHO's and stockings!
- Please allow Michael to rub his eyes/nose if they are itchy – BUT WATCH him CLOSELY!!
- Michael uses a "no bite tray" on his wheelchair and his stander and/or elbow splints to prevent him from biting himself (he does not have any sensation in his hands). Please follow the behavior program carefully – it is very important to prevent Michael from biting himself.
- If Michael bites himself, immediately assess the area and provide treatment (cleanse well with soap and water and apply Betadine Ointment if needed with a dressing.
- Complete an incident report with any injury/bruise noted

TRANSFERS

- Must use the little green pillow for transfers between his knees to avoid bruising his legs/knees
- Two person transfer at all times

ALLERGIES

- Latex

- Penicillin
- Bactrim
- Triple Antibiotic Ointment (Polymixin, bacitracin, neomycin)
- Eggs
- Milk/milk products – anything with whey, casein etc.
- Aloe
- Equate baby shampoo
- Baby Magic brand body cleanser
- House dust mite
- Animal dander – He is not to have contact with animals
- Molds and pollens
- Due to his high latex allergies he is MUST avoid bananas, avocados, chestnuts, papaya, hazelnuts, figs, walnuts, passion fruit, rye, grass, ragweed and mug wart. He should not have any of these foods introduced to him without first checking with Dr. Quanrud.
- Other latex items to avoid are latex gloves, latex catheters, latex balls, latex balloons, etc.
- ALWAYS READ LABELS CAREFULLY – if unsure check with another nurse and/or do not give it to him
- The LST's prepare Michael's breakfast in the mornings. All food prepared in the dorm must be double-checked by LST and nursing staff and is to be designated as "Michael's food". Michael's food is kept in a separate labeled cupboard (perhaps a locked cupboard) outside his room or at the staff station.
- The kitchen staff prepare his lunch and supper meals. Consistent trained staff prepares all food from the kitchen.
- To prevent allergic reactions that might include whey, dietary staff are to read all labels when products arrive and then label them "Okay for Michael" or "Not okay for Michael".

<u>INTERMITTENT CATHING</u>

- Intermittent cathing three times a day using a latex free catheter
- Use a 10 French crede tip catheter (it has a blue line at the top)
- Crede before cathing
- Measure his urinary output with each cathing and record the amount on the flow sheet
- Evening cath time should occur around 7-7:30 PM or later if needed; however, **not any earlier.**

<u>EYES</u>

- If Michael is squinting his eyes, screaming, very vocal and/or hitting his head this usually means he has a headache. Use his "yes" "no" cards to ask him
- He occasionally experiences dark circles around his eyes. This may be caused by:
  1. Allergies
  2. Lack of sleep – usually occurs the day after he was awake the night before.
- Has an order for "as needed" Patanol eye drops if sclera are red from allergies or they are itchy – very difficult to administer (Very tight eye closure – takes at least 2 staff)

<u>MISCELLANOUS</u>

- Michael usually gets up after 7:00 AM shift report – it is nice to do a quick head to toe assessment prior to Michael getting dressed in the mornings.
- He receives his bath in the morning – his range can be done in the bath tub
- Michael is to avoid sleeping during the day, but if extremely tired, he may rest/nap for a maximum of ½ hour over lunch time and/or after school, but no later
- He is weighed monthly
- Audio/visual monitors used at night
- Audio monitor used periodically during the day
- Uses full length side rails

This criteria evaluates the intensity of behavior challenges presented b children and helps ACCC establish guidelines for staffing needs to best care for each child.

Behavioral Conditions Criteria

Name Michael Co Person(s) Interviewed ____
Interviewer ____ Date 2005

Initial Intake ☐ Final Intake ☐ Re-evaluation ☐

1.	**Requires supervision/intervention during night-time because child:**		
	A.	**Sleeps only 3-5 hours at a time:** 1-3 days a month=2; 1-3 days a week=3; 4-7 days a week=4	4
	B.	**Sleeps < 3 hrs maximum at a time:** 1-3 days a month=3; 1-3 days a week=6; 4-7 days a week=8	8
	C.	**Requires intervention to return to sleep:** lasts up to 15 min=2; up to 45 min=4; longer than 45 min=6	6
	D.	**Unpredictable sleep schedule:** 1-3 days a month=3; 1-3 days a week=6; 4-7 days a week=8	8
2.	**Destruction to property in the home:**		
	A.	**Damages structural fixtures (windows, walls, floors, etc):** in last 6 months=4; 1-3 days a month=6; 1-3 days a week=8; 4-7 days a week=10	0
	B.	**Damages fixtures and appliances (toilet, washer, mattresses, sofa, TV, phone)** in last 6 months=2; 1-3 days a month=4; 1-3 days a week=6; 4-7 days a week=8	0
3.	**Requires intervention due to aggressive behavior toward others:**		
	A.	**Aggressive behavior that evokes fear in person attacked:** in last 6 months=2; 1-3 days a month=3; 1-3 days a week=4; 4-7 days a week=6	0
	B.	**Aggressive behavior that causes injury (not requiring medical attention):** in last 6 months=4; 1-3 days a month=6; 1-3 days a week=8; 4-7 days a week=12	0
	C.	**Aggressive behavior that causes injury that requires medical attention:** in last 6 months=6; 1-3 days a month=9; 1-3 days a week=12; 4-7 days a week=15	0
	D.	**If scored in B or C and weighs 100-139 lbs = 12; 140-179 =24; 180 or above = 36**	0
	E.	**Is aggressive towards vulnerable people in the home (elderly, <4 yrs, etc.) = 8**	0
4.	**Engages in Minor Self-Injurious Behaviors resulting in temporary damage (May include ingesting small non-edible items, gagging self, self-inducing vomiting, hitting, pulling out hair, biting, scratching, banging head, excessive water intake):**		
		in last 6 months = 4; 1-3 days a month = 8; 1-3 days a week = 12; 4-7 days a week = 15	15
5.	**Engages in Self-Injurious Behaviors resulting in severe, permanent damage (May include ingesting large/sharp inedible objects, pulling out permanent teeth, banging head on hard/sharp surfaces, cutting self, gouging eyes, hospitalization for water intoxication):**		
		in last 6 months = 12; 1-3 days a month = 15; 1-3 days a week = 18; 4-7 days a week = 20	20

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Page Total ________

6.	School Attendance:			
	A. Child has a shortened school program (4 pts)			0
	B. Child school program takes place at home (6 pts)			0
	C. School tensions: Suspension, parents frequently called to school for behavioral problems (4 pts)			0

7.	Problem behaviors (profoundly affect child and family functioning):			
		Frequency	Intensity (0-6 pts.)	Total
	A. Screaming/ high pitched vocalization	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	a. 1 = lasts between 15 and 1 hour. 2 = lasts between 1 and 3 hours. 3 = lasts longer than 3 hours.	6/1
	B. Obsessive/ Compulsive behavior	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	b. 1 = if interrupted or redirected does not become aggressive but may quickly return to activity. 2 = If interrupted will eventually escalate into behavior destructive to self, others or environment. 3 = quickly escalates into destructive behavior.	6/3
	C. Running/ darting from adult caregivers	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	c. 3 = emergency services contacted for assistance finding. Incident resulted in major injury to child or others.	0
	D. Refusing food/ extreme food choices	Daily = 6	d. 0 = no impact on health or weight loss. 3 = documented significant weight loss, obesity, or other documented health impact.	0
	E. Smearing feces	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	e. 1 = touches feces when diaper full or at elimination times. 2 = digs. 3 = smears or eats feces	0
	F. No impulse control for dangerous activities	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	f. 1 = Requires interventions. 2 = actions have caused minor injury to self or others. 3 = has resulted in major injury to self or others.	6/3
	G. Extreme sensory sensitivity requiring intervention	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	g. 1 = prevents child from participating in specific activities. 2 = leads to injury to self or others but injury is minor or easily interrupted. 3 = leads to significant injury to self or others.	0
	H. Constantly mobile	Daily = 6	h.	0
	I. Removes clothing	1-3 days per mo.=2; 1-3 days per week=4; 4-7 days per week=6	i. 1 = removes only shoes/socks. 2 = removes shirts/pants. 3 = removes underware .	0
	J. Setting Fires	3 = opportunist; 6 = intentional seeker	j. 1 = plays with matches/fascinated with fire in inappropriate settings. 4 = has set a fire. 6 = has set numerous fires & at least 1 has involved significant damage.	0

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Child's Name ______ Date ______ Page Total ______

8.	Requires intervention due to sexualized behaviors (includes behaviors harmful and/or inappropriate to self and others):	
A.	Exposure of genitals or touching self sexually in public 1-3 days per month = 2; 1-3 days per week = 4; 4-7 days a week = 6	0
B.	Touching others or asking others to touch self sexually 1-3 days per month = 4; 1-3 days per week = 8; 4-7 days a week = 12	0
C.	Touches younger child sexually 1-3 days per month = 8; 1-3 days per week = 14; 4-7 days a week = 18	0
D.	Sexually aggressive towards others 1-3 days per month = 8; 1-3 days per week = 14; 4-7 days a week = 18	0

9.	Difficulty participating in activities:	Total
A.	Behavior prevents FAMILY from participating in routine family activities (8 pts.)	0
B.	Behavior prevents OTHERS (siblings ' friends, etc.) from entering the family home (8 pts.)	0
C.	Behavior prevents CHILD from participating in family activities out of family home or in public places (6 pts.)	0
D.	Behavior prevents CHILD'S participation in family activities in the home (6 pts.)	0
E.	History of public endangerment by intentional activities (10 pts.)	0
F.	Behavior interferes with transportation of child (6 pts.)	6

10.	Requires physical, mechanical, or medical restraints for management of major/extreme self-injurious behavior or physical aggression:		Total
	Frequency : in last 6 months = 2; 1-3 days a month = 4; 1-3 days a week = 6; 4-7 days a week = 8	Intensity: (1-3 pts.)	8/3

11.	Requires modifications in response to behaviors:				
A.	Additional locks on exterior doors and/or windows (4 pts.)				0
B.	Additional interior doors added inside the house (Storm or half doors, etc.) (10 pts.)				0
C.	Locked interior doors, drawers, and cabinets (10 pts.)				0
D.	Locks on household appliances and fixtures (8 pts.)				0
E.	Secure yard/fencing (8 pts.)				0
F.	Safety glass in windows (15 pts.)				0
G.	Alarm systems (15 pts.)				15
H.	Filter systems including air conditioning used to modify negative behaviors (4 pts.)				0
I.	Adaptive routines	MILD (5 pts.)	MOD (10 pts.)	SEVERE (15 pts)	5
J.	Child proofed home	MILD (5 pts.)	MOD (10 pts.)	SEVERE (15 pts)	0
K.	Modifications to vehicles (10 pts.)				0

12.	Other disability or medical conditions requiring specialized intervention (4 pts for each)	4

Child's Name ______ Date ______ Page Total ______

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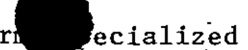
41
71
25
137

DHS 0521 (REVISED 10/03)



This scoring tool, developed by the Oregon [redacted] helps ACCC evaluate the intensity of long-term [redacted]ecialized medical care children require on a daily b[redacted].

MFCU CLINICAL CRITERIA

Child's Name: *Michael* [redacted]

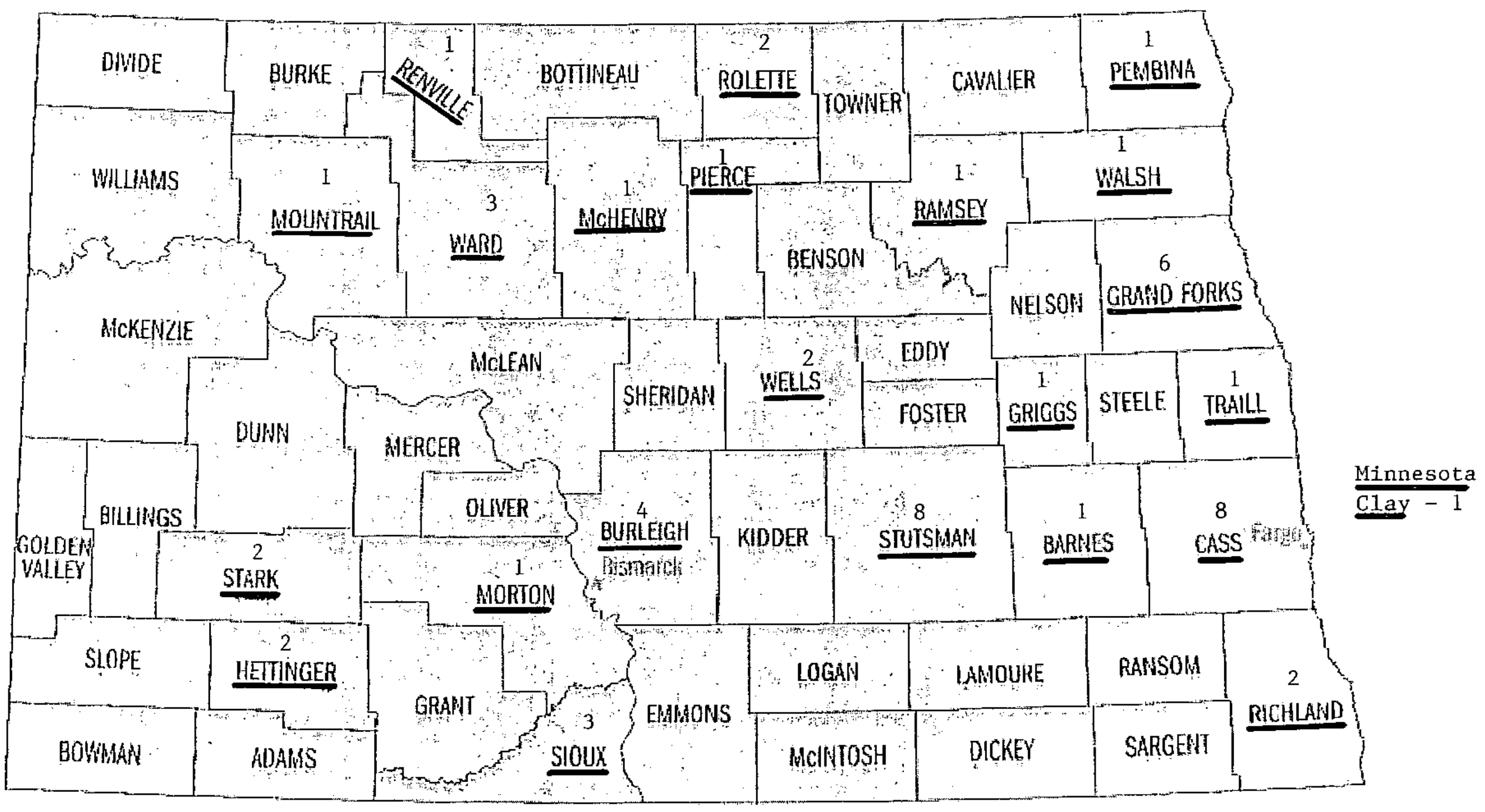
CARE ELEMENTS	CARE	POINTS	CARE ELEMENTS	CARE	POINTS	CARE ELEMENTS	CARE	POINTS
Overall			**GI/Feeding**			**Respiratory**		
1. Intervention no more than 2x noc	2		1. difficult/prolonged oral feeding	2	2	1. O2 via cannual lowflow rate	2	
2. Intervention > 2x at noc	3	3	2. complex dietary needs	2	2	2. O2 unplanned chng >1x/d	3	
3. Needs isolation	2		3. uncomplicated G tube feeding	1		3. Tracheostomy	5	5
4. Complic. Med Schedule > q2hr	2		4. G tube feeding with min. problem	2	2	4. cyanosis req pulse oxim	4	4
5. Mod ongoing assess	4	4	5. NG tube feeding	3		5. C02 monitor	5	
6. Continual assessments	6		6. J tube feeding	4		6. signif. apnea/brady (requires monitor)	3	
7. 2-10 hrs per week of LN	2		7. mod-sev problem w/tube feeding	2		7. suctioning <q 4 hr	2	2
8. Needs LN > 10 hrs per week	3		8. reflux without airway involv	2	2	8. suctioning 1-4 hrs	3	
9. Needs LN > 10 hrs per day	6	6	9. reflux with airway involv	3		9. suctioning > q 1 hr	5	
10. VS/Neur/Resp asses < q4hr	2	2	**Neurological**			10. CPT or Neb Rx < q 4 hr	2	2
11. VS/Neur/Resp asses q2-4hr	3		10. szs-no intervention (>1x/week)	1		11. CPT or Neb Rx q 2-4 hrs	3	
12. VS/Neur/Resp asses q 0-2hr	4		11. mild-mod szs (min. intervention)			12. CPT or Neb Rx > q 2 hrs	5	
Skin/Physical Management			12. -1x/w - 1x/d	2		13. resuscitation within 1 yr	4	
13. ROM	2	2	13. – 1-4x/d	3		14. resuscitation within 1 mos	9	
14. OT (in the home)	2	2	14. ->4x/d	4		15. needs support to main airway but survives > 2 hrs without	5	
15. PT (in the home)	2	2	15. Mod-sev szs (mod + intervention)			16. cannot main airway without contin. Supp.	9	
16. Stoma care (@stoma)	2	4	16. ->1x/week	5		17. Ventilator	3	3 CPAP@HS
17. Stage 2 skin breakdown	2	2	17. ->6x/day	6		18. - No resp effort	12	
18. Stage 3-4 skin breakdown	4		**Urinary/Kidney**			19. – vent > 12 hrs/d	9	
Metabolic			18. urinary cath. qday or <(not self)	2		20. – vent < 12 hrs/d	6	
19. Insulin-dependent	2		19. Indwelling cath or cath > qday	3	3	21. – standby only	3	3
20. gluc monitoring < qid	1		20. Peritoneal dialysis	5		22. Vent unplanned chngs >qd	6	
21. gluc monitoring > qid	2		21. Hemodialysis (in the home)	8		**Vascular**		
22. sign. Metabolic disorder	4		22. – more than 1x per day	4		23. Central lines	8	
						24. Central line w/TPN	10	
						25. IM/SQ pain control	3	
			Baclofen Pump			26. IV pain control	8	
						27. Occ transfusion/IV <q mos	2	
						28. IV Rx less often than q 4 hr	5	
						29. IV Rx q 4 hr or more often	6	
SUBTOTAL		27	SUBTOTAL		11	SUBTOTAL		19

Person Completing: *Sandy Perkins, RN* **TOTAL (ALL COLUMNS):** *57* **Date Completed:** *3-28-06*

pg. 6

North Dakota County Selection Map

2006 Resident Origin By County – ANNE CARLSEN CENTER FOR CHILDREN



The physical therapist, she said, began standing him up so he could get a sense of weight-bearing in his feet. "It took three years of intensive therapy with lots of screaming and resistance," she said, before Charlie took his first steps.

Weekly visits to an occupational therapist helped Charlie learn to eat and do other functional activities and speech therapists began breaking through his communication barriers.

"There was never a day off," Connie remembers of Charlie's toddler years. "I felt terrifically supported at that point in time. It's like bringing in an army but that's what we felt was necessary."

When Charlie was three, the family moved to Moorhead, Minn. After calling ahead to inquire about available services, they were told Charlie would have daycare six hours a week.

"I wanted to say, 'Are you kidding?' I didn't know how I was going to manage," remembers Connie. "I think that (when they moved to Moorhead) was when the family sort of divided," she says, "with Tim and Hugh becoming best of buddies and I was pretty much full-time with Charlie. It seemed to divide that way with the intensity of his care.

"I went downhill really, really fast being the sole caregiver 24 hours a day. We came in August and by October I could barely speak English. I could barely walk. I was depleted."

A home in chaos

Charlie is playful, personable and happy. "A beacon of joy," his brother, Hugh, says.

He loves music and is drawn to the light emanating from windows.

He's also hyperactive with a very short attention span, Connie describes. Charlie did not make eye contact or visually connect with anything or anyone, making interactive play using books and toys impossible.

Not able to verbally communicate, Charlie would have what his parents describe as "wild tantrums," banging his head on cement floors and biting himself and others.

By age 3, Charlie's needs became increasingly difficult to meet.

"It felt like the whole house was on fire," said Tim.

"You were constantly on eggshells," added Connie, "operating on a deficit. We never had sufficient energy to keep up."

In order to meet Charlie's needs, the family all but vacated the upper floor. "You couldn't just sit in the living room," says Tim. "You couldn't eat dinner at the dining table."

They made compromises with their home in order to keep it safe for Charlie.

Within a few months of moving to Moorhead, Connie recalls, they were at the end of their rope and contacted their social worker. "They must have put our name in red ink or something because they said we could have any services that we needed."

The Kennedys had heard about Anne Carlsen Center for Children and drove to Jamestown to visit the school. "It seemed like a great place," says Tim. And when they inquired about placing Charlie at the Center, they were told it wasn't the state's policy to place children in an institution.

Instead, a more intensive home program was developed and that, they say, is when their

In 2005, The Ambassador brought readers the story of a young man and his family whose journey to Anne Carlsen Center for Children wasn't easy. They shared with readers the story of their struggles and triumphs as they searched for services that would best help Charlie break out of a shell resulting from autism.

All Connie Kennedy ever wanted was to be a mother. She's blessed with two handsome boys.

It's taken literally hundreds of people to help her and her husband, Tim, raise their youngest son, Charlie.

"I wanted to be a mother more than anything, ever," she said. "I wanted kids more than anything and then I was in way over my head. It was the ultimate reversal to need a hundred people to help me."

Charlie was a newborn when his mother became concerned.

Charlie has autism and the disorder has had a tremendous impact on him and his entire family since his birth 10 years ago. Meeting his needs at home for eight years nearly divided his family. The Anne Carlsen Center for Children, Tim and Connie say, helped bring them back together.

Autism is a complex developmental disability that typically appears during the first three years of life. The result of a neurological disorder that affects brain function, autism impacts the normal development of the brain in the areas of social interaction and communication skills. People with autism typically have difficulties in communication, social interactions, and leisure or play activities.

Autism is a spectrum disorder, meaning symptoms and characteristics can present themselves in a wide variety of combinations, from mild to severe. Charlie's characteristics lean toward the severe end of the spectrum.

Early signs, early intervention

The Kennedys were living in Georgia when Charlie was born. With her experience with infants in her work as a day care teacher, Connie became concerned about her baby in the first week. "His facial expressions really seemed way off to me," she said.

By the time Charlie was 10 months old, a battery of neurological tests laid the groundwork for the road ahead.

A doctor told Tim and Connie, "There are cognitive concerns. There are physical concerns and there are emotional concerns. And this is what we'll do about each of them."

The course he set for them was filled with daily therapy in a proactive effort to intervene.

"He was just a little blob," Connie said about Charlie. "He had no muscle tone . . . I thought walking would be out of the question."

home became institutional, with as many as eight caregivers coming in on a daily basis to help care for Charlie.

"People would say, 'Isn't it hard to always have somebody in your house?' To me it was just a necessity. It was a godsend. It was the only way that I thought anything could work," said Connie.

2 When Charlie Kennedy was living at home with his family in Moorhead, Minn., the whole world revolved around his needs.

As he got older, the maintenance of his care continued to escalate. For every behavior he exhibited there was a corrective plan . . . a helmet to protect him when he banged is head on the cement floor, splints on his arm to protect against the biting he would do.

"There were huge notebooks for every aspect of his care," said Charlie's mom, Connie.

Their house was not really their own. As many as 12 caregivers each month revolved in and out to help them care for Charlie.

Because Charlie was somewhat calmed by looking out the window, the Kennedys relinquished the top floor of their rambler home for him and spent much of their time in the basement, which Charlie's dad, Tim, pointed out, is finished!

"There were lots of things I got used to not having," said Charlie's older brother, Hugh, "like having friends over or having dinner together as a family."

Often, said Tim, the family would meet outside their home to have some quiet time together.

From infancy Charlie had the love and attention from his parents, Connie and Tim, and older brother, Hugh.

When Charlie was about seven years old, his psychologist recommended starting medications to help regulate his mood swings.

"We didn't want to supervise that," said Connie. "We were afraid things might get worse. I didn't think I could take things getting any worse. Every single day was too much for years."

An advocate found

When it came time for Charlie's next annual assessment, Tim expressed his concern that the intensity of care couldn't be sustained at home for much longer. The family asked that Anne Carlsen Center for Children be reconsidered as a care option.

A regional social worker in the Minnesota human service system recognized the effect Charlie's demands were having on his entire family and the concerns they had. She crossed a state picket line (when Minnesota state employees were on strike) to get placement approved.

Connie remembers calling Tim at work when she was notified that funding for Charlie's placement had been approved. "Charlie got into Harvard," she told him. "It was our dream school, our wish for five years."

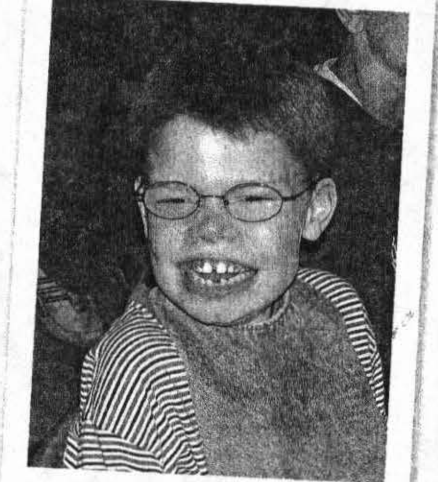
"But then we faced a dilemma," said Tim. "Charlie can leave, but he's our little boy and we loved having him around despite the circumstances."

A new home

"When he first went to Anne Carlsen Center I had to tell myself he was at sleep-away camp," said Tim. "At a certain point I realized he wasn't coming home."

"The first time I visited Charlie (at ACCC) I could tell it was a really special place," remembers Hugh.

One of Charlie's favorite activities has always been swimming. "They showed me the pool . . . I could have just melted," said Hugh. "I was just a puddle. That's when I could tell this was the place for Charlie to be."



At ACCC Charlie is "happy-go-lucky."

Even with a 95-mile span now between them, Charlie is never far from his family. They visit often and call frequently.

"The first time I went there (after Charlie moved), it was a heartbreaker," said Tim. "I just missed him being at home." But Tim quickly recognized that Charlie didn't feel bad. "I could see his progress, the eye contact. It seemed like a whole new part of him was emerging."

And then one of Charlie's teachers said something that "floored" him. "He's just happy-go-lucky."

Tim said, "He was never happy-go-lucky here at the house. Here it was like three, three-alarm fires a day."

Connie recognizes Charlie's achievements, due in large part, she says, because of the consistent approach the Center's staff has in working with its students.

"The thing I love most about the school," she said, "is that I've never seen anything out of order. I've never seen a behavior that wasn't adequately covered."

She adds, "The school has just given me a new vision of how good his care can be. It's beyond my wildest dreams."

When she visits Charlie's classroom or residential area she sees him and his classmates calmly participating in activities. And calm, she said, is the key word. "They're all working really hard to be in a group."

Calling Charlie on the telephone can be difficult at times, said Tim, because Charlie is non-verbal and can't converse back. But Tim recognizes how important phone calls are.

One time, he said, he called and visited with Charlie and as he was ending the call he told Charlie good-bye. "The nurse got on the phone and said, 'He smiled and gave me the phone.' That was a big deal."

3

It didn't take long for Connie to realize that staff working with her son at Anne Carlsen Center for Children really knew him.

It was Mother's Day, just months after he moved to the Center, when she received a

special picture book of Charlie looking out various windows throughout the Center.

Connie thought to herself, "They know our boy. That's our Charlie." The book reflected one of Charlie's favorite activities . . . looking out windows, feeling the warmth of the sun on his face.

And in his three and one-half years at ACCC, the Charlie that has emerged from behind a veil of autism is a person with an enjoyable sense of humor, a young man who likes to make his family proud by showing them all he can do, and one who is maturing into a sociable person.

Helping him get to this point hasn't been easy, though.

A missing link

Children with autism have difficulty communicating. They face sensory impairments that affect their social behavior and ability to focus on activities. They often compensate for their sensory and communication deficiencies with what are generally described as behaviors.

When Charlie was young, he made little or no eye contact with his family, which includes his older brother Hugh. Now, he makes eye contact and shares in the joy of life around him. One of his greatest enjoyments is spending time with his family.

Charlie's behaviors have included things like flapping his hands, pushing his tongue out of his mouth frequently, screaming for no apparent reason, and banging his head on hard surfaces, including cement floors.

"When Charlie first came, I knew what his family had been through," said his speech therapist, Rachel Coppin. "I didn't know if we could get it all under control for learning to occur."

But they have. With techniques reinforced by his entire staff of teachers, therapists and support professionals, Charlie can now better control his behaviors to focus on learning.

He has gone from knowing only a couple of basic sign language words when he first arrived to putting together phrases using picture and symbol cards. These cards are how Charlie can let people know he is hungry, tired, or wants to read a book.

Connie said that when Charlie was at home, he was in constant motion. He can now sit calmly in a group and focus on the activity at hand, whether it's current events in school or eating at the dinner table.

Because of the comprehensive approach to Charlie's program, he is learning to be independent. His classroom teacher,

Becky Simmons, said Charlie is now able to do things independently within the structure and organization of his day.

"We use pictures to tell Charlie what his day will be like," Simmons said. And within a routine schedule, Charlie is given the opportunity to make some choices. "He can't choose whether or not he wants to work, but he can choose what kind of work he wants to do."

Charlie is able to get things he wants or needs as long as his staff is conscious about putting everything in the exact same place.

High expectations

Coppin said she learned early on in her work with Charlie that he will rise to the challenge set before him. "Charlie will live up or down to your expectations," she said. "We expect a lot out of him. And the longer he's here, the more he shows us."

"If my own kids have to do something, these kids should have to also," said Simmons of Charlie and his classmates. "Just because they have a disability isn't a reason (not to do something).

"Charlie has met a lot of my hopes," she said.

Coppin and Simmons recognize Charlie's desire to please his family. He lights up when Connie walks into the room with a smile and a hug for her "Cha-Cha."

"He wants to make her proud," Coppin said. "I think we've shown Charlie's family a glimpse of the real Charlie."

Charlie works each week with his speech therapist, Rachel Coppin, on communication skills using picture and symbol cards to indicate his choice and express his wants and needs.

He's a young man who is the first to laugh when a joke is told. Once a boy who made little or no eye contact with people (a common characteristic of autism), his dad proudly tells people how Charlie's eyes now sparkle when he sees his family and friends.

He is now able to be part of a group, said his mom. "That is his central skill. To be part of a group and not the fireworks in the middle of the picture."

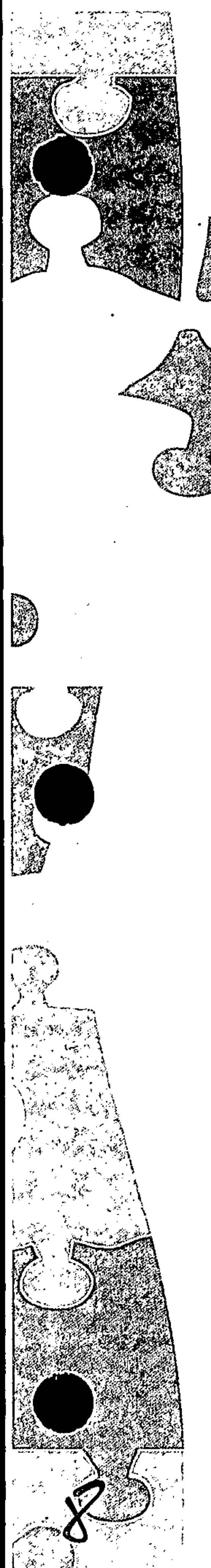
It's the complete team of support that the Kennedys credit for Charlie's progress. "I feel incredibly fortunate and I think he is a lucky boy to have such comprehensive care," Connie said.

"To reach out and find that much strength in the community at the Anne Carlsen Center has really transported me and changed me forever," said Connie.

"I have nothing but gratitude for the Anne Carlsen Center," said Charlie's dad, Tim. "Without it I don't think our family would have made it. We wouldn't be here at this time."

The support of donors, he said, is what has contributed to the high level of care the Center is able to provide Charlie.

"Those donations help someone who couldn't really help himself and a family that was in too deep to really effectively focus on themselves. I'm just glad we were able to reach out and that we found the Anne Carlsen school. Thank God for the Anne Carlsen school."



Autism spectrum disorder explained

Charlie Kennedy is one of an estimated 544,000 people in the U.S. who has autism, the fastest growing developmental disability in the U.S. But what is it? Why do we hear so much about it these days?

Autism encompasses a broad range of brain disorders that, by conservative estimates, affects 1 in 166 children.

It strikes males about four times more often than females.

The prevalence of autism is expected to reach 4 million people in the next decade in the U.S. according to the Autism Society of America.

The National Institute of Mental Health (NIMH) estimates the education and health costs for people with autism to be more than $3 billion per year.

It is the third most common developmental disorder, following mental retardation and cerebral palsy.

What is it?

People with Autism Spectrum Disorder (ASD) demonstrate deficits in social interaction, verbal and nonverbal communication, and repetitive behaviors or interests. In addition, they will often have unusual responses to sensory experiences like certain sounds or the way objects look. Each of these symptoms runs the gamut from mild to severe. Children living and going to school at ACCC lean toward the severe end of the spectrum.

Children with ASD do not follow the typical patterns of child development. In some children, as was the case with Charlie, hints of future problems are apparent from birth. In most cases, problems with communication and social skills become more noticeable as the child lags further behind other children the same age. Oftentimes between 12 and 36 months old, the differences in the way they react to people and other unusual behaviors become apparent. Some parents report the change as being sudden, and that their children start to reject people, act strangely, and lose language and social skills they had previously acquired. In other cases, there is a plateau, or leveling, of progress so that the difference between the child with autism and other children the same age becomes more noticeable.

What causes autism?

No one is sure what causes autism but many research studies currently going on involve possible links to our environment, diet, chemicals and vaccines.

While it is known that heredity plays a major role in complex disorders like autism, the identification of specific genes linked to ASD has proven extremely difficult.

Whether caused by a virus, vaccine, environmental toxins, neonatal trauma or innate genetic defects, the resulting behaviors encompassing ASD occur because the brain is affected.

Is there a cure?

At present, there is no known cure for autism. Likewise, there is no universal treatment for all children with ASD. One point that most professionals agree on is that early intervention is important; another is that most individuals with ASD respond well to highly structured, specialized programs. The earlier the disorder is diagnosed, the sooner the child can be helped through treatment interventions.

Is there an increase?

The current theories run in two different directions. One theory is that autism is actually increasing. The other theory, and one that most healthcare agencies subscribe to, is that the increased awareness of the disorder is resulting in more early testing by physicians who are now more aware of what to look for in order to diagnose the disorder.

North Dakota Department of Human Services
Child Support Division

- Carol K. Olson — Executive Director
  - T. Mandigo — Special Asst to Exec Director
    - 4048 0218/5346 16 — M. Schwindt — Director, Child Support
      - 4035 2541/4378 13 — J. Fleming — Deputy Director/HSPA V
        - **POLICY DEVELOPMENT**
          - 4034 0257/3385 12 — P. Oberst — HSPA IV
            - 4033 2446/4338 11 — D. Gulya — HSPA III
        - **OPERATIONS**
          - 4034 0517/3635 12 — B. Reierson — HSPA IV
            - 4033 2447/4339 11 — T. Bay — HSPA III
            - 4032 2152/4158 10 — S. Witkowski — HSPA II
            - 4203 0220/3348 8 — L. Maslowski — State Parent Locator
              - 0042 0590/3685 7 — B. Skachenko — Admin Asst II
            - 0042 2294/4251 7 — R. Schmidt — Admin Asst II
        - 4034 0301/3429 12 — T. Siems — Financial/HSPA IV
      - **SUPPORT**
        - 0043 00533186 8 — J. Krebs — Admin Assistant III
          - 0033 0173/3304 5 — L. Norris — Office Asst III
          - 0033 0064/3197 5 — ~~Vacant~~ — Office Asst III
          - 0033 2146/4153 5 — H. Schatz — Office Asst III
          - 1022/4435 — K. DeBuhr — COE Student
      - **CUSTOMER SERVICE/SDU**
        - 4034 2143/4150 12 — L. Bjerklie — HSPA IV
          - 4032 2144/4151 10 — D. Yantzer — HSPA II
          - 4209 2141/4148 8 — S. Senger — CS Payment Spec
          - 4209 0222/3350 8 — J. Oberg — CS Payment Spec
          - 4209 2992/4380 8 — M. Harvey — CS Payment Spec
          - 0033 2293/4250 5 — T. GreyEagle — Office Assistant III
          - 0033 2148/4155 5 — K. Haider — Office Asst III
          - 4209 2142/4149 8 — J. Watsch — CS Payment Spec
          - 4209 2140/4147 8 — R. Martin — CS Payment Spec
          - 4209 0218/3344 8 — G. Valentine — CS Payment Spec
          - 4208 2145/4152 6 — S. Hausauer-Johnson — Ch Supp Pmt Tech
          - 0033 2292/4249 5 — M. Bertsch — Office Assistant III
      - **FACSES**
        - 4034 0181/3312 12 — L. Brucker — HSPA IV
          - 4033 0215/3343 11 — M. Glum — HSPA III
          - 4006 2997/4383 10 — M. Kiefer — FACSES Supp Spec II
            - 4005 0483/3603 9 — J. Cork — FACSES Supp Spec I
            - 4005 0073/3208 9 — M. Bossert — FACSES Supp Spec I
            - 4005 0515/3634 9 — E. Pederson — FACSES Supp Spec I
            - 4005 2147/4154 9 — A. Oler — FACSES Supp Spec I
            - 4005 0309/3436 9 — D. Wiens — FACSES Supp Spec I
      - 4034 2149/4156 12 — T. Peterson — Quality Assurance/HSPA IV
        - 4033 2077/4098 11 — T. Vetter — HSPA III
      - 4034 0976/4006 12 — B. Siegel — Policy Analysis/HSPA IV

Revised 11/3/06

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Testimony

Senate Bill 2012 – Department Of Human Services

Senate Appropriations Committee

Senator Holmberg, Chairman

January 8, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Mike Schwindt, Child Support Enforcement program director for the Department of Human Services. I am here to provide an overview of the Child Support Enforcement (CSE) program.

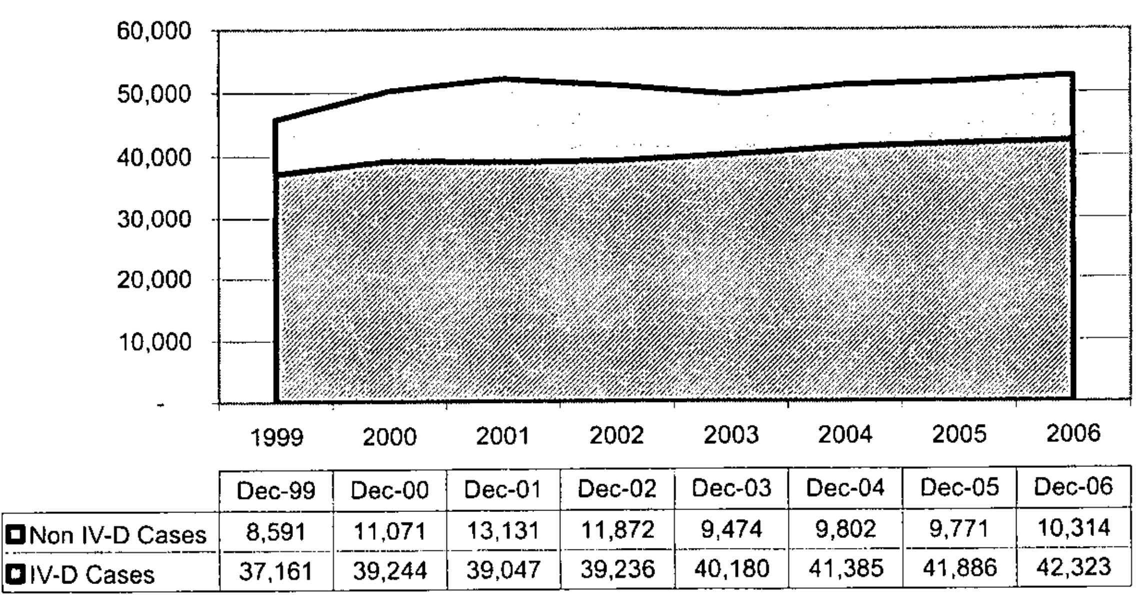
The CSE program is designed to enhance the well being of children and reduce the demands on public treasuries by securing child support and medical support from legally responsible parents and encouraging positive relationships between children and their parents.

Caseload / Customer Base

The total IV-D caseload continues to increase each year, reaching 42,323 in December 2006. The nonIV-D portion of the caseload added 10,314 more cases.

- These cases include about 66,000 children and 79,500 parents.
- Within the IV-D portion of the program, about 4,500 cases are awaiting court orders, the key to getting funds to the children.
- Our caseload is distributed among the 54 states and territories plus a number of Indian tribes and foreign countries.

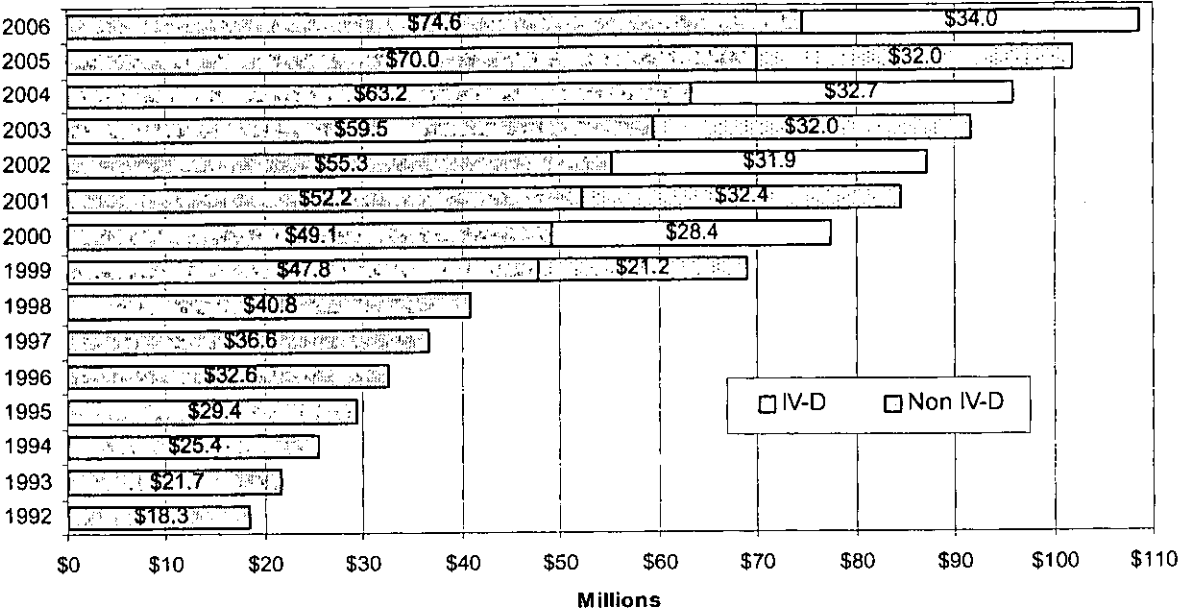
Department of Human Services
Open Child Support Cases
December 1999 through December 2006



	Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06
Non IV-D Cases	8,591	11,071	13,131	11,872	9,474	9,802	9,771	10,314
IV-D Cases	37,161	39,244	39,047	39,236	40,180	41,385	41,886	42,323

Major Trends, Issues and Program Changes

Collections. Total collections continue to increase. We passed the $100 million mark for the first time in December 2005. For calendar year 2006, total collections reached $108.6 million, a 6.6% increase. Within the IV-D program, collections increased 6.7% to $74.6 million while the nonIV-D portion increased 6.4% to $34 million. Despite these increased collections, our total receivables continue to climb, reaching $259.2 million as of the end of December 2006.



Fees. A new federal mandate requires us to charge $25 whenever we collect $500 for services provided on nonTANF cases included in the IV-D caseload. Our concern is that a number of the existing IV-D cases will close to avoid the fee resulting in a significant number of cases moving to the nonIV-D category and requiring us to handle these cases at state general fund expense. We have asked for authority to charge the mandated $25 fee and to charge a larger fee for the nonIV-D cases we handle. The net effect of that change could be to increase the workload for the regional units although the orders would already be in place.

Performance. This program is one of the few able to earn incentives based on how well we do our job. I'm pleased to report that we – the Regional Child Support Enforcement Units, the courts, the clerks of court and DHS/CSE have improved to where we were ranked second nationally in 2005. This improving performance was also recognized when the

Western Interstate Child Support Enforcement Council presented their Outstanding State Program award to North Dakota last November.

While we have made steady improvements over the years, we still have a long way to go. Using comparative federal fiscal year data:

- Percent of children in IV-D cases born out of wedlock with paternity established or acknowledged.
    - In 2005 we were at 103%, moving to 114% in 2006.
    - Using same year data, for 2005 we were at 98%, moving to 99% in 2006.

- Percent of cases with court orders for child support.
    - In 2005 we were at 87%, moving to 88% in 2006. Since a court order is essential to moving forward with the case, we are focusing our efforts on this and the following measure to improve overall performance. The improvement target is 2% per year until we are in the top 5 in the country. In the latest ranking we were 8th in the country.

- Percent of current support owed on IV-D cases that is collected.
    - In 2005 we were at 73%, with only marginal improvement in 2006. Our improvement target is collecting an additional 2% per year until we collect 90% of current support in the month it is due.

- Amount collected for each $1 spent.
    - In 2005 we were at $6.03, dropping to $5.86 in 2006.

- Overall, we collect about $62 for every $1 of state general fund used. ($200 million in collections using $3.2 million in general funds including ITS)

- Medical Support is the newest performance measure coming on line. Tentatively, starting in 2009, incentives will be distributed based on how well we perform here as well as in the other measures.

Benefits. This program also results in measurable savings to taxpayers. In addition to the millions we recover each year to offset the TANF, Foster Care and Medicaid programs, there is another, more difficult to measure component – that being cost avoidance. While this measurement process can use some refinement, applying the overall federal data to our collections shows that our efforts result in about $18 million in additional savings to the Medicaid, Food Stamps, Housing, SSI and TANF programs each biennium.

Overview of Budget Changes

Child Support Enforcement			
Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	3,465,522	3,855,408	389,886
Operating	2,205,249	2,638,891	433,642
Grants	1,885,000	1,966,288	81,288
Total	7,555,771	8,460,587	904,816
General	1,074,570	1,513,572	439,002
Federal	4,349,953	4,674,579	324,626
Other	2,131,248	2,272,436	141,188
FTEs	38.00	38.00	-

Salaries. The salaries line increased by $389,886

- primarily because of the $280,262 needed for the Governor's salary and health package, and
- $100,071 of the balance is needed to sustain the current staff salaries and $9,553 is for associated payroll costs.

Operating. The $2.6 million operating line has a net increase of $433,642 primarily for $383,074 in operating fees and services; bringing that total to $2.2 million. The primary changes include

- $150,000 of federal funds for the Supreme Court,
- $111,110 for the Parental Employment Project expansion, and
- $100,000 for a receivables study.

Grants. The grants line shows a net increase of $81,288 for a total request of just under $2 million to continue services at the expected federal funding level:

- Access and visitation was reduced by $200,000, and
- Incentive payments to Regional Child Support Enforcement Units were increased $281,288.

Revenues. The CSE program is state supervised and county administered. Funding for our portion of the program is primarily federal in that eligible expenditures are matched with 66% federal funds and 34% state and federal incentive funds. A recent federal law change will prohibit using incentive funds as match effective October 2007. We expect legislative proposals to repeal that prohibition in the 2006 Deficit Reduction Act will again be introduced in the new term of Congress.

Parental Responsibility Initiative for the Development of Employment (PRIDE). The first Parental Employment Pilot Program came about in 2005 because of the frustration expressed by Judge Schmalenberger on the options available to the court in handling obligors who either could not or would not pay their child support. The court's options were either jailing for contempt of court or setting the obligor free with limited or no consequence for nonpayment.

We were aware of programs some other states were testing to handle similarly situated cases but did not have the resources to implement similar programs.

After considerable discussions, TANF determined that their funds could be used as part of their fatherhood program and that, by working with Job Service North Dakota (JSND) as well as building on the services available

within DHS, we could provide a reasonable alternative to the court as a pilot program to help the noncustodial parents.

To implement the pilot program, JSND hired one person in Dickinson to work with the courts and the individuals. We are pleased to report that the early results were positive and that, by using Workforce Investment Act (WIA) incentive funds, DHS and JSND were able to offer a similar program in the Grand Forks region.

The PRIDE staff attend the contempt hearings so that they can make early contact with obligors the courts are referring to the programs. Thereafter, the PRIDE staff work with the parents to

- Identify impediments to employment,
- Refer selected people to the Human Service Centers for diagnosis and treatment,
- Work with the individuals on job readiness skills, and
- Help find and retain jobs.

The following illustrates the impact of the pilot programs on two families in the two regions.

- "Sonya" came to the program under court order for owing more than $2,000 in arrearages. She had one son who had been placed with her parents and a daughter with another father living with her. Sonya also has a criminal conviction that created much difficulty in not only finding work, but also a place to live. Initially, Sonya was assisted with job development activities and, after bouncing through several entry level jobs, she secured a better paying construction job. Consequently, she was able to pay her arrearages and make regular support payments. This benefited Sonya's

relationship with her parents who have custody of her son. Her parents saw Sonya was making an honest attempt at turning her life around and afforded her more time with her son. They also helped her find an apartment. So far, Sonya has received employment counseling, job development, housing assistance leads, and minimal financial supportive service.

- In another case, mom and dad, each with a history of incarceration and meth use, were living apart when their child entered foster care. Both parents have separate child support obligations and both were referred to PRIDE at different times. In meetings with each parent, the PRIDE Coordinator learned about their child, their family situations, their needs, their goals and their job skills. The parents later brought their Lutheran Social Services counselor to sessions in which all four jointly developed a comprehensive family plan that included employment for both parents. Subsequently, the parents reunited and are now residing together as a family unit, continue to be employed and also receive in-home counseling along with other services.

The payoffs to the obligors come from:

- Greater employment,
- Increased earning power and self sufficiency,
- Increased pride in their ability to care for their children, and
- Reduced arrearages owed the families and taxpayers.

The payoffs to the families come from:

- Increased family income, and
- Increased parental involvement in the lives of the kids resulting in strengthened families.

The payoffs to the taxpayers come from:

- More taxpaying citizens,
- More parental support for their children, reducing demand on governmental programs,
- Less court time used, and
- Fewer jail days for obligors held in contempt.

We are pleased to report the DHS budget includes, as part of the TANF program, additional funds targeted to expand the PRIDE program statewide. As with the pilot programs, DHS would contract with JSND to cover the remaining six regions and work with the courts to offer similar services throughout the state.

Mr. Chairman, that concludes my testimony on the 2007-09 budget request for the CSE program. I'd be happy to answer questions.

Testimony
Senate Bill 2012 – Department Of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 21, 2007

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Same testimony given to House with exception of following page

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Benefits. This program also results in measurable savings to taxpayers. In addition to the millions we recover each year to offset the TANF, Foster Care and Medicaid programs, there is another, more difficult to measure component – that being cost avoidance. While this measurement process can use some refinement, applying the overall federal data to our collections shows that our efforts result in about $18 million in additional savings to the Medicaid, Food Stamps, Housing, SSI and TANF programs each biennium.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	3,465,522	389,886	3,855,408		3,855,408
Operating	2,205,249	433,642	2,638,891		2,638,891
Grants	1,885,000	81,288	1,966,288		1,966,288
Total	7,555,771	904,816	8,460,587	-	8,460,587
General	1,074,570	439,002	1,513,572		1,513,572
Federal	4,349,953	324,626	4,674,579		4,674,579
Other	2,131,248	141,188	2,272,436		2,272,436
FTEs	38.00	-	38.00		38.00

Senate changes. The Senate made no changes to the CSE budget.

Parental Responsibility Initiative for the Development of Employment (PRIDE). The first Parental Employment Pilot Program came about in 2005 because of the frustration expressed by Judge Schmalenberger on the options available to the court in handling obligors who either could not or would not pay their child support. The court's options were either jailing for contempt of court or setting the obligor free with limited or no consequence for nonpayment.

We were aware of programs some other states were testing to handle similarly situated cases but did not have the resources to implement similar programs.

After considerable discussions, TANF determined that their funds could be used as part of their fatherhood program and that, by working with Job Service North Dakota (JSND) as well as building on the services available within DHS, we could provide a reasonable alternative to the court as a pilot program to help the noncustodial parents.

To implement the pilot program, JSND hired one person in Dickinson to work with the courts and the individuals. We are pleased to report that the early results were positive and that, by using Workforce Investment Act (WIA) incentive funds, DHS and JSND were able to offer a similar program in the Grand Forks region.

The PRIDE staff attend the contempt hearings so that they can make early contact with obligors the courts are referring to the programs. Thereafter, the PRIDE staff work with the parents to

Deadbeat penalties changing

Andrea Domaskin, The Forum
Published Monday, February 19, 2007

North Dakota parents who won't pay child support face different consequences than they did a few years ago.

New technology and an attitude shift have changed the way the state's Child Support Enforcement program operates, said Mike Schwindt, its director.

"There's a realization on the part of some people that it's their obligation, their children, and they're more willing to work with us to make sure that obligation is met," Schwindt said. "At the same time there's been a fundamental shift within the child support program."

The program collected a record $108 million in payments in 2006. Its overall performance is ranked second in the nation.

The program, involving federal, state and county governments, is actively involved with about 42,000 cases. It is not actively involved but has dealings with another 10,000 cases.

In cases where the state is actively involved, parents owe about $74 million a year. They pay roughly $54 million, leaving $20 million outstanding that the state tries to collect, Schwindt said.

Many enforcement methods have been used for years, such as withholding income directly from parents' paychecks or intercepting their tax refunds.

Income withholding is the most common and effective way the office collects child support.

But since 2001, the program has added a spate of other tools to lean on parents who rack up child support debt.

"We've got access to many more tools," Schwindt said. "Many of the tools are automated so we're able to look in places we never were able to look before."

Serious offenders may face criminal prosecution.

Five years ago, a Forum investigation found that while Clay County was using the threat of criminal prosecution and felony jail time to get serious deadbeats to pay, North Dakota counties – including Cass – rarely used a similar law.

Now, North Dakota's Web site lists 13 cases in which nine parents have been convicted of willful failure to pay child support. Three are from Fargo.

Many changes have allowed the child support program to take action administratively, said John Waller, who runs the Southeast Regional Child Support Enforcement Unit, which includes Cass County.

"In the past, we may have had to first file something with the court," he said.

For example, child support enforcement units can ask banks to divert money from parents' bank or retirement accounts. "It's pretty slick," Waller said.

Another method is to suspend drivers' or hunting licenses. And if parents are found in contempt of court for not paying, they could be among 2,800 names published on the program's Web site.

Other methods are more preventative.

For example, North Dakota's Supreme Court posted forms online so that non-custodial parents may more easily request the state to review the amount they must pay in child support, Waller said.

"It would do everyone well to have the obligations consistent with the obligors' ability to pay," Waller said.
The Child Support Enforcement program also was authorized to set up a debt registry, Schwindt said.
"That way we start working with them before the debt load gets too large," Schwindt said. "It seems to be working because we have 12,000 that are pretty much caught up to date."

In Grand Forks, N.D., and Dickinson, N.D., programs are helping parents who are behind in their payments find jobs.

Job Service North Dakota provides work assessments, job search assistance and other support. If appropriate, parents are given referrals for additional help with substance abuse or mental health needs.

"We're proud of how far we have come," Schwindt said.

Clay County

Clay County's Child Support Unit collected about $7.5 million in the 2006 fiscal year. As of June 30, it had about 3,270 open cases.

To enforce child support orders, Minnesota child support offices have an array of tools to use.
These have been in place for more than five years, said Sandy Thorne, collections services supervisor for Clay County Child Support:

Some of the remedies are:
- Asking the courts to find delinquent parents in contempt of court.
- Referring cases for criminal prosecution.
- Suspending drivers' or occupational licenses.
- Intercepting tax refunds.

Readers can reach Forum reporter Andrea Domaskin at (701) 241-5556

Forum Editorial: Deadbeats are getting message

The Forum
Published Tuesday, February 20, 2007

Forum reporter Andrea Domaskin's report on Monday's front page confirms that changes made in North Dakota's child support laws are working. Five years ago in this space, we urged tougher enforcement and penalties for deadbeat parents (mostly fathers), and since then legislative action and the application of modern technology have changed for the better the way child enforcement programs operate.

The results are impressive. The amount of money owed for child support is down significantly. More liable parents who are on payment schedules are up to date. Several deadbeat parents have been convicted of willful failure to pay child support.

The tools given to the state's child support enforcement programs since 2001 have made the difference – sometimes marginally, sometimes significantly. Among the tools and threats used to force payments are:

- Intercepting bank or retirement accounts (2001).

- Suspension of recreational and hunting licenses (2003).

- Suspension of driver's licenses and vehicle registrations (2004).

- Administrative suspension of occupational and professional licenses (2004).

- National Medical Support Notice (2003).

- Contempt of court Web site (2005).

- State and federal criminal prosecutions (2005, 2001).

Nearly everyone knows some deadbeat parent who has tried to squirm out of responsibility to children of divorce. Many of them have been able to manipulate the system by hiding assets, feigning illness or avoiding work by claiming disability. At the same time, they live well while their children are shortchanged.

The bitterness of divorce often plays into the equation. Children are reduced to pawns in the angry confrontational game between divorced or divorcing spouses. The changes in child support enforcement were designed to cut through the schemes and scams and get children what they are owed.

The system is not perfect, but the numbers show it's working better than it was before 2001. It's sending the right signals to would-be deadbeat parents. It's putting considerable pressure on deadbeats who refuse to honor their obligations to their children. It's flexible enough to prevent parents of modest means from becoming deadbeats.

The new child support enforcement system was one reason the ill-conceived shared parenting initiative that was on the November ballot was so soundly rejected. Most North Dakotans knew it was the brainchild of angry fathers who either wanted to punish their spouses or wiggle out of the obligation to their children.

Again, the system is far from perfect, but it's better and getting even better – for the children.

Forum editorials represent the opinion of Forum management and the newspaper's Editorial Board.

http://www.in-forum.com/articles/index.cfm?id=157171

Comparison of OCSE 157 Incentive Measures

FFY 2006 compared to FFY2005

Source: ES9-909-30

FFY 2006		Support Orders Line 1	Line 2	Percent	Rank	PEP* Line 5	Line 6	Percent	Rank	Current Support Line 24	Line 25	Percent	Rank	Paying Arrears Line 28	Line 29	Percent	Rank	Cost Benefit Ratio*** Expense	Collection	CBR	Rank
81	Williston	1,922	1,694	88.14%	5	1,121	1,125	100.36%	3	3,713,373	2,714,467	73.10%	6	1,585	1,096	69.15%	7	334,718	3,744,657	11.19	6
82	Minot	4,804	4,233	88.11%	6	2,699	2,675	99.11%	5	10,302,426	7,747,840	75.20%	4	3,695	2,640	71.45%	4	734,036	10,089,389	13.75	3
83	Devils Lake	3,826	2,926	76.48%	8	2,945	2,880	97.79%	8	4,613,571	2,752,983	59.67%	8	2,633	1,481	56.25%	8	621,005	4,092,819	6.59	8
84	Grand Forks	5,572	5,044	90.52%	2	3,370	3,375	100.15%	4	12,050,057	9,070,924	75.28%	3	4,471	3,188	71.30%	5	828,235	11,836,839	14.29	2
85	Fargo	9,007	7,857	87.23%	7	5,088	5,035	98.96%	7	19,988,205	14,574,769	72.92%	7	7,041	5,086	72.23%	3	1,284,895	18,856,962	14.68	1
86	Jamestown	2,690	2,392	88.92%	4	1,449	1,471	101.52%	2	5,501,740	4,151,580	75.46%	2	2,097	1,542	73.53%	2	454,654	5,514,803	12.13	4
87	Bismarck	6,582	5,896	89.58%	3	4,227	4,186	99.03%	6	13,761,057	10,112,902	73.49%	5	5,248	3,684	70.20%	6	1,133,107	13,602,903	12.00	5
88	Dickinson	1,739	1,584	91.09%	1	869	903	103.91%	1	4,023,828	3,174,415	78.89%	1	1,411	1,053	74.63%	1	379,258	4,201,672	11.08	7
	Total	36,142	31,626	87.50%		21,768	21,650	99.46%		73,954,257	54,299,880	73.42%		28,181	19,770	70.15%		5,769,910	71,940,044	12.47	

2006 PEP** Line 5-05	Line 6	Percent	Rank
951	1,125	118.30%	2
2,415	2,675	110.77%	8
2,403	2,880	119.85%	1
3,028	3,375	111.46%	6
4,376	5,035	115.06%	4
1,324	1,471	111.10%	7
3,648	4,186	114.75%	5
779	903	115.92%	3
18,924	21,650	114.40%	

FFY 2005		Support Orders Line 1	Line 2	Percent	Rank	PEP* Line 5	Line 6	Percent	Rank	Current Support Line 24	Line 25	Percent	Rank	Paying Arrears Line 28	Line 29	Percent	Rank	Cost Benefit Ratio*** Expense	Collection	CBR	Rank
81	Williston	1,923	1,703	88.6%	3	951	953	100.2%	2	3,552,762	2,564,344	72.2%	7	1,585	1,079	68.1%	7	322,973	3,588,745	11.11	5
82	Minot	4,829	4,219	87.4%	5	2,415	2,312	95.7%	8	9,791,207	7,260,780	74.2%	4	3,695	2,612	70.7%	4	684,770	9,520,691	13.90	3
83	Devils Lake	3,718	2,831	76.1%	8	2,403	2,396	99.7%	3	4,319,916	2,548,513	59.0%	8	2,591	1,466	56.6%	8	612,015	3,979,764	6.50	8
84	Grand Forks	5,745	5,085	88.5%	4	3,028	3,013	99.5%	4	11,470,450	8,564,672	74.7%	3	4,488	3,141	70.0%	6	815,269	11,529,224	14.14	2
85	Fargo	8,620	7,499	87.0%	6	4,376	4,286	97.9%	6	18,457,952	13,345,372	72.3%	6	6,812	4,912	72.1%	2	1,258,551	17,831,765	14.17	1
86	Jamestown	2,819	2,451	86.9%	7	1,324	1,281	96.8%	7	5,191,063	3,891,579	75.0%	2	2,096	1,500	71.6%	3	481,878	5,284,553	10.97	6
87	Bismarck	6,459	5,771	89.3%	1	3,648	3,588	98.4%	5	13,025,318	9,505,735	73.0%	5	5,204	3,661	70.3%	5	1,108,987	13,046,367	11.76	4
88	Dickinson	1,749	1,551	88.7%	2	779	785	100.8%	1	3,762,025	2,896,591	77.0%	1	1,360	1,024	75.3%	1	376,341	3,902,482	10.37	7
	Total	35,862	31,110	86.7%		18,924	18,614	98.4%		69,570,693	50,579,586	72.7%		27,831	19,395	69.7%		5,660,785	68,683,591	12.13	

2005 PEP** Line 5-04*****	Line 6	Percent	Rank
944	953	100.95%	7
2,287	2,312	101.09%	6
2,407	2,396	99.54%	8
2,920	3,013	103.18%	4
4,087	4,286	104.87%	2
1,209	1,281	105.96%	1
3,472	3,588	103.34%	3
767	785	102.35%	5
18,093	18,614	102.88%	

Change******		Support Orders Line 1	Line 2	Percent	PEP* Line 5	Line 6	Percent	Current Support Line 24	Line 25	Percent	Paying Arrears Line 28	Line 29	Percent	Cost Benefit Ratio*** Expense	Collection	CBR
81	Williston	(1)	(9)	-0.42%	170	172	0.15%	160,611	150,123	0.92%	-	17	1.07%	11,745	155,912	0.08
82	Minot	(25)	14	0.75%	284	363	3.38%	511,219	487,060	1.05%	-	28	0.76%	49,266	568,698	-0.15
83	Devils Lake	108	95	0.33%	542	484	-1.92%	293,655	204,470	0.68%	42	15	-0.33%	8,989	113,055	0.09
84	Grand Forks	(173)	(41)	2.01%	342	362	0.64%	579,607	506,252	0.61%	(17)	47	1.32%	12,966	307,615	0.15
85	Fargo	387	358	0.24%	712	749	1.02%	1,530,253	1,229,397	0.62%	229	174	0.13%	26,344	1,025,197	0.51
86	Jamestown	(129)	(59)	1.98%	125	190	4.77%	310,677	260,001	0.49%	1	42	1.97%	-27,223	230,250	1.16
87	Bismarck	123	125	0.23%	579	598	0.67%	735,739	607,167	0.51%	44	23	-0.15%	24,120	556,536	0.24
88	Dickinson	(10)	33	2.41%	90	118	3.14%	261,803	275,824	1.84%	51	29	-0.67%	2,917	299,190	0.71
	Total	280	516	0.76%	2,844	3,036	1.10%	4,383,564	3,720,294	0.72%	350	375	0.47%	109,124	3,256,453	0.33

PEP** Line 5	Line 6	Percent
7	172	17.34%
128	363	9.67%
(4)	484	20.31%
108	362	8.27%
289	749	10.19%
115	190	5.15%
176	598	11.41%
12	118	13.57%
831	3,036	11.53%

Line 1 Cases Open on September 30 (the End of the Review Period)
Line 2 Cases Open on September 30 with Support Orders Established

Line 5 Children in IV-D Cases Open on September 30 Who Where Born Out of Wedlock
Line 6 Children in IV-D Cases Open on September 30 with Paternity Established or Acknowledged

Line 24 Total Amount of Current Support Due for the Review Period
Line 25 Total Amount of Current Support Distributed as Current Support during the Review Period

Line 28 Cases with Arrears Due During the Review Period
Line 29 Cases Paying Towards Arrearages During the Review Period

Overall Performance Ranking****

	2005	2006	Change
Williston	5	7	-2
Minot	5	4	1
Devils Lake	8	8	
Grand Forks	2	3	-1
Fargo	4	5	-1
Jamestown	7	2	5
Bismarck	3	5	-2
Dickinson	1	1	

Overall Performance Ranking****
(Using Federal PEP)

2005	2006	Change
7	7	
6	6	
8	8	
4	2	2
2	4	-2
5	3	2
3	5	-2
1	1	

* This PEP Calculation uses line 5 data from the same reporting period and **does not** reflect the PEP used for federal incentive calculations.
** This PEP Calculation uses line 5 data from the prior year reporting period and **does** reflect the actual PEP used for federal incentive calculations.
*** This cost benefit ratio excludes Regional expenses paid by the State office (e.g. computer costs) and State office expenses. This does not reflect the federal incentive calculations.
**** Overall performance ranking uses the average ranking for the five incentive measures.
***** For purposes of calculating the federal PEP, adjustments were made to Devils Lake and Jamestown Line 5 (66 children) in consideration of Wells County transfer.
****** Effective January 2005, about 150 Wells County cases were transferred from Devils Lake to Jamestown Regional Child Support Unit. Except as noted for the federal PEP caculation, no adjustment has been made.

Child Support

Detail of Budget Account Code 582000 - Rental/Lease Building and Land

	Amount	General Fund	Federal/Other Funds
Office and Storage space at Century Center	205,148	59,312	145,836

Child Support

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Total Funds	General Fund	Federal/Other Funds
Advantage Credit Bureau	9,000		9,000
Tier	68,106		68,106
Financial Institution Reimbursement	6,000		6,000
Child Support Lien Network	40,000		40,000
Health Management Inc.	75,000	25,500	49,500
Directories and Internet Searches	10,000		10,000
Electronic Parent Locator Network	80,000		80,000
Supreme Court	1,050,000		1,050,000
State's Attorneys	36,000		36,000
Receivables Study	100,000		100,000
Devils Lake IV-D Unit Reimbursement	632,399	215,016	417,383
Parental Employment Project	111,110	111,110	
Other Miscellaneous Fees & Services	18,486	4,852	13,634
Total Operating Fees & Services Budget Account Code	2,236,101	356,478	1,879,623

Final Report

Child Support Enforcement Task Force
September 1, 2006

As required in 2005 Senate Bill 2301, a task force was convened by the Department of Human Services to study the organizational and programmatic structure of the child support enforcement program. The purpose of the study was to determine how to enhance service delivery, improve performance, and increase efficiencies. The study was to consider the impact on customers, the effect on Indian counties and the fiscal effect on counties and the state. This report contains the Task Force's findings and recommendations, and implementing legislation, for presentation by the Department of Human Services to the 2007 Legislative Assembly.

Summary of Recommendations

- The Task Force recommends that responsibility for administration of the child support enforcement program be transferred from the counties to the Department of Human Services effective July 1, 2007.
- The Task Force recommends that the non-federal costs of administering the child support enforcement program be borne by the State and not be funded through county property taxes effective July 1, 2007.

Background

Program Creation. The Child Support Enforcement (CSE) program was created by congressional action and implemented in North Dakota in 1975 shortly after the congressional mandate became effective. The initial structure was based on existing services offered by several States Attorneys offices in several counties. Other counties placed the CSE program under the County Social Service Boards (CSSB).

Organizational Structure. The North Dakota child support enforcement program is jointly operated by the federal, state and county governments, one of 12 similarly structured in the country. Within the state, the program has been assigned to the Department of Human Services (DHS). At the county level, the counties have created regional child support enforcement units (RCSEU) in the eight larger counties with services provided to the outlying counties. Among the RCSEUs, five are under county social service board structure and three are with the state's attorney's offices. Attachment A.

Each county within a region is assessed a portion of the cost, based on agreements unique to each region. Generally, the allocation is based on a pro rata share of county caseloads, (some use weighted; others unweighted) although historically Indian counties have been relieved of a portion of their responsibility as their neighbors recognize their reduced tax base. Recently, that relief has eroded as the other counties move closer to a percent of caseload allocation method.

State Supervision – County Administration. The federal government provides broad laws, guidance, and funding for programmatic operations of the IV-D portion of the program. The federal government retains oversight and audit authority over the program throughout the country.

DHS is to manage the total child support program within the federal rules, state laws and guidelines including both the IV-D and nonIV-D portions of the program. The DHS role is to supervise and direct the RCSEUs. This limits DHS to instructing the RCSEUs as to what is to be done.

The county/RCSEU (hereafter RCSEU) role is to manage the establishment and enforcement of child support and medical support orders within the IV-D portion of the state program. Since DHS is limited to providing instructions as to what is to be done, how the work is to be done is a local discretion.

Additionally, the program interacts with many other entities, both within and outside of government within the state, nation and internationally along with tribes that operate their own child support programs.

Earlier Studies and Legislation. There have been several studies addressing the organizational structure of the CSE program. These studies consistently recommended a structural change for a number of reasons, including equalized pay and caseloads. Most recently, a 2000 performance audit by the State Auditor's office, with TMR-Maximus as the consultant, recommended the CSE program "...be state administered rather than county administered."

The 2001-03 Interim Family Law Committee reviewed the performance audit, heard testimony from DHS and others, but did not recommend legislation to the 2003 Legislature.

DHS, in following up on the performance audit, contracted with TMR-Maximus to develop a final cost analysis addressing the organization structure as well as several other areas for improvement. Their 2001 analysis, while dated in some aspects, provides a roadmap for change that we believe is still, for the most part, reasonable in defining the tasks to be accomplished, cost of conversion and timelines for accomplishment. Those recommendations are incorporated by reference as Attachment B.

The 2005 legislature considered SB 2301 based on a bill draft developed by the Association of Counties, but, after DHS and the counties could not reach consensus, passed the bill in its current form. The legislation changed some aspects of the previous working relationship by confirming the oversight responsibility of DHS, but the underlying disagreements on how the CSE program is to operate remain in place and, in some instances, have intensified.

Several other requirements of 2005 SB 2301 included:

- Distribution of child support incentive funds according to a formula that promotes performance and consistency in child support enforcement activities throughout the state (Section 2);
- Establishment of the Child Support Improvement Account including the development of a business plan for improving the CSE program (Section 3);
- Identification of activities where the program could be administered more effectively through agreement among RCSEUs and/or with the state office (Section 4);
- A review by DHS and North Dakota human resource management staff of the classification and compensation of all state and county employees engaged in child support enforcement activities (Section 6).

During the 2005-07 interim, DHS called for proposals to centralize two areas: Asset Seizure and Outgoing Interstate Case Processing. Proposals were accepted from the Grand Forks and the Dickinson RCSEUs. The request for proposals for Asset Seizure was later withdrawn.

Process of Restructuring

Goal. The goal of restructuring the child support enforcement program is to continue maturation of the CSE program by providing high quality customer services so that children receive reasonable financial and medical support from their parents and only when necessary, the taxpayers. A mature, successful program will integrate: reasonable expectations of support to be provided by parents; assistance to parents in establishing and enforcing the support obligations; education of stakeholders including parents, governmental entities and the business community; and the work of other programs to ensure the correct information and resources are transmitted to the correct destination.

Objective. The objective is to design and implement an organization structure that will result in a world class program providing effective and efficient customer service to children and parents at a reasonable cost to taxpayers while playing by all the federal and state rules we are to follow.

Success. The success of the recommended reorganization will be measured by reasonable customer and stakeholder satisfaction as well as improvement in our performance compared to the top five states in each of the performance measures selected. When applicable, more refined comparative data will be used as the benchmark in lieu of a basic federal measurement. These measurements will mesh with the OCSE, the DHS and the CSE strategic plans.

Justification. Based on the best information available, including comparison with the top five performing states in each federal measure, we can determine how well we perform in each measure as well as calculate the impact of lapsed incentive funds and estimated costs that could have been avoided, by source of funds, had we improved performance in each measure. We can also determine performance by each RCSEU and, in some situations, the state office, based on the responsibilities assigned to each.

As a general rule, each office will be responsible for developing and implementing a plan to improve performance by at least 2% each year in each measure until performance is comparable to the top five states or, in certain situations, similarly situated subdivisions within other states. With concurrence from the state office, alternative benchmarks can be established.

As a manager, each RCSEU administrator will create a plan to address the RCSEU's caseload needs and operating environment to achieve that goal. Each plan will include a budget for the resources needed to achieve the goals including staff and other resources needed to achieve success. Additionally, with concurrence from the state office, RCSEUs may determine alternative methods to meet the goals including centralization of selected activities.

Initial Expectations for Restructuring. The TMR-Maximus analysis of tasks for state administration is, for the most part, feasible. We will refine that plan based on changed environment and refined expectations. There are sufficient staff within the total CSE program to achieve the stated goals. Should subsequent analysis demonstrate a need for added staff or changed skill sets, changes will require state office concurrence. Services will be available, to the extent reasonably possible, through tribal courts. Thus, all RCSEUs will be able to address their customer needs either directly or through contract with another RCSEU with staff licensed to practice in tribal court.

Performance expectations will be in place for FFY 2007 forward. Incentives will be distributed based on the administrative code including the performance expectations.

RCSEUs will comply in all material respects with instructions issued by the state office.

Findings

- The child support enforcement program under its current structure has provided quality services to the people of North Dakota, with its performance for the past federal fiscal year ranking second in the country.

- There remains room for improvement in the performance of the child support enforcement program.

- The advent of tribal child support enforcement programs and rapid changes to federal regulations demand that the CSE program be flexible and quickly adapt to change in order to improve performance and remain competitive among other jurisdictions for federal incentive funds.

- The CSE program's capacity for change is currently challenged by an organizational structure that effectively requires consensus between DHS and several components of county government for new initiatives, policy changes, or re-allocation of resources.

- The current separation of program funding and program supervision creates competing priorities, including the priority of changes to the automated system, and distracts from the pursuit of common goals and objectives.

- There are sufficient resources within the current CSE program to improve overall program performance and efficiency if those resources and program activities can be allocated among the current nine offices as needed.

- Qualified and adequately compensated staff are vital to providing quality services to the people of North Dakota in the face of complex job duties, frequent animosity between parents, and high anxiety over the needs of children.

- The current method of using county property taxes to fund program administration leads to inequities among counties, particularly counties in which there is an Indian reservation, because the value of taxable property in a given county does not have any relation to the child support caseload for the same county.

- As the program matures and the importance of data analysis and reporting increases, the need for good coordination of resources and activities among the eight regions and the state office also increases.

- The accountability of the RCSEUs to the CSSBs in each region rather than DHS may detract from timely adherence to program directions and effective responses to staff who do not follow those directions.

Recommendations

- Funding and supervision of the CSE program should be assigned to the same entity to ensure that the priorities of program management can be aligned with the resources available to implement those priorities.

- The chain of command within the CSE program should be consolidated.

- Responsibility for administration of the child support enforcement program should be transferred from the counties to the Department of Human Services.

- The non-federal costs of administering the child support enforcement program should be borne by the State rather than county property taxes to provide property tax relief and spread the cost of the program among all taxpayers more evenly, particularly in "tribal" counties.

- The existing staff of the regional offices should be retained at no less than their current compensation.

- Overall program funding should be maintained at the current level until the transition is completed and program changes can produce additional efficiencies.

Conclusion

In a program as large and complicated as child support enforcement, it is difficult to envision or design in advance an "ideal" structure. What is known is that the current structure lends itself to numerous challenges to program performance and optimal use of resources. The Task Force has reached a consensus that a change to state administration will result in enhanced service delivery, improved performance and increased efficiencies.

Changing to state administration and state funding is expected to result in improvements in program performance, eliminate county financial responsibility for a program that it does not supervise, and give DHS full ability to apply the resources of the program to the activities it feels need to be taken to create the best program possible for the children and taxpayers of North Dakota.

The legislation needed to implement these recommendations is attached. Attachment C.

Parental Responsibility Initiative for the Development of Employment

Testimony of Larry D. Anderson
Job Service North Dakota

before the

Senate Appropriations Subcommittee
Senator Tom Fischer, Chair

Thursday, January 25, 2007

Chairman Fischer and members of the Appropriations Subcommittee, I am Larry Anderson. I am the Director of Unemployment Insurance and Workforce Programs for Job Service North Dakota. Chairman Fischer and Subcommittee Members, my purpose here today is to offer support for the Department of Human Services budget which will provide TANF funding to Job Service North Dakota for the continuation of the successful Parental Responsibility Initiative for the Development of Employment (PRIDE) formerly known as Parental Employment Pilot Project (PEPP) sites and for the implementation of this program in six other locations in the state.

The Parental Responsibility Initiative for the Development of Employment is a cooperative effort involving the Department of Human Services' TANF and Child Support Enforcement programs, Regional Child Support Enforcement Units (RCSEU), the District Court and Job Service North Dakota (JSND).

The primary focus of the Parental Responsibility Initiative for the Development of Employment is to work with noncustodial parents who are or may become delinquent in the payment of court-ordered child support by providing useful and effective employment

to those referred by the Regional Child Support Enforcement Unit or the District Court. The program uses a case management approach with training components designed to move individuals into full-time employment as quickly as possible. In addition, the program works to remove impediments to gainful employment, and in some cases individuals may enhance job skills and enable them to obtain employment at a higher wage.

A referral system enables the Regional Child Support Enforcement Units and District Court to easily send individuals in arrears on their child support obligations to Job Service for case management services. The system includes a method to easily pass information among these agencies to ensure all parties and the noncustodial parent are fully aware of the activities which will be taking place. Consequences are in place should the noncustodial parent fail to report or not comply with the case management plan. Noncompliance with PRIDE policies and requirements results in a court hearing in which the judge may order a re-referral, or a punitive measure such as jail time or a fine.

The program operates on a work-first policy whereby job ready noncustodial parents are placed in monitored job search activities. Others are referred for appropriate remedial services including resume development or instruction to improve interviewing skills. In addition, individuals with skills but lacking necessary work experience may be considered for components such as paid work experience or on the job training. Individuals may also need nonoccupational training such as soft skill development, keyboarding, or computer software skills improvement. Supportive services are also

provided to clients who may be work ready but have other barriers to employment such as child care, transportation, medical related or healthcare issues, substance abuse, lack of drivers' license, and housing.

A total of 126 individuals have been referred to Job Service North Dakota PRIDE Case Managers for assistance in securing employment or taking steps necessary to move closer to becoming employed with involvement in activities including resume writing or attending Job Search Job Readiness workshops. Referrals to Job Service North Dakota are made from either the local court system or from Child Support Enforcement. Of the 126 individuals receiving assistance, two-thirds are male and one-third female with an average age of 36. Of the total participants, 42% do not have a high school diploma or GED, 27% have a high school diploma and 16% have attained a GED. Currently, 71 individuals are enrolled in this program and are receiving assistance from the PRIDE Case Managers.

This project has demonstrated success in Region 4 in the communities of Grafton and Grand Forks and also in Region 8, Dickinson, as evidenced by the success stories we will share with you.

Chairman Fischer and Subcommittee Members, Job Service North Dakota encourages the continuation of this successful collaborative approach to assist noncustodial parents with access to employment or work readiness assistance. The pilot projects have

demonstrated success and Job Service North Dakota looks forward to operating this program on a statewide basis.

This concludes my remarks regarding the success of the noncustodial Parental Employment Pilot Project. I would be happy to answer the Committee's questions.

Parental Responsibility Initiative for the Development of Employment (PRIDE)

Success Stories

A 23-year-old female came to PRIDE under court order for child support arrearages in excess of $2,000. She had one son who was placed with her parents and a daughter from another man whom she was allowed to have in her custody. She also has a "corruption of minor" charge on her record which created much difficulty in finding work and a place to live. She was assisted with job development activities. Initially she bounced from one entry level job to the next before securing a high paying construction job. Because of this job, she was able to pay on her arrearages, and make regular support payments. This benefited her and her relationship with her parents, who hold custody over her son. The ties of this relationship had truly been strained in the past. Her parents could see she was making an honest attempt at being responsible with turning her life around and afforded her more time with her son. They also have helped her with securing an apartment during the time her previous trailer, which JSND assisted in finding, was sold. Her grandmother has called and personally thanked the PRIDE Case Manager for all the assistance needed to get her granddaughter back on track. This assistance included employment counseling, job development, housing assistance leads, and minimal financial supportive service.

A 26-year-old male had been in court several times for not paying his child support. He was out of work when he was court ordered to participate with the PRIDE program. He was also in the process of filing bankruptcy and his driver's license was suspended. His

wife was very supportive but also feeling strained for being the main breadwinner for the entire family. She was concerned because he was drinking heavily. During this phase in his life, he received assistance from the PRIDE Case Manager. He communicated that he was very disgusted with his lot in life, didn't want to end up in prison like his brother, and talked of suicide. He was immediately referred to mental health professionals. After a period of time while he received medical attention, he worked with the PRIDE Case Manager and received job development assistance. He secured a position with a company where he would travel out-of-state. However, a valid driver's license was also needed. The PRIDE Case Manager worked with the employer and Child Support Enforcement to allow a payment plan. This collaborative approach resulted in the ability to get his driver's license with the stipulation that one missed child support payment would result in his license being revoked for years. He began the employment with the company and was expected to make approximately $2,800 per month. Due to the stress of being away from family and in a fragile mental health situation, the anxiety level did not allow for him to continue in this position. He returned to treatment and a different job was found on a temporary, part-time basis. He already felt like a failure but given his mental health situation, he had to take it slow. His outlook improved and he became a permanent, full-time employee. Even though his wages were not as high as in the previous position, his mental health is improving and he is given great support by his employer. This has resulted in child support payments becoming regular again.

A 61-year-old male was over $61,000 dollars in arrears when he was referred to the PRIDE program during the initial implementation stage. He had not paid child support

while his five children were young. At this time, they are grown; however, his lack of attention to his obligation resulted with high arrears being owed. He faced several obstacles including the following: he wasn't able to drive due to 5 DUI's, he had limited work experience, he was getting older, he had a disability due to a back injury, and he wasn't known to have held a full-time job in years. He was reluctant to participate in the PRIDE program. He received job development assistance through PRIDE and was referred to Vocational Rehabilitation for job accommodation supports. He landed a full time position with a manufacturing company that puts parts together for Boeing. Since this job was out of the area, he was provided financial assistance to pay for carpooling expenses to and from work until his first check arrived. He is still working at this job 1 ½ years later and he couldn't be happier. He feels like a productive member of society.

A 40-year-old female was referred to PRIDE for nonpayment of child support. She also had a probation officer to work with due to past illegal activities with drugs. She did not have a good reputation in the area and she received job development assistance through PRIDE. She landed one job as a cook – which is something she loved to do but was fired for cashing a check that was meant for child support. She received additional job development assistance and secured a second job as a cook. She also received financial assistance for severe dental problems, transportation expenses, car repair, clothing for work, assistance for utilities, and grooming products to improve her first impressions when interviewing. Because she was beginning to make regular payments, she was able to attend her son's wedding this past summer with her head held high.

A 21-year-old male wasn't interested in working with his court ordered referral to PRIDE. He had been kicked out of his community for gang related activity, had felonies for possessing and distribution of cocaine, and a parole officer watching him closely. He felt that the PRIDE program would result in just one more person "riding him". However, after his participation began, there was a notable change in his demeanor. He was given counseling support through interaction with this coordinator for his emotional disappointments, encouragement, and several job leads and job development. Eventually, he landed better paying work in construction and was paying his child support. Because of this, he was granted more frequent visitation with his son and baby daughter. Throughout his participation in the PRIDE program, he received job leads, job development assistance, financial assistance for gas, car insurance, tools to work, and a lot of encouragement to take charge of his life. He continues to work and is proud of himself again. He has even become active with youth hockey.

A 56-year-old male veteran living in a rural area had lost his job. He did not feel that he was of value to the workforce. He had been referred to other agencies and received assistance through receipt of food stamps. PRIDE assisted him with transportation allowance and provided Labor Market Information. Additionally, he was assisted with identifying his transferable work skills. With that boost to his self esteem he found employment within a month of referral to the program.

A female participant was homeless and living at the Northland Rescue Mission. She was enrolled in the Workforce Investment Act and placed in a paid work experience job at a local nonprofit worksite. Through this work experience, she is gaining needed computer skills that will aid in her obtaining employment. She has been able to secure and move into an apartment. PRIDE staff continues to work with her to address additional barriers to employment such as: felony conviction, probation issues, etc.

A male participant had just completed inpatient treatment and was living at the Northland Rescue Mission. PRIDE provided financial assistance for him to regain his driver's license, obtain work tools, and provided staff assistance and support during his job search activities. He was employed fulltime within two months of being referred to the program.

An 18-year-old female high school dropout with no work experience was referred to PRIDE. She received assistance with job search activities, transportation allowance, and interview skill improvement. She has found employment and loves her work.

Parental Responsibility Initiative for the Development of Employment (PRIDE)
Data Summary
Effective November 30, 2006

Project Implementation Period

Dickinson (Region 8)	April 2004 – Present
Grand Forks/Grafton (Region 4)	January 2006 – Present

Enrollments

Dickinson	13 Current	64 Total
Grand Forks/Grafton	58 Current	62 Total

Total Program Exiters	55
Dickinson	51
Grand Forks/Grafton	4
Obtained Unsubsidized Employment at Exit	31%

Participant Demographics

Females	42
Males	84
Participants also receiving TANF	6

Education Level

8TH	10
9TH	13
10TH	11
11TH	13
Reported as HS Dropouts	6
High School Diploma	34
GED	20
HS 13	4
HS 14	6
HS 15	3
Associate Degree	4
Bachelor Degree	2

No high school diploma or GED	42%
High school diploma	27%
GED	16%

Participant Age

60 and over	1
50 to 59	13
40 to 49	34
30 to 39	37
20 to 29	40
Under 20	1
Average Age	36

Referral Source

Court Referral	114
Child Support Enforcement	12

North Dakota Department of Human Services
Mental Health/Substance Abuse Division

- **Carol K. Olson, Executive Director**
  - 4130 3085/4396 16 — J. Hoesel, Director, Program & Policy
    - ASSISTANT DIRECTOR: 4035 2333/4281 13 — D. Wright, HSPA V
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    - 4035 2235/4202 13 — S. Wagner, HSPA V
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    - 4034 2335/4283 12 — C. Olson, HSPA IV
      - 4031 3089/4400 9 — S. Sheppard, HSPA I
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      - 0903 0156/3287 12 — T. Morth, Research Analyst III
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*Childrens' Mental Health Administrator located in CFS
**Member of ROAP Team

Revised 2/16/07

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 10, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am JoAnne Hoesel, Division Director, Department of Human Services. I am here today to provide you with an overview of the Division of Mental Health & Substance Abuse Services.

Programs

The Division of Mental Health & Substance Abuse provides system-wide education, regulation, technical assistance, training for public and private service providers, federal and state reporting, data and clinical support for the human service center electronic record, and department research analysis and research/data support.

Service programs directly managed by the Division are Compulsive Gambling Treatment, Community-Based High-Risk Sex Offender Treatment, Regional Prevention Coordination and Model programs, and Methamphetamine Residential Treatment.

Service System Efforts

During SFY 2006 the public mental health system provided services to 17,320 children, youth, and adults. For the same time period, the public substance abuse system provided services to 6,088 adolescents and

adults. The Division is responsible for licensure of 85 substance abuse treatment providers, 38 DUI seminar providers, eight regional human service centers, and six psychiatric residential treatment facilities for children and adolescents. The Prevention Resource Center distributes educational products annually in the areas of developmental disabilities, mental health, substance abuse, and suicide prevention. The Division provided private and public workforce development training in the areas of substance abuse, mental health, and compulsive gambling issues for over 1,444 people.

Trends and Issues

North Dakota is number one or near the top of the list in recent alcohol use and binge drinking, regardless of age group. Similarly, our state ranks in near the very bottom among U.S. states in people that perceive great harm associated with this high risk drinking.

The primary substance used is recorded for all public sector substance abuse treatment admissions. In calendar year 2005, alcohol was the primary substance in 55% of admissions (2,170), marijuana was 20% of admissions (821), and methamphetamine was 13% of admissions (511). Alcohol and marijuana continue to be the dominant substances used. However, treatment admissions for methamphetamine equaled 272 in 2002 and 511 in 2005. This represents an increase of 89% in the number of admissions for methamphetamine dependence. As a percent of total substance abuse admissions, methamphetamine admission increased from 9% in 2002 to 13% in 2005. At the same time, alcohol and marijuana dependence as percents of total substance abuse

admissions decreased. Alcohol fell from 63% in 2002 to 55% in 2005, and marijuana fell from 23% in 2002 to 20% in 2005.

The Division has engaged the public behavioral health system in targeted workforce development and has trained staff in the following areas:

MATRIX: Matrix is a practice shown to be effective for persons who are dependent upon Methamphetamine or have brain injuries from other drug/alcohol use. This practice is used at the Robinson Recovery Center and is available at all eight regional human service centers. North Dakota is one of few states that have been able to partner with UCLA for this training to implement this practice in North Dakota in 2006.

Trauma-focused cognitive behavioral therapy and Structured Psychotherapy for Adolescents Responding to Chronic Stress (SPARCS) are shown to be effective for adolescents and children who have been traumatized by sexual abuse, domestic violence, or other traumatic situations. Two clinical staff from each human service center will be trained to provide these treatments. Both of these therapeutic approaches are evidence-based practices.

Integrated Dual Disorder Treatment is being piloted at Southeast Human Service Center. This practice is designed to serve individuals who are chronically addicted to substances and severely mentally ill. This practice is shown nationally to decrease hospitalizations, crisis response, and increase employment and independence. A formal research study is tied to this pilot so North Dakota outcomes will be captured to specifically show how this program impacts this very difficult to serve group of individuals who come into contact with multiple systems.

The Division has developed a process to increase dissemination of information. The research unit has developed numerous documents. Two research project reports to note are entitled, "Return on Investment for Substance Abuse Brief Interventions in North Dakota" and "Average Cost of Public Sector Substance Abuse Treatment in North Dakota."

The Division is participating in implementing a data linking process to report service outcomes by cross-referencing multiple databases. The first phase of this project will be completed in the spring of 2007.

The Division worked with the Department's clinical record team and human service centers to revise the electronic record for substance abuse services to enable the system to report national outcomes measures. The changes went into effect in November 2005. Preliminary results of this data from January through September 2006 indicate that of the individuals in public substance abuse treatment, homelessness decreased 26% and unemployment decreased 16%.

Lastly, one major trend is decreased federal funding in formula grant programs.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	1,949,146	2,193,813	244,667
Operating	3,725,031	5,861,903	2,136,872
Capital Assets	-	-	-
Grants	4,396,859	4,256,644	(140,215)
Total	10,071,036	12,312,360	2,241,324
General	1,907,379	5,553,876	3,646,497
Federal	6,826,761	6,204,521	(622,240)
Other	1,336,896	553,963	(782,933)
FTEs	18.00	18.00	-

Salary and FTE

A net increase of $244,667 in salaries for a variety of reasons. Major changes include:

- $151,834 - Governor's employee salary and health package. The general fund portion of this increase is $114,982.
- $117,532 - increased spending authority for moving an existing DHS FTE into the Division. This increase is funded with federal block grant funds.
- ($29,290) - new hires into the Division were hired at a lower salary entry level than retirees in those positions. This decrease is a combination of general and federal funds.

Operating Expenses

Operating expenses show a net increase of $2,136,872 for a variety of reasons:

- $700,000 - Increase in the additional general funds for a Methamphetamine residential treatment center services.
- $2,774,562 - Increase for community-based treatment program for high-risk sex offenders and offenders not served through the regional human service centers. This increase is 100% general funds.
- $30,000 - cost of living increase for Robinson Recovery Center – Methamphetamine Residential Service provider. This increase is 100% general funds.
- $52,023 - increases Drug & Alcohol Information System (DASIS) spending authority which targets phase two of the data-linking/data warehouse plan. This increase is 100% federal funds.
- $65,867 - increase transferred from Grants line item to reflect spending plan for Compulsive Gambling program. This increase is 100% other funds.
- $32,152 - increase reflects a 24-month period located at Prairie Hills Plaza and a square footage increase in the Prevention Resource Center plus a rent increase. This increase is 100% federal funds.

The increase is offset in part by the following decreases:

- ($15,500) – decrease due the ending of the federal Olmstead grant.
- ($800,000) – decrease in other funds for the Methamphetamine residential treatment program as funding is provided from sources outside state government.

- ($448,471) - State Epidemiology Work Group grant not anticipated to receive in upcoming biennium. This decrease is 100% federal funds.
- ($40,000) – decrease in various federal grants.
- ($182,000)- Shift from operating to grants line for Under Age Drinking Grant funds to reflect grants versus purchase of Service spending plan. This decrease is 100% federal funds.
- ($13,120) decrease in Professional Development reflects the Division spending plan. This is a combination of funding sources.
- ($13,555) decrease travel – reflects a decrease in travel tied to the Olmstead grant which ended and decrease in Division travel plan. This is a combination of funding sources.

Grants

Grants resulted in a net decrease of ($140,215) for a variety of reasons. The major changes are as follows:

- ($41,004) - Olmstead Grant federal funding ended.
- ($158,355) - decrease in Substance Abuse Prevention Treatment (SAPT) Block Grant funds. This decrease is 100% federal funds.
- ($60,220) - decrease in Safe & Drug Free Schools – Governor's Portion. This decrease is 100% federal funds.
- ($65,867) – decrease reflects the shift from grants to operating for the Compulsive Gambling program. This decrease is 100% other funds.
- $182,000 - increase by moving Underage Drinking grant spending authority from operating to grants to reflect spending plan. This increase is 100% federal funds.

This concludes my testimony. I'd be happy to answer any questions. Thank you.

Attachment A

Department of Human Services-Division Mental Health & Substance Abuse

Matrix Model

A manualized, 16-week, non-residential, psychosocial approach used for the treatment of drug dependence, especially methamphetamine.

Designed to integrate several interventions into a comprehensive approach.

Elements include:

- Individual counseling
- Cognitive behavioral therapy
- Motivational interviewing
- Family education groups
- Urine testing
- Participation in 12-step programs

Strategies Used:

- Relies primarily on group therapy
- Therapist functions as a teacher/coach
- A positive, encouraging relationship – not confrontational
- Time planning and scheduling
- Accurate information
- Relapse Prevention
- Family Involvement
- Self Help Involvement
- Urinalysis/Breath Testing

MATRIX Model addresses issues that are key to use of methamphetamine dependence or when drug/alcohol use has caused brain impairment.

These issues are of heightened importance with individuals who use methamphetamine:

- Environmental cues associated with drug/alcohol use
- Severe craving
- Protracted abstinence - "The Wall"
- Stimulant - sex connection
- Boredom

Department of Human Services-Division Mental Health & Substance Abuse
IDDT – Integrated Dual Disorder Treatment

Goal of IDDT:
Help consumers with co-occurring mental and substance abuse disorders reach their recovery goals by reducing and eliminating their substance use and by managing their symptoms of their disorders.

Co-occurring disorders are two distinct yet interacting diseases. Therefore, simultaneous treatment of both helps clients sort out, manage, and master all of their symptoms.

IDDT uses a multidisciplinary team approach and views all activities of life as part of the recovery process. The service team consists of:

- Team leader
- Case manager
- Addiction counselor
- Counselor
- Physician/psychiatrist
- Nurse
- Employment specialist
- Housing specialist
- Criminal justice specialist

IDDT treatment stage model recognizes that consumers experience successes incrementally over time through stages of treatment. Those stages are:

- Engagement
- Persuasion
- Active treatment
- Relapse prevention

IDDT also uses the 'stages of change' model to meet daily living needs while the clients experience successes through stages of personal change. Those stages of personal change are:

- Pre-contemplation
- Contemplation and preparation
- Action
- Maintenance

IDDT is shown to reduce:

- Relapse of substance abuse and mental illness
- Hospitalization
- Arrest
- Incarceration
- Duplication of services
- Service costs per person
- Utilization of high-cost services

IDDT is shown to increase:

- Continuity of care
- Consumer quality of life
- Stable housing
- Employment
- Independent living

IDDT promotes consumer and family involvement in service delivery and stable housing as necessary conditions for recovery and employment as an expectation.

Division of Mental Health and Substance Abuse Services

RESEARCH NOTE 1

December 2006

What are the Average Costs of Substance Abuse Treatment in the Public Sector in North Dakota?

Objective: To examine the average costs associated with substance abuse treatment at the Regional Human Service Centers in North Dakota and the average degree to which the State benefits.

Data Sources:

1) Primary and administrative data, taken from the ND Department of Human Services' Regional Office Automated Program (ROAP) electronic record, on consumer services and agency costs from seven regional human service centers. Northwest Human Service Center was not licensed to provide substance abuse treatment.
2) Review of current literature on the benefits associated with substance abuse treatment in the United States (See references). The review of multiple sources demonstrates the advantages of substance abuse treatment that produce benefits to a state that, on average, equal to seven times the cost of treatment.

Study Design: The estimated direct cost of treatment is determined from human service center administrative data entered into the ROAP system. The cost of the consumer's substance abuse treatment episode is estimated for 'all treatment,' 'outpatient,' and 'residential' categories. Benefits of treatment are substantiated in a social planning perspective review of current literature.

Data Collection: Episode of Care treatment cost data were counted for the period January 1, 2005 to September 30, 2006. Those episodes of care with no events and non-substance abuse events were deleted, leaving a balance of 3,465 episodes of care. Of those, 3,256 received outpatient services and 946 received residential services.

Principle Findings: The average cost of substance abuse treatment per episode of care for the combined all treatment category is $2,850 and is associated with a monetary per episode of care net benefit to society of $17,100. This represents a greater than 7:1 ratio of benefits to costs. For 3,465 episodes of care, the net benefits to North Dakota is estimated at $59,251,500.

Conclusions: Allocating taxpayer dollars to substance abuse treatment directly influences consumer improved health and quality of life, and additionally benefits society in lowering social and economic costs resulting from abuse and dependence on alcohol and other drugs.

"Our mission is to provide quality, efficient and effective human services, which improve the lives of people."

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Average Costs Per Substance Abuse Treatment Episode of Care (EOC), Including AOD Evaluations, at the Regional Human Service Centers in North Dakota

'Episode of Care' (EOC) is the term that measure the time from an admission date to treatment to discharge. Data were compiled from the Regional Office Automated Program (ROAP) system and represent all substance abuse treatment EOCs calculated using the Regional Human Service Center rate structure for the period studied. Substance abuse treatment episodes of care at seven regional human service centers totaled 3,465 from January 1, 2005 through September 30, 2006.

Results Based on per Substance Abuse Treatment Episode of Care

Table 1. Average Costs, Average Benefits, and Net Benefits per Substance Abuse Treatment Episode of Care (01/01/05 – 09/30/06)

	All Treatment (n=3,465)	Outpatient Treatment (n=3,256)	Residential Treatment (n=946)
Average cost per substance abuse treatment episode of care	$2,850	$2,100	$3,300
Average benefits per substance abuse treatment episode of care	$19,950	$23,100	$19,800
Net benefits	$17,100	$21,000	$16,500
Cost-benefit ratio	7:1	11:1	6:1

Average Cost per Episode of Care	X	Cost-Benefit Ratio	=	Average Benefits per Episode of Care
Average Benefits per Episode of Care	-	Average Cost per Episode of Care	=	Net Benefits

All Treatment costs per episode of care were calculated by counting unduplicated EOCs. The average cost per substance abuse treatment EOC ($2,850) was determined by adding standard fees ($9,875,250) and dividing by the unduplicated EOC count (3,465).

Average Outpatient costs per episode of care ($2,100) were calculated by adding standard fees for all outpatient services including individual therapy, family therapy, group therapy, and nursing services ($6,837,600) and dividing by the unduplicated outpatient EOC count (3,256). Group therapy may include day treatment, aftercare, intensive outpatient, or relapse prevention. Nursing services may include nursing assessment, monitoring vital signs, setting up medication, medication training and

support, setting up medication trays, and monitoring side effects and effectiveness of medications.

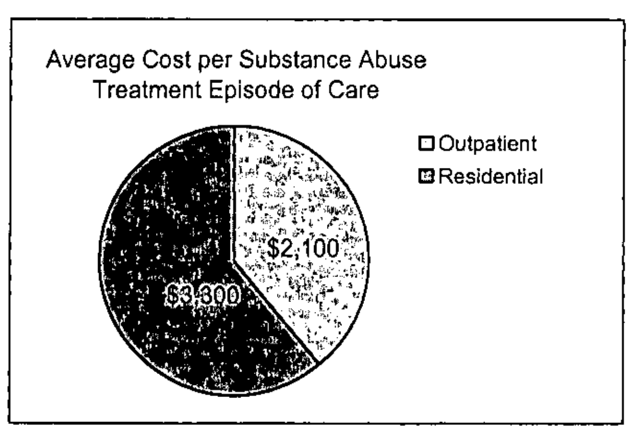
Average Residential costs per episode of care ($3,300) were calculated by adding standard fees for social detoxification, residential room and board, residential therapeutic, crisis residential room and board, and crisis residential therapeutic ($3,121,800) and dividing by the unduplicated residential EOC count (946). The $3,300 average per residential episode of care is conservative because of the way the services were recorded during this period.

Cost/benefits ratios result from complex analysis on many levels (see References). Benefits may be seen through decreases in

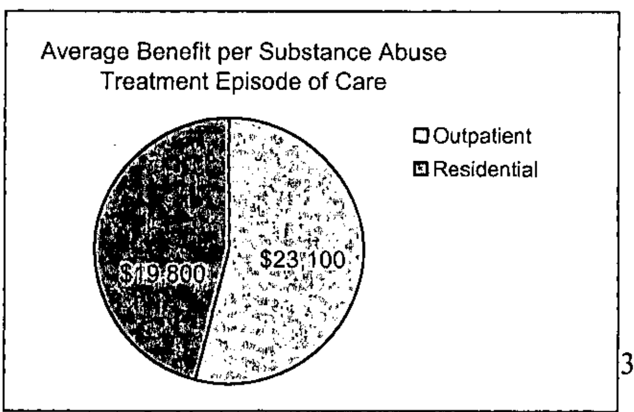
- visits to the emergency room
- number of nights in a hospital
- days missed at work
- dependence on illegal drugs
- the affects of serious mental illness
- depression
- smoking
- problems with law enforcement
- driving under the influence of alcohol or drugs
- causing domestic violence
- victims of domestic violence

A large body of scientific research (See References), which includes meta-analysis of multiple complex studies, supports the cost/benefit relationships identified in this report (7:1 for all treatment, 11:1 for outpatient, and 6:1 for residential). It would be cost prohibitive for North Dakota to conduct its own research simply to replicate and verify existing research. As one studies the data, they have an appearance of being 'reasonable.' This is important when applying the results of meta-analysis beyond the scope of individual studies.

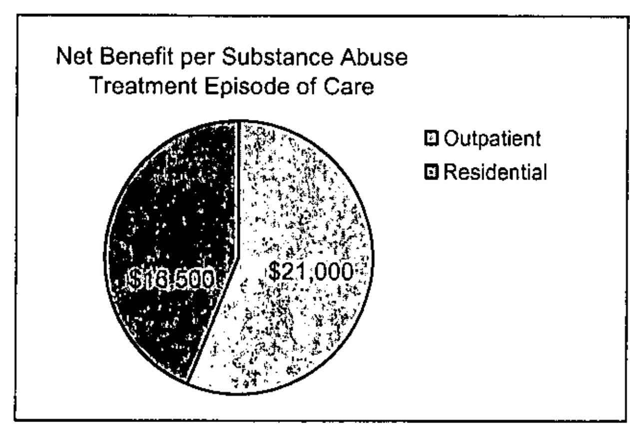
The average residential cost per substance abuse treatment episode of care is one-third (37%) more than that of outpatient episode of care.



The average benefit of the lower cost outpatient treatment is more than 16% higher than the benefit of residential care.



Subtracting average cost from average benefit results in net benefits. <u>Outpatient treatment results in about 27% more net benefits than residential treatment.</u>



Results Based on the Cumulative Costs of All Substance Abuse Treatment Episodes of Care

In the following table, cumulative costs are displayed which demonstrate net benefits to the State as a result of 3,465 episodes of care. Multiplying the average cost per substance abuse treatment EOC for all treatment ($2,850) times 3,465 episodes of care equals $9,875,250. Multiplying by a factor of seven yields benefits of $69,126,750. Subtracting the cost of substance abuse treatment ($9,875,250) results in net benefits to the State of $59,251,500.

Table 2. Accumulated Costs and Benefits of Substance Abuse Treatment

	All Treatment (n=3,465)	Outpatient Treatment (n=3,256)	Residential Treatment (n=946)
Cost of substance abuse treatment	$9,875,250	$6,837,600	$3,121,800
Benefits of substance abuse treatment	$69,126,750	$75,213,600	$18,730,800
Net benefits	**$59,251,500**	$68,376,000	$15,609,000
Cost-benefit ratio	7:1	11:1	6:1

Average Cost per Episode of Care	X	n	=	Cost of Substance Abuse Treatment
Cost of Substance Abuse Treatment	X	Cost-Benefit Ratio	=	Benefits of Substance Abuse Treatment
Benefits of Substance Abuse Treatment	-	Cost of Substance Abuse Treatment	=	Net Benefits

Cost/Benefit for Mutual Clients of Department of Corrections and Rehabilitation (DOCR) and DHS Human Service Centers (HSC) Identified on June 26, 2006 Who Received Substance Abuse Treatment at the HSC

On June 26, 2006, 1,211 consumers were mutual clients of the Department of Human Services Regional Human Service Centers (DHS HSC)and the Department of Corrections (DOCR). This is a subset of the n=3,465 (Table 1). The average cost per client remains the same at $2,850 with a net benefit of $17,100 (7:1). Cumulatively, the 1,211 mutual clients would yield a net benefit to the state of $20,708,100. This is about 35% of the total net benefit to the state of all consumers receiving substance abuse treatment at HSCs.

Literature substantiates that there is a cost/benefit ratio yielding between $1.91 and $2.69 benefit for every $1.00 spent on substance abuse treatment while in prison. Without knowing the cost of treatment while in prison, we cannot calculate cumulative benefits, but it is reasonable to believe that the costs would be substantially higher resulting in much lower net benefits.

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Attachment D

Division of Mental Health and Substance Abuse Services

RESEARCH NOTE 2

December 2006

Trends in Admissions and Primary Substance of Abuse at the Regional Human Service Centers

At the time of admission to a Regional Human Service Center for substance abuse treatment, consumers are asked to identify their primary substance of abuse. This document reports:

1. the number of clients admitted for treatment at a Regional Human Service Center, and
2. the primary substances of abuse.

All clients served or treated within calendar years 2002, 2004, and 2005 are included in the table below. The number of *clients served* is more inclusive of a broader range of services such as information and referral, education, case management and evaluation only. *Clients treated* is a more restrictive count and includes clients receiving treatment for substance abuse addiction only. Any client served within the calendar year is counted. A client admitted again during the same calendar year is counted again.

	2002	2004	2005
Clients served	5,390	5,107	6,262
Clients treated	3,027	3,638	4,008

Table1 and Figure 1 demonstrate the following. Alcohol and marijuana are the top two primary substances of abuse identified in all three years. Alcohol, as the top primary substance continues to increase in number (1,902 in 2002 to 2,170 in 2005). As a percent of total, alcohol has decreased from 63% in 2002 to 55% in 2005. Marijuana, the next top substance of abuse, continues to increase as well. Marijuana is identified as the primary substance of abuse in just over one-third the number of admissions as alcohol. Marijuana increased in number (702 in 2002 to 821 in 2005). But as a percent of total, marijuana use decreased (23% in 2002 to 20% in 2005).

The number of admissions for methamphetamine (meth) (See Glossary) use increased by 88% (272 in 2002 to 511 in 2005). As a percent of total, admissions for meth use increased from 9% in 2002 to 13% in 2005. The number of admissions from amphetamines (See Glossary) increased by 227% (52 in 2002 to 170 in 2005). As a percent of total, admissions from amphetamine use increased from 2% in 2002 to 4% in 2005. The number of admissions for cocaine use increased slightly from 36 in 2002 to 40 in 2005. As a percent of total, admissions for cocaine (See Glossary) use remained the same (1%). Admissions for other drug use increase from 62 in 2002 to 296 in 2005. As a percent of total, admissions for other drug use increased from 2% in 2002 to 7% in 2005.

"Our mission is to provide quality, efficient and effective human services, which improve the lives of people."
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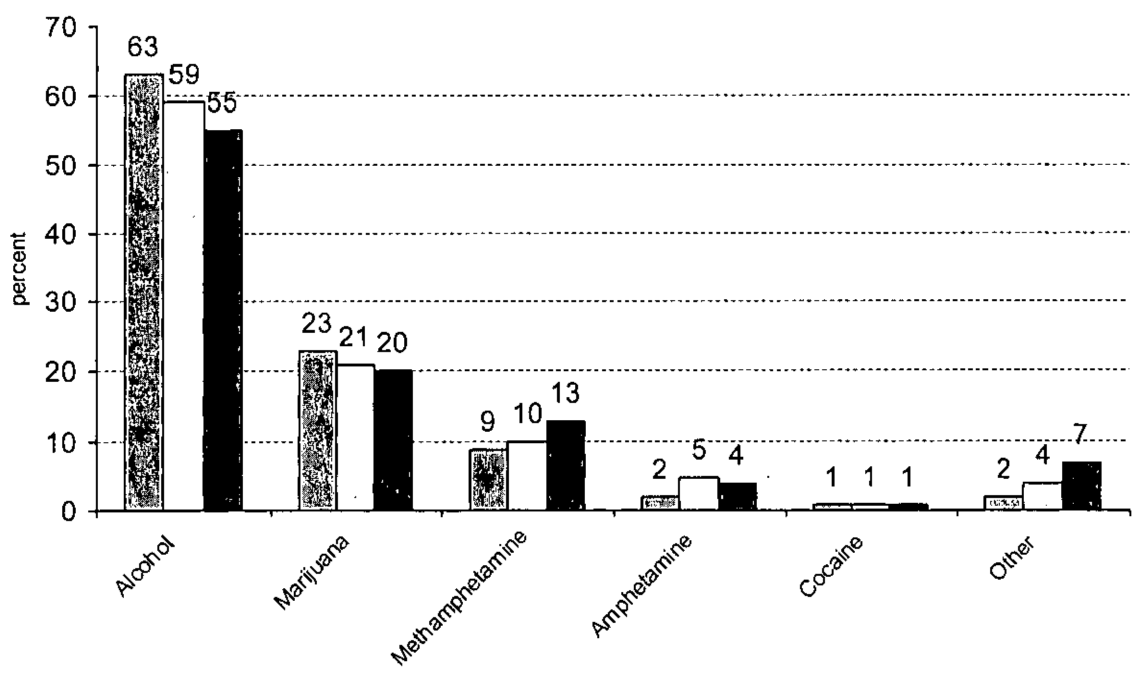
Attachment D

Table 1. Total Number and Percent of Each Primary Substance

	2002		2004		2005	
	#	%	#	%	#	%
Alcohol	1902	63%	2136	59%	2170	55%
Marijuana	702	23%	747	21%	821	20%
Methamphetamine	272	9%	387	10%	511	13%
Amphetamine	53	2%	174	5%	170	4%
Cocaine	36	1%	38	1%	40	1%
Other	62	2%	156	4%	296	7%
TOTAL	3027	100%	3638	100%	4008	100%

Figure 1. Top Five Primary Substances of Abuse by Admissions, CY 2002, 2004 and 2005



The 'route of use' is presented for meth, amphetamine and cocaine (Table 2 and Figures 2, 3, and 4). Federal law requires that that Providers give preference to injection drug users in accessing treatment services. Injection drug use places one at a greater risk for HIV and Hepatitis infections.

The main route of use for meth (Table 2) is smoking, increasing by almost 200% (114 in 2002 to 341 in 2005). As a percent of total for route of use, smoking meth increased from 42% in 2002 to 63% in 2005 (Figure 2). Injection is the second most common route of use for meth, decreasing from 38% among all meth users in 2002 to 29% in 2005. Inhalation is the third most common route of use, decreasing from 17% in 2002 to 6% in 2005.

The main 'route of use' for amphetamines (Table 2) increased from 18 in 2002 to 102 in 2005 Injection, the second most common route of use for amphetamine, decreased from 28% among all amphetamine users in 2002 to 12% in 2005 (Figure 3). As a percent of total route of use, smoking amphetamines went from 34% in 2002 to 59% in 2005. While intravenous use of amphetamine increased in number from 15 in 2002 to 40 in 2005, as a percent of total for route of use, intravenous use decreased from 28% in 2002 to 24% in 2005.

The 'route of use' for cocaine (Table 2 4) most frequently identified is also smoking (12 in 2002 to 23 in 2005). Among all cocaine users and route of use, smoking cocaine went from 33% in 2002 to 58% in 2005 (Figure 4). Injection as route of use of cocaine decreased from 28% in 2002 to 12% in 2005.

Table 2. Route of Use for Meth, Amphetamine, and Cocaine

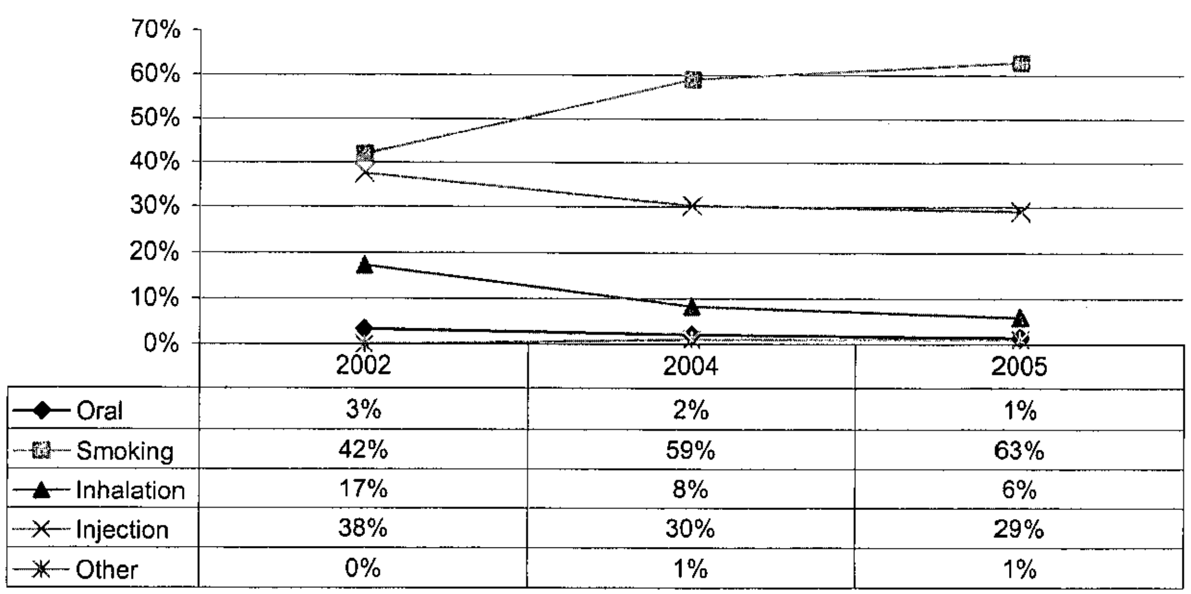
	Meth					
	2002		2004		2005	
	#	%	#	%	#	%
Oral	9	3%	8	2%	7	1%
Smoking	114	42%	226	59%	321	63%
Inhalation	47	17%	32	8%	30	6%
Injection	102	38%	117	30%	148	29%
Other	0	0%	4	1%	5	1%
TOTAL	272	100%	387	100%	511	100%

	Amphetamine					
	2002	2004		2005		
	#	%	#	%	#	%
Oral	9	17%	7	4%	5	3%
Smoking	18	34%	101	58%	102	59%
Inhalation	9	17%	23	13%	15	9%
Injection	15	28%	39	22%	40	24%
Other	2	4%	4	3%	8	5%
TOTAL	53	100%	174	100%	170	100%

	Cocaine					
	2002	2004		2005		
	#	%	#	%	#	%
Oral	1	3%	1	3%	0	0%
Smoking	12	33%	15	39%	23	58%
Inhalation	13	36%	11	29%	10	25%
Injection	10	28%	10	26%	5	12%
Other	0	0%	1	3%	2	5%
TOTAL	36	100%	38	100%	40	100%

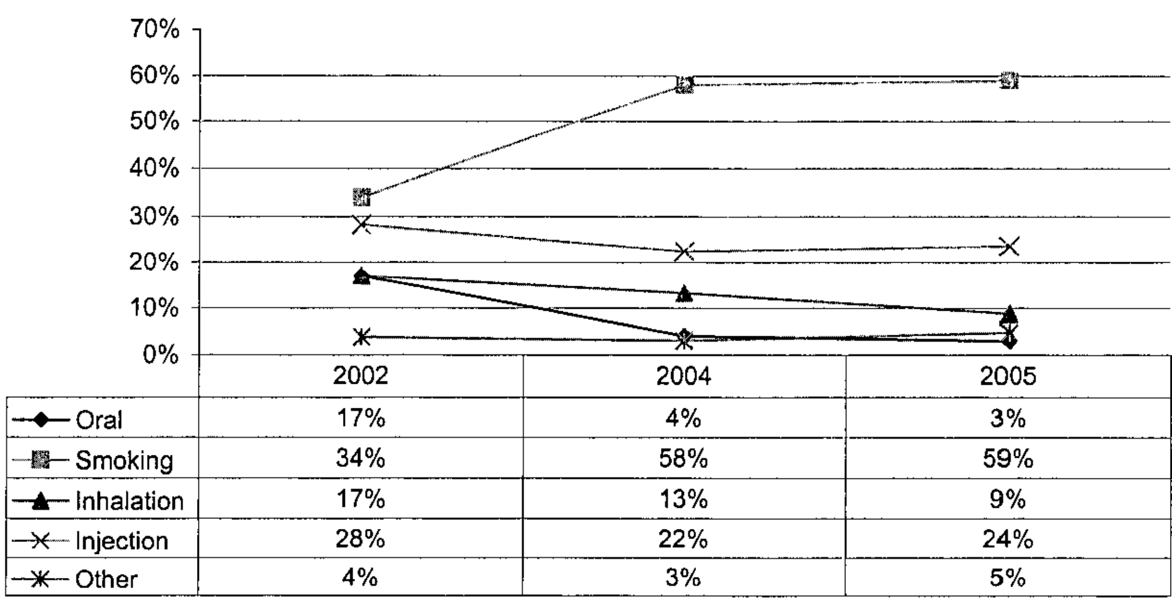
Attachment D

Figure 2. Third Primary Substance of Abuse and Route of Use – Methamphetamine by Admissions (n=272 in 2002, n=387 in 2004, n=511 in 2005)



	2002	2004	2005
Oral	3%	2%	1%
Smoking	42%	59%	63%
Inhalation	17%	8%	6%
Injection	38%	30%	29%
Other	0%	1%	1%

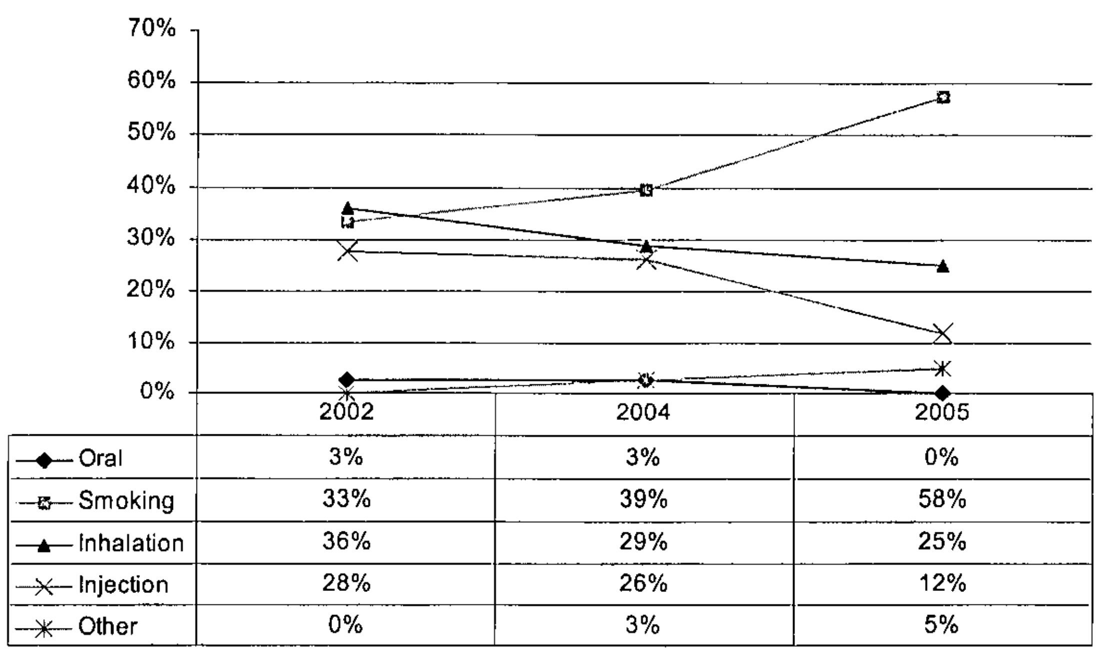
Figure 3. Fourth Primary Substance of Abuse and Route of Use – Amphetamine by Admissions (n=53 in 2002, n=174 in 2004, n=170 in 2005)



	2002	2004	2005
Oral	17%	4%	3%
Smoking	34%	58%	59%
Inhalation	17%	13%	9%
Injection	28%	22%	24%
Other	4%	3%	5%

Attachment D

Figure 4. Fifth Primary Substance of Abuse and Route of Use – Cocaine by Admissions (n=36 in 2002, n=38 in 2004, n=40 in 2005)



	2002	2004	2005
Oral	3%	3%	0%
Smoking	33%	39%	58%
Inhalation	36%	29%	25%
Injection	28%	26%	12%
Other	0%	3%	5%

GLOSSARY

Methamphetamine

A stimulant drug chemically related to amphetamine but with stronger effects on the central nervous system. Street names for the drug include "speed," "meth," and "crank." The drug produces euphoria, decreased appetite, insomnia, and other side effects.

Amphetamine

Stimulant drugs whose effects are very similar to cocaine. They increase the activity of certain chemicals in the brain. Street names for amphetamines include uppers, go fast, zip, whizz.

Cocaine

A powerful short-acting stimulant, similar to amphetamines. Its effects include euphoria, restlessness, excitement, and a feeling of well-being. Slang names include "coke," "flake," "star dust," and "snow." Freebasing, a process of converting cocaine into a form that can be smoked (usually called crack), involves heating with either lighter fluid or other solvents.

Testimony
Senate Bill 2012 – Department Of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am JoAnne Hoesel, Division Director, Department of Human Services. I am here today to provide you with an overview of the Division of Mental Health & Substance Abuse Services.

Programs

The Division of Mental Health & Substance Abuse provides system-wide education, regulation, technical assistance, training for public and private service providers, federal and state reporting, data and clinical support for the human service center electronic record, and department research analysis and research/data support.

Service programs managed by the Division are Compulsive Gambling Treatment, Community-Based High-Risk Sex Offender Treatment, Regional Prevention Coordination and Model programs, and Methamphetamine Residential Treatment.

Service System Efforts

During SFY 2006 the public mental health system provided services to 17,320 children, youth, and adults. For the same time period, the public substance abuse system provided services to 6,088 adolescents and adults. The Division is responsible for licensure of 85 substance abuse treatment providers, 38 DUI seminar providers, eight regional

human service centers, and six psychiatric residential treatment facilities for children and adolescents. The Prevention Resource Center distributes educational products annually in the areas of developmental disabilities, aging, mental health, and substance abuse. The Division provided private and public workforce development training in the areas of substance abuse, mental health, and compulsive gambling issues for over 1,444 people.

Trends and Issues

North Dakota is number one or near the top of the list in recent alcohol use and binge drinking, regardless of age group. Similarly, our state ranks in near the very bottom among U.S. states in people that perceive great harm associated with this high risk drinking. What this situation creates is service demand resulting from alcohol abuse/dependence and related issues. A segment of the population will always present with mental health & substance abuse disorders and some level of intervention will be needed. This is similar to the demand for heart disease and diabetes services.

The primary substance used is recorded for all public sector substance abuse treatment admissions. In calendar year 2005, alcohol was the primary substance in 55% of admissions (2,170), marijuana was 20% of admissions (821), and methamphetamine was 13% of admissions (511). Alcohol and marijuana continue to be the dominant substances used. However, treatment admissions for methamphetamine equaled 272 in 2002 and 511 in 2005. This represents an increase of 89% in the number of admissions for methamphetamine dependence. As a percent of total substance abuse admissions, methamphetamine

admission increased from 9% in 2002 to 13% in 2005. At the same time, alcohol and marijuana dependence as percents of total substance abuse admissions decreased. Alcohol fell from 63% in 2002 to 55% in 2005, and marijuana fell from 23% in 2002 to 20% in 2005.

The Division has engaged the public behavioral health system in targeted workforce development and has trained staff in the following areas:

MATRIX: Matrix is a practice shown to be effective for persons who are dependent upon Methamphetamine or have brain injuries from other drug/alcohol use. This practice is used at the Robinson Recovery Center and is available at all eight regional human service centers. North Dakota is one of few states that have been able to partner with UCLA for this training to implement this practice in North Dakota in 2006. (Attachment A)

Trauma-focused cognitive behavioral therapy and Structured Psychotherapy for Adolescents Responding to Chronic Stress (SPARCS) are shown to be effective for adolescents and children who have been traumatized by sexual abuse, domestic violence, or other traumatic situations. Two clinical staff from each human service center will be trained to provide these treatments. Both of these therapeutic approaches are evidence-based practices.

Integrated Dual Disorder Treatment is being piloted at Southeast Human Service Center. This practice is designed to serve individuals who are chronically addicted to substances <u>and</u> severely mentally ill. This practice is shown nationally to decrease hospitalizations, crisis

response, and increase employment and independence. A formal research study is tied to this pilot so North Dakota outcomes will be captured to specifically show how this program impacts this very difficult to serve group of individuals who come into contact with multiple systems. (Attachment B)

The Division has developed a process to increase dissemination of information. The research unit has developed numerous documents. Two research project reports to note are entitled, "Average Cost of Substance Abuse Treatment in the Public Sector in North Dakota" and "Trends in Admissions and Primary Substance of Abuse at Regional Human Service Centers." (Attachments C & D)

The Division is participating in implementing a data linking process to report service outcomes by cross-referencing multiple databases. The first phase of this project will be completed in the spring of 2007.

The Division worked with the Department's clinical record team and human service centers to revise the electronic record for substance abuse services to enable the system to report national outcomes measures. The changes went into effect in November 2005. Preliminary results of this data from January through September 2006 indicate that of the individuals in public substance abuse treatment, homelessness decreased 26% and unemployment decreased 16%.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	1,949,146	244,667	2,193,813	-	2,193,813
Operating	3,725,031	2,136,872	5,861,903	124,400	5,986,303
Capital Assets	-	-	-	-	-
Grants	4,396,859	(140,215)	4,256,644	-	4,256,644
Total	10,071,036	2,241,324	12,312,360	124,400	12,436,760
General	1,907,379	3,646,497	5,553,876	124,400	5,678,276
Federal	6,826,761	(622,240)	6,204,521	-	6,204,521
Other	1,336,896	(782,933)	553,963	-	553,963
FTEs	18.00	-	18.00	-	18.00

Budget Changes from Current Budget to Executive Budget:

Salary and FTE

A net increase of $244,667 in salaries for a variety of reasons. Major changes include:

- $151,834 - Governor's employee salary and health package. The general fund portion of this increase is $114,982.
- $117,532 - increased spending authority for moving an existing DHS FTE into the Division. This increase is funded with federal block grant funds.
- ($29,290) - new hires into the Division were hired at a lower salary entry level than retirees in those positions. This decrease is a combination of general and federal funds.

Operating Expenses

Operating expenses show a net increase of $2,136,872 for a variety of reasons:

- $700,000 - Increase in the additional general funds for additional Methamphetamine residential treatment center services.
- $2,774,562 - Increase for community-based treatment program for high-risk sex offenders and offenders not served through the regional human service centers. This increase is 100% general funds.
- $30,000 - cost of living increase for Robinson Recovery Center – Methamphetamine Residential Service provider. This increase is 100% general funds.
- $52,023 - increases Drug & Alcohol Information System (DASIS) spending authority which targets phase two of the data-linking/data warehouse plan. This increase is 100% federal funds.
- $65,867 - increase transferred from Grants line item to reflect spending plan for Compulsive Gambling program. This increase is 100% other funds.
- $32,152 - increase reflects a 24-month lease period at current Division office site and a square footage increase in the Prevention Resource Center plus a rent increase. This increase is 100% federal funds.

The increase is offset in part by the following decreases:

- ($15,500) – decrease due the ending of the federal Olmstead grant.
- ($800,000) – decrease in other funds for the Methamphetamine residential treatment program as funding is provided from sources outside state government.

- ($448,471) - State Epidemiology Work Group grant not anticipated to receive in upcoming biennium. This decrease is 100% federal funds.
- ($40,000) – decrease in various federal grants.
- ($182,000) - Shift from operating to grants line for Under Age Drinking Grant funds to reflect grants versus purchase of Service spending plan. This decrease is 100% federal funds.
- ($13,120) - decrease in Professional Development reflects the Division spending plan. This is a combination of funding sources.
- ($13,555) - decrease travel – reflects a decrease in travel tied to the Olmstead grant which ended and decrease in Division travel plan. This is a combination of funding sources.

Grants

Grants resulted in a net decrease of ($140,215) for a variety of reasons. The major changes are as follows:

- ($41,004) - Olmstead Grant federal funding ended.
- ($158,355) - decrease in Substance Abuse Prevention Treatment (SAPT) Block Grant funds. This decrease is 100% federal funds.
- ($60,220) - decrease in Safe & Drug Free Schools – Governor's Portion. This decrease is 100% federal funds.
- ($65,867) – decrease reflects the shift from grants to operating for the Compulsive Gambling program. This decrease is 100% other funds.
- $182,000 - increase by moving Underage Drinking grant spending authority from operating to grants to reflect spending plan. This increase is 100% federal funds.

Senate Changes:

- $124,400 - Operating expenses funding for increasing the Department's contract for substance abuse residential treatment services at Robinson Recovery Center to fund the program for a full 24 -month period. This figures also adjusts the inflationary increase to service providers to the 4% level.

This concludes my testimony on the 2007 – 2009 budget request for Division of Mental Health & Substance Abuse Services. I would be happy to answer any questions. Thank You.

MENTAL HEALTH ASSOCIATION IN NORTH DAKOTA

Works for a world free from discrimination against mental illness

Susan Rae Helgeland
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PSYCHOSOCIAL REHABILITATION CENTERS

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Visit our website at
www.mhand.org

A private, non-profit 501(c) 3 agency. The only non-governmental organization concerned with all aspects of mental health for all citizens of North Dakota.

Testimony
Mental Health Association in North Dakota

SB 2012 - Budget request for the Mental Health and Substance Abuse Division of the Department of Human Services

Senate Appropriations Committee
Senator Holmberg, Chairman

January 10, 2007

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Susan Rae Helgeland, the Executive Director of the Mental Health Association in North Dakota. I am here to encourage you to support the budget needs of the Division of Mental Health and Substance Abuse.

The Mental Health Association in North Dakota is a nonprofit organization whose mission is to promote mental health through education, advocacy, understanding and access to quality care for all individuals.

The Integrated Dual Disorder Treatment Pilot program at the Southeast Human Service Center is an example of services that the Mental Health Association in North Dakota strongly supports. The goal of this program is a decrease in hospitalization and crisis responses and an increase in employment and independence for people with mental illness.

I would like to also voice our support for continued funding for all eight of the Regional Psychosocial Rehabilitation Centers.

Thank you, Chairman Holmberg, for this opportunity to testify before your committee.

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Testimony
Mental Health Association in North Dakota

SB 2012 - Budget request for the Mental Health and Substance Abuse Division of the Department of Human Services

Human Resources Division of the House Appropriations Committee Representative Pollert Chairman

February 28, 2007

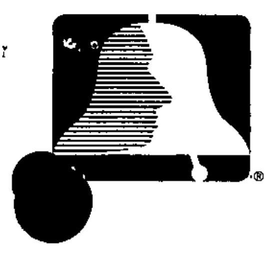
Chairman Pollert and members of the House Appropriations Committee Human Resources Division, my name is Susan Rae Helgeland, the Executive Director of the Mental Health Association in North Dakota. I would like to encourage you to support the budget needs of the Division of Mental Health and Substance Abuse of the Department of Human Services.

The Mental Health Association in North Dakota is a nonprofit organization whose mission is to promote mental health through education, advocacy, understanding and access to quality care for all individuals.

The Integrated Dual Disorder Treatment Pilot program at the Southeast Human Service Center is an example of services that the Mental Health Association in North Dakota strongly supports. The goal of this program is to decrease hospital and crisis responses and increase employment and independence for people

with mental illness. I would like to also voice our support for continued funding of all eight of the Regional Psychosocial Rehabilitation Centers as well as other programs operated by the Division of Mental Health and Substance Abuse.

Thank you, Chairman Pollert, for this opportunity to offer testimony before your committee.



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Testimony
Mental Health Association in North Dakota

Senate Bill 2012

House Appropriations Committee
Human Resource Division
Representative Pollert , Chairman

March 7, 2007

Chairman Pollert and members of the Human Resources Subcommittee, my name is Chet Pulver, I am a Public Policy Assistant with the Mental Health Association in North Dakota (MHAND). I appear before you in behalf of our executive director, Susan Rae Helgeland who could not be here today.

The Mental Health Association in North Dakota is a nonprofit organization whose mission is to promote mental health through education, advocacy, understanding and access to quality care for all individuals.

MHAND is here today to urge you to fully fund the ND Department of Human Services budget.

The topic of the Department of Corrections and Rehabilitation (DOCR) budget and the need for prison space in this legislative session is an indication of the need for additional funding of community based services.

You have heard testimony that the demand for mental health services at all eight regional human service centers and the ND state hospital has grown and has become more complex. MHAND is here to support that testimony and to urge you to support the ND human services budget as it is presented to you. MHAND is against any cuts to the human service budget.

It is important that the ND state legislature give the ND Department of Human Services the resources to develop and maintain a continuum of services that ensures individuals receive appropriate care in the least restrictive environment.

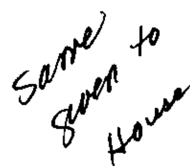
We ask you to fund additional crisis beds, transitional living beds, short-term residential beds and long term residential beds. We ask that you fund the increases in FTE's. We believe that, due to lack of sufficient community resources and services, some individuals are ending up in: 1) higher cost emergency room or inpatient care services; and 2) inside the prison system.

Recovery from mental illness is possible in 2007. Individuals with mental illness can participate in their own recovery with supportive community based services in place. Please at a minimum fully fund the ND Department of Human Services Budget.

Thank you, Mr. Chairman and members of the Committee for allowing us to testify in this matter.

TESTIMONY: SENATE BILL 2012
SENATE APPROPRIATIONS COMMITTEE

SENATOR RAY CHAIRMAN



January 10, 2005

Chairman Holmberg 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 NDFFCMH 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 SB 2012.

According to U. S. Department of Health and Human Services, studies show that at least one in five children and adolescents have a mental health disorder. At least one in 10, or about 6 million people, have a serious emotional disturbance. Two thirds are not getting the help they need. The estimate of North Dakota's total child count with a serious emotional disturbance is 15,770 youth. According to the Department of Human Services the number of children and adolescents diagnosed with a severe emotional disturbance who received publicly funded services in FY 2005 was 1,692. The estimated number of children and adolescents diagnosed with severe emotional disturbance in need of service is 3,217.

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.

Children are presenting with more complex issues at an earlier age and in greater numbers while at the same time, North Dakota's child count is decreasing. According to the Department of Public Instruction there is a significant increase of children qualifying for special education in the category of emotional disturbance. Specifically the number of children enrolled in special education programs doubled between 1993 and 2004. According to the Department of Human Services the eight regional human service centers also report that children are referred at younger ages and are presenting with multiple and more complex issues. In 2005, each child admitted to ND Psychiatric Residential Treatment Facilities presented with an average of 6-co-occuring Axis I diagnosis.

According to The United States General Accounting Office, in 2003 they reported 12,700 cases of children were placed in the child welfare and juvenile justice systems to access mental health services. According to the 2003 New Freedom Commission on Mental Health Federal, State and local governments must work together with family and provider organizations to eliminate the practice of trading custody for care and to find a more

family friendly solution. North Dakota is one of 13 states that have passed laws that prohibit DHS from requiring custody relinquishment in order for parents to obtain out-of-home treatment for their children. However, ND currently has no laws to improve access. North Dakota's Voluntary Treatment program serves an average of 16 children per biennium. The Voluntary Treatment Program ran out of funding the first six months of the biennium. Another concern is currently there is a fiscal incentive for schools to have an outside agency places a child. This is part of school finance issue.

In 1994, the Division of Mental Health Services received a16.8 million five-year grant from the Center for Mental Health services targeting children and adolescents diagnosed with serious emotional disturbances. The comprehensive System of Care that was developed was called Partnerships Project; services were care coordination, respite care non-hospital crisis case aide, school-based day treatment, flexible funds, safe beds and intensive in-home family therapy. North Dakota was able to sustain core services from Partnerships Project, which include care coordination, case aide, flexible funds and crisis residential services-safe beds.

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.

The NDFFCMH would like to see the Family Opportunity Act fully implemented. Remove the fiscal incentive for schools to have agencies place children. 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 reduce the need for out-of-home treatment.

Thank you for your time.

Carlotta McCleary, Executive Director
ND Federation of Families for Children's Mental Health
PO Box 3061
Bismarck, ND 58502

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Email: carlottamccleary@bis.midco.net

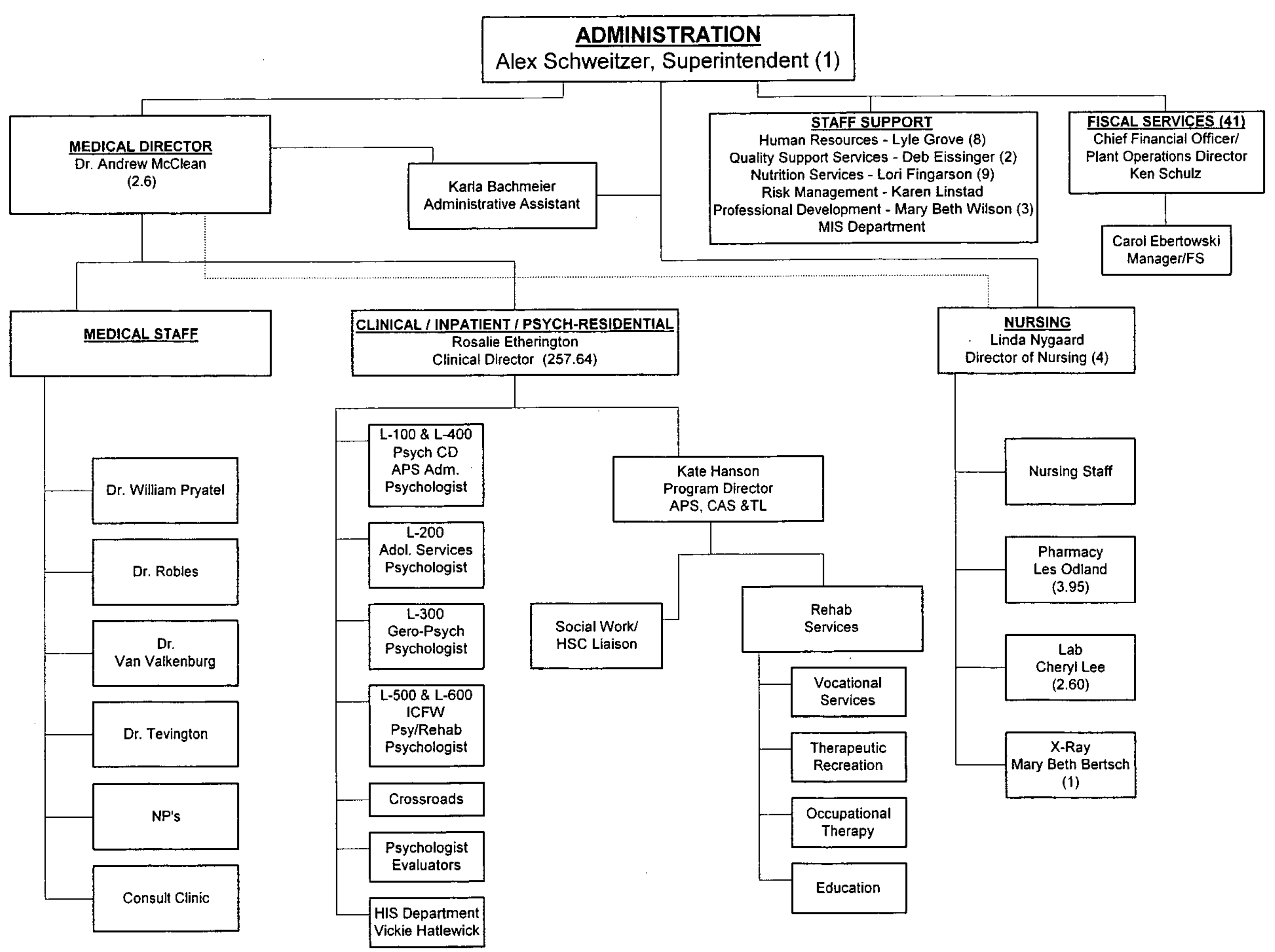
NDSH Residential Organizational Chart
January 2007

ADMINISTRATION
Alex Schweitzer
Superintendent

- **MEDICAL DIRECTOR** — Andrew McLean, M.D.
  - Dr. William Pryatel
  - Randy Perkins, FNP
- Karla Bachmeier — Administrative Assistant
- **STAFF SUPPORT**
  - Human Resources - Lyle Grove
  - Quality Support Services - Deb Eissinger
  - Nutrition Services - Lori Fingarson
  - Risk Management - Karen Linstad
  - Professional Development - Mary Beth Wilson
  - MIS Department
- **FISCAL SERVICES** — Chief Financial Officer/ Plant Operations Director — Ken Schulz
  - Carol Ebertowski — Manager/FS
- **NURSING** — Linda Nygaard — Director of Nursing
  - Nursing Staff
  - Pharmacy — Les Odland
  - Lab — Cheryl Lee
  - X-Ray — Mary Beth Bertsch
- **CLINICAL/RESIDENTIAL** — Kerry Wicks — Clinical Director
  - Rehab Services
    - Vocational Services
    - Therapeutic Recreation
    - Occupational Therapy
    - Education
  - TRCU (44.5)
  - Secure Services (86.22)
  - Addiction Services
  - Chaplaincy

See also "Loading Development Center"

NDSH Inpatient Organizational Chart
January 2007



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Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 9, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Alex C. Schweitzer, Superintendent of the North Dakota State Hospital and Developmental Center of the Department of Human Services. I am here today to provide you with an overview of the North Dakota State Hospital and North Dakota Developmental Center.

North Dakota State Hospital Programs:

The North Dakota State Hospital provides short-term inpatient and long-term residential psychiatric, forensic and chemical addiction services for adults. Within this group of adult patients are inmates referred from the Department of Corrections for residential addiction services.

The State Hospital provides inpatient services for children and adolescents with serious emotional disorders and substance abuse problems. The Jamestown School system provides educational services to the child and adolescent population on the grounds of the State Hospital.

The above-mentioned patients are considered to be the traditional patient population of the hospital.

The hospital also provides psychiatric, medical and pharmacy services under a contract with the James River Correctional Center.

The hospital also provides inpatient evaluation and treatment services for sexually dangerous individuals. This group of patients are housed and treated in the secure services unit of the hospital.

North Dakota State Hospital Census:

The North Dakota State Hospital admissions and average daily census data for the period from July 1, 2005 to December 1, 2006 is outlined in Attachment A.

The State Hospital operates 284 beds.

The hospital utilizes ninety (90) of these beds to provide addiction services to offenders referred by the Department of Corrections and Rehabilitation, comprised of the 60 male and 30 female offenders.

These beds for the time period July 1, 2005 to December 1, 2006 were occupied at 92%.

The hospital operates 62 beds in the sex offender unit, and we have current occupancy of 58 patients. This program continues to show sustained growth in admissions.

The current number of offenders and level of commitment status is outlined in Attachment B.

The remaining 132 beds are in the inpatient and residential services unit where the hospital treats adults, children and adolescents with serious and persistent mental illness, serious emotional disorders and chemical addiction. The inpatient and residential services unit has been fully occupied for the past two years, with occupancy often running over 100%. The hospital has increased the capacity of the inpatient and residential services unit by 8 beds in the current biennium to deal with this increased occupancy. The reasons for the high occupancy are the admission of first time patients, increased acuity from community admissions and the need for treatment because of the increased use and abuse of drugs, specifically methamphetamine.

The current budget request for the State Hospital is for a total capacity of 304 patients. The breakdown by program includes; 90 beds in the Tompkins Rehabilitation Center, with 60 men and 30 women, 82 beds in the Secure Services Unit (sex offender program) and 132 beds in the traditional services program. The sex offender program would increase by 20 beds in this budget request.

Major Program Changes/Trends:

- High occupancy in the traditional services program for adults.

- The trend continues toward reduced third party reimbursement and more indigent clients served at the hospital.

- The hospital plans to transition 15 individuals with serious and persistent mental illness from the State Hospital to a transitional living facility in Jamestown by April of 2007.

- The increase of 20 beds in this budget request for the sex offender program to bring capacity from 62 to 82 beds and three units to four units.

- The construction of a one story building addition on the GM Building to allow for the containment of high risk sex offenders.

- The proposal to transition responsibility for the sex offender unit from the Department of Human Services to the Department of Corrections and Rehabilitation.

Overview of Budget Changes:

Description	2005-2007 Budget	2007-2009 Budget	Increase/ Decrease
Traditional Services			
Institutions	42,807,951	52,371,738	9,563,787
General Funds	27,127,625	36,644,504	9,516,879
Federal Funds	4,377,653	4,383,288	5,635
Other Funds	11,302,673	11,343,946	41,273
FTE	380.29	380.29	-
Secure Services			
Institutions	5,459,220	12,587,384	7,128,164
General Funds	5,459,220	12,426,308	6,967,088
Federal Funds	-	-	-
Other Funds	-	161,076	161,076
FTE	65.72	84.72	19.00
Total FTE	446.01	465.01	19.00

Traditional Services Cost Changes:

- Salary and benefit increase of $2,945,911 total funds, with general funds increase of $2,431,734 to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase in health insurance).

- Other increases in salaries due to: $657,288 under funding of 2005 -2007 salaries, $758,174 transfer of salaries budget to operating and capital improvements, $67,976 for 1 FTE from the Developmental Center, $536,283 on 1/1/06 for market increases for mental health care specialists, cost to continue 2005-2007 4% salary increase into 2007-09 of $482,762, and $511,610 for workload adjustments and higher starting salaries for nursing and medical staff due to market pressures, for a total of $3,014,093. The 2007-2009 budget request includes $1,059,046 under funding of salaries to cover salary roll-up.

- Operating costs increase of $956,915 is due to high patient occupancy and need for more medications and medical supplies.

- Capital improvements increase includes; major capital improvements of $2,498,757 for Phase II of Electrical Service Replacement, $614,000 for resurfacing of streets and parking lots and $250,000 for a new lift station for a total of $3,362,757. There is a decrease of $460,000 from the 2005-2007 budget to the 2007-2009 recommendation for emergency generator and water tower repairs. The net increase in the 2007-2009 budget recommendation for capital improvements is $2,902,757.

- Extraordinary repairs of $1,153,500 includes infrastructure repairs of utility systems, roof and window replacements and heating plant repairs. There is a decrease of $232,600 from the 2005-2007 budget to the 2007-2009 budget recommendation. The net increase for extraordinary repairs is $920,900.

- Bond payment is a decrease of $51,243 in the 2007-2009 budget recommendation. Final bond payments are scheduled for the 2009-2011 biennium.

- There is a decrease of $66,500 in equipment over $5,000 in the 2007-2009 budget recommendation.

Secure Services Cost Changes:

- Salary and benefit increase of $521,700 total funds, with general funds increase of $518,159 to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase in health insurance).

- Other increases in salaries due to 19 FTEs for third unit added in 2006 of $1,302,540, market increase of $163,216 for mental health care specialists on 1/1/06, 2 FTEs added for 2007-09 biennium for $157, 528, 1 FTE transferred from the Developmental Center of $175,842, less $257,146 for nursing staff transferred to inpatient programs, for a total of $1,541,980.

- Operating costs increase of $698,295 due to higher patient occupancy, the third ward and security upgrades for the building.

- Projected fourth unit would add an additional 20 beds and 17 FTEs. Salaries $1,059,352, Operating $206,837 and Total General Funds $1,266,189.

- Capital improvements of $3,100,000 for addition to the GM Building for a high security treatment unit.

- Other funds increase of $161,076 because a small number of patients have third party payors or private funds for payment.

- Total FTE increase by 19 in the secure services unit and remain the same in the traditional services program. Total FTE increases from 446.01 to 465.01, an increase of the 19 FTE.

North Dakota Developmental Center Programs:

The Developmental Center provides services for individuals with developmental disabilities. The program includes residential services, work and day activity services, clinical and medical services and evaluation and consultation services. The Developmental Center continues its efforts on an outreach program to assist the community with crisis evaluation and consultation to prevent admission to the Developmental Center.

Residential Services at the Developmental Center includes:

- Secure Services Unit – this unit is for individuals with developmentally disabilities who have sex offending behaviors and for other individuals from the campus that require a more secure living environment. These individuals require long-term care.

- Medical Unit – for individuals with developmental disabilities who are totally dependent on staff to complete daily cares and have medical concerns that require nursing staff accessibility 24 hours per day. Also, in this area are a small number of individuals diagnosed with profound mental retardation and dual sensory disabilities (vision and hearing). These individuals require long-term care.

- Behavioral Care Unit – these individuals with developmental disabilities present with psychiatric diagnoses and significant challenging behaviors. Some of these individuals may also have less severe medical needs.

North Dakota Developmental Center (NDDC) Census:

See Attachment C., for the census data for the Center for the period of 1997 through December 2006. The facility currently has resources for occupancy of 130 individuals.

Major Program Changes/Trends:

- The One Center (NDSH/NDDC) shares ten (10) senior and middle management positions.

- Transition task force working on reducing the population of the Developmental Center with appropriate placements into community settings. July 1, 2007 goal is 127 individuals residing at the Center. (Current occupancy is 130.)

- The NDDC Outreach Team has prevented admissions of people with developmental disabilities to both the North Dakota Developmental Center and State Hospital.

- The facility continues to experience a staffing shortage in the direct care staff, which has lead to reallocation of human resources.

Overview of Budget Changes:

Description	2005-2007 Budget	2007-2009 Budget	Increase/ Decrease
Institutions	42,425,282	48,456,612	6,031,330
General Funds	11,625,706	15,212,922	3,587,216
Federal Funds	27,850,053	29,241,084	1,391,031
Other Funds	2,949,523	4,002,606	1,053,083
FTE	449.54	449.54	-

Cost Changes:

- Salary and benefit increase of $3,055,001 (General funds of $1,043,196) to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase health insurance).

- Additional increases in the salary area totaling $897,967 (General funds of $281,187) to fully fund the pay plan are composed of the $724,930 under funding in the 05-07 biennium and the balance is a result of critical market equity increases to recruit and retain staff in hard-to-fill classifications, and to meet staff to client ratios. The 2007-2009 budget request includes $1,047,908 under funding of salaries to cover salary roll-up.

- Operating costs increase of $1,502,656 (General funds of $469,016) is due to increases in utilities (freight and coal costs), travel costs (increased fuel cost), and medication costs.

- Medical, clinical and business equipment at a cost of $92,640 (General funds of $80,782) less reduction of $8,500 from the current budget, for a net increase of $84,140.

- The bond payments decreased by $58,726 (General funds of $58,726) per repayment schedule. Final bond payments are scheduled for the 2009-11 biennium.

- Increase of $1,598,200 (General funds of $1,547,092) for roof, building and grounds capital improvements and extraordinary repairs.

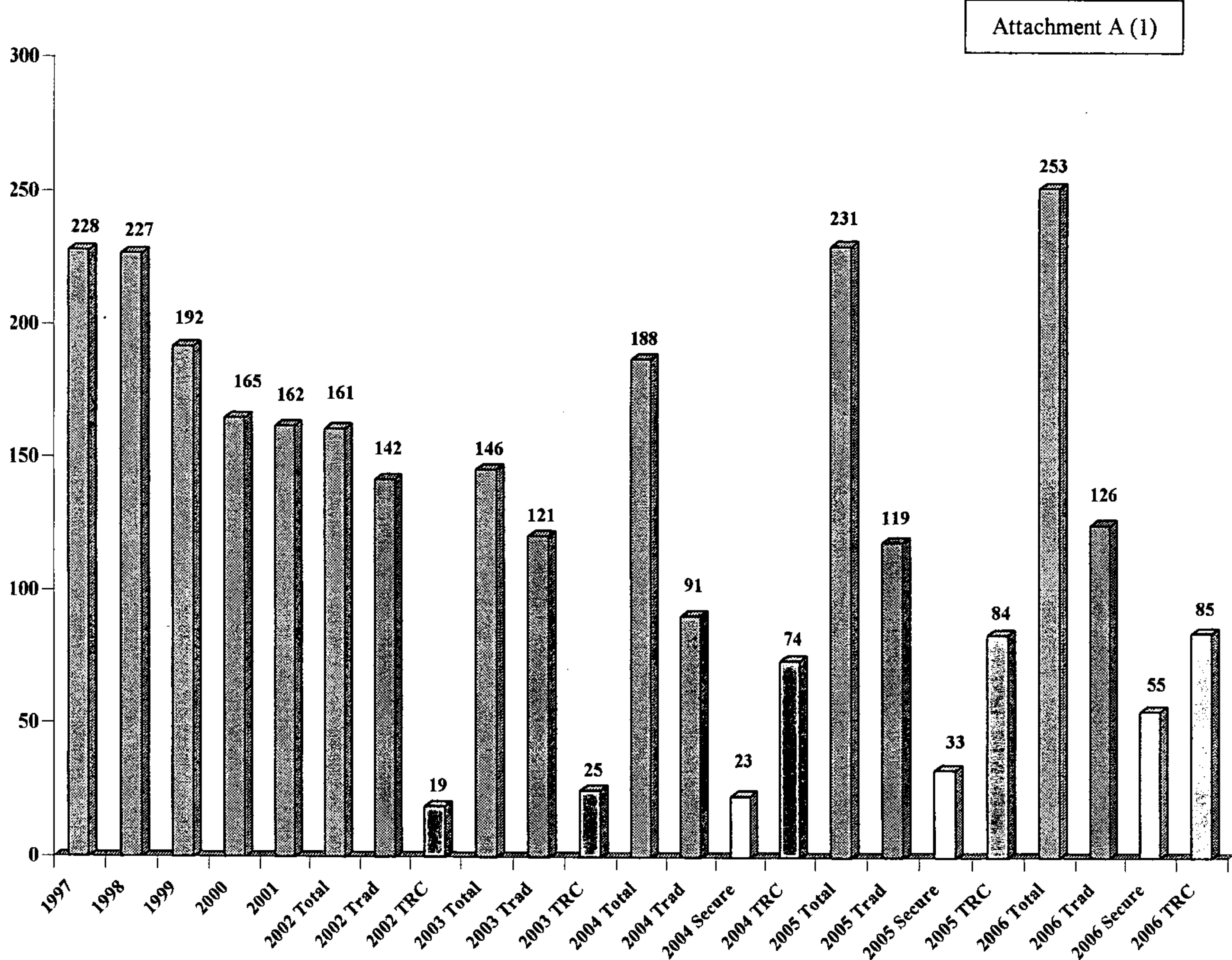
- Federal Funds increase of $1,391,031 because of operating expense increase and salary and benefit increase.

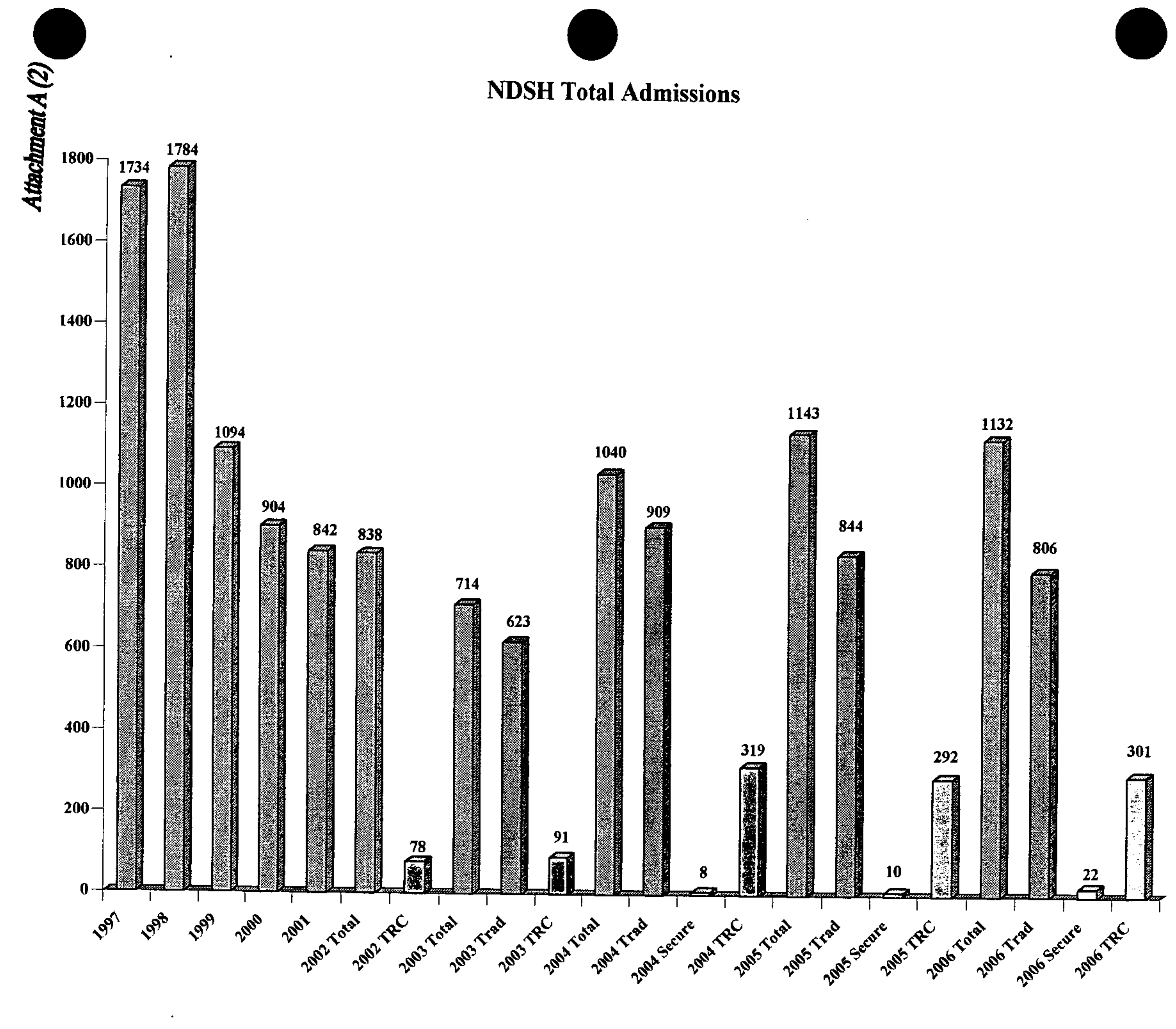
- Other Funds increase of $1,053,083 primarily because of additional revenue from Medicare Part D.

- No increase in FTE at the Developmental Center for this biennial period.

Thank you. I would be glad to answer any questions about the budget request for the North Dakota State Hospital and North Dakota Developmental Center.

Attachment A (1)



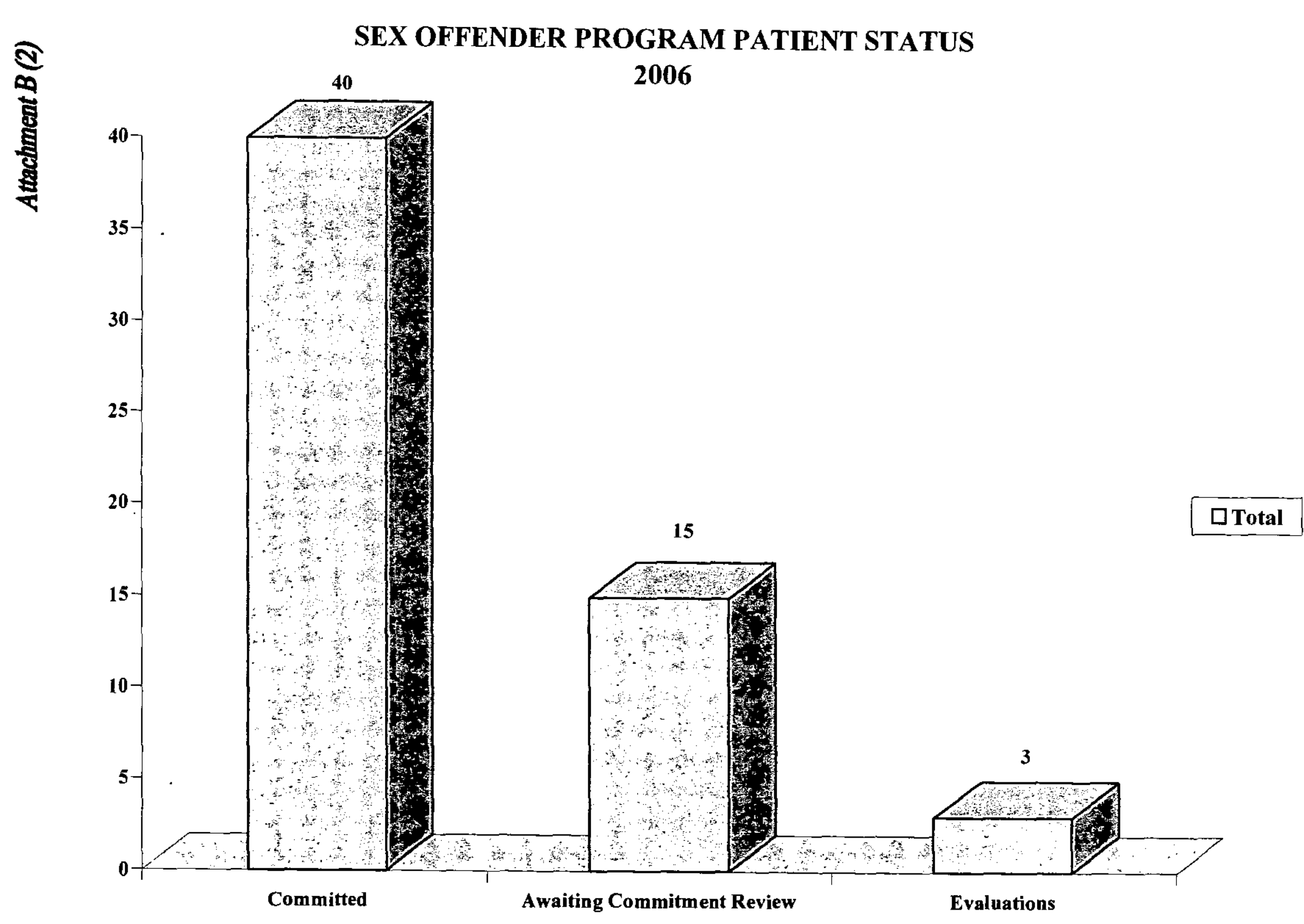

Attachment A (2)
NDSH Total Admissions
1800
1600
1400
1200
1000
800
600
400
200
0
1734
1784
1094
904
842
838
78
714
623
91
1040
909
8
319
1143
844
10
292
1132
806
22
301
1997
1998
1999
2000
2001
2002 Total
2002 TRC
2003 Total
2003 Trad
2003 TRC
2004 Total
2004 Trad
2004 Secure
2004 TRC
2005 Total
2005 Trad
2005 Secure
2005 TRC
2006 Total
2006 Trad
2006 Secure
2006 TRC

Attachment B (1)

Attachment B (1)

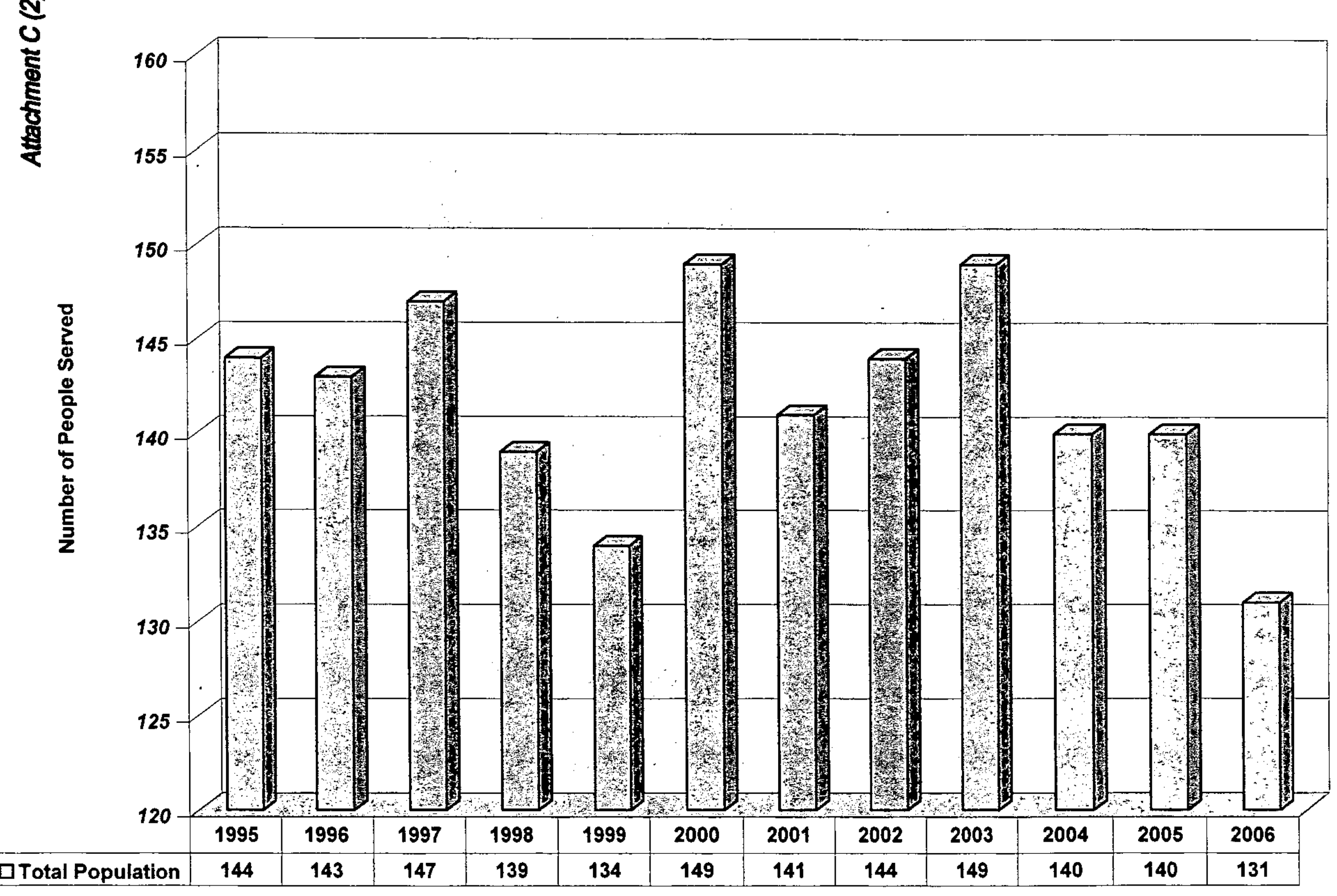
SEX OFFENDER PROGRAM CENSUS 1997 - 2006

YEAR	Total
1997	2
1998	3
1999	5
2000	9
2001	10
2002	11
2003	15
2004	23
2005	33
2006	55

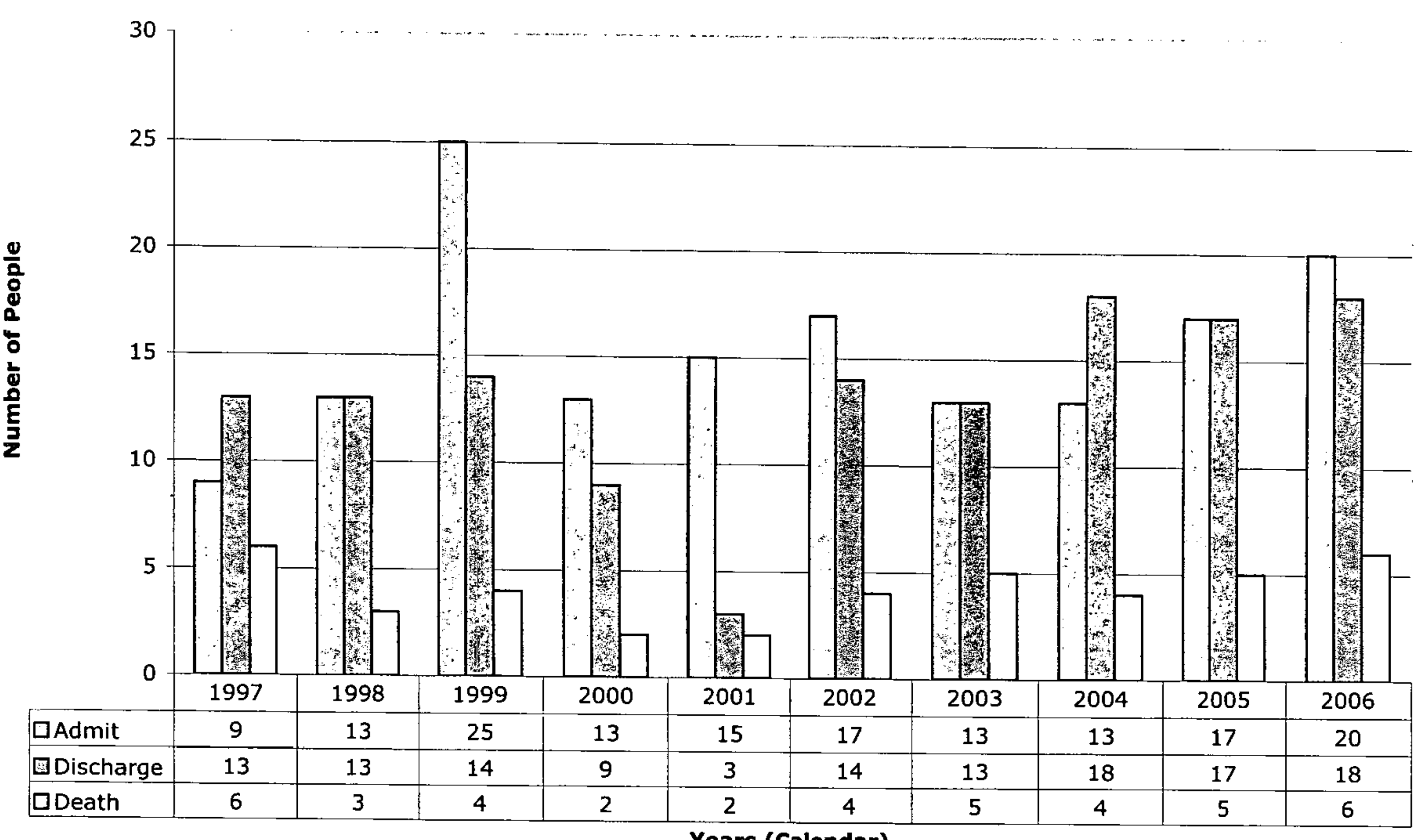

Attachment B (2)
SEX OFFENDER PROGRAM PATIENT STATUS
2006
40
35
30
25
20
15
10
5
0
40
15
3
Total
Committed
Awaiting Commitment Review
Evaluations

Attachment C (2)

Total Population 1995-2007



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
☐ Total Population	144	143	147	139	134	149	141	144	149	140	140	131



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Admit	9	13	25	13	15	17	13	13	17	20
Discharge	13	13	14	9	3	14	13	18	17	18
Death	6	3	4	2	2	4	5	4	5	6

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
420-00 STATE HOSPITAL	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	373.73	380.29		380.29		380.29		380.29		380.29
					373.73	380.29		380.29		380.29		380.29		380.29
420-00 STATE HOSPITAL	32551	B	684000	Extraordinary Repairs		$350,000	$59,184	$290,816	($350,000)					
						$350,000	$59,184	$290,816	($350,000)					
420-00 STATE HOSPITAL	32551	F	F_5991	Land & Cptl Imprv - Gen Fund		$350,000	$59,184	$290,816	($350,000)					
						$350,000	$59,184	$290,816	($350,000)					
420-00 STATE HOSPITAL	32570	B	511000	Salaries - Permanent	$22,953,247	$22,865,815	$11,527,223	$11,338,592	$3,810,669	$26,676,484		$26,676,484		$26,676,484
420-00 STATE HOSPITAL	32570	B	512000	Salaries-Other	$574,616	$1,378,818	$285,953	$1,092,865	($776,445)	$602,373	($1)	$602,372		$602,372
420-00 STATE HOSPITAL	32570	B	513000	Temporary Salaries	$478,675	$497,150	$477,412	$19,738	($365,821)	$131,329	($1)	$131,328		$131,328
420-00 STATE HOSPITAL	32570	B	514000	Overtime	$63,719	$43,293	$40,677	$2,616	$38,067	$81,360		$81,360		$81,360
420-00 STATE HOSPITAL	32570	B	516000	Fringe Benefits	$8,234,687	$9,540,561	$4,445,027	$5,095,534	$307,623	$9,848,184	$988,101	$10,836,285		$10,836,285
420-00 STATE HOSPITAL	32570	B	519100	Reduction in Salary - Budget					($1,059,046)	($1,059,046)		($1,059,046)		($1,059,046)
420-00 STATE HOSPITAL	32570	B	521000	Travel	$252,362	$279,719	$150,970	$128,749	$57,027	$336,746		$336,746		$336,746
420-00 STATE HOSPITAL	32570	B	531000	Supplies - IT Software	$30,892	$34,700	$19,867	$14,833	$3,100	$37,800		$37,800		$37,800
420-00 STATE HOSPITAL	32570	B	532000	Supply/Material-Professional	$155,834	$124,700	$73,373	$51,327	$1,700	$126,400		$126,400		$126,400
420-00 STATE HOSPITAL	32570	B	533000	Food and Clothing	$780,183	$729,585	$195,364	$534,221	$241,976	$971,561		$971,561		$971,561
420-00 STATE HOSPITAL	32570	B	534000	Bldg, Grounds, Vehicle Supply	$400,087	$454,296	$341,274	$113,022	$7,000	$461,296		$461,296		$461,296
420-00 STATE HOSPITAL	32570	B	535000	Miscellaneous Supplies	$144,963	$99,460	$92,695	$6,765	$69,302	$168,762		$168,762		$168,762
420-00 STATE HOSPITAL	32570	B	536000	Office Supplies	$230,352	$190,350	$144,875	$45,475	$34,850	$225,200		$225,200		$225,200
420-00 STATE HOSPITAL	32570	B	541000	Postage	$13,264	$17,055	$10,629	$6,426	($3,588)	$13,467		$13,467		$13,467
420-00 STATE HOSPITAL	32570	B	542000	Printing	$32,458	$17,600	$15,408	$2,192	$8,400	$26,000		$26,000		$26,000
420-00 STATE HOSPITAL	32570	B	552000	Other Equip under $5,000	$4,038	$148,829	$24,011	$124,818	($136,617)	$12,212		$12,212		$12,212
420-00 STATE HOSPITAL	32570	B	553000	Office Equip & Furniture-Under		$663	$663		($663)					
420-00 STATE HOSPITAL	32570	B	561000	Utilities	$1,106,435	$1,109,913	$513,085	$596,828	($113,472)	$996,441		$996,441		$996,441
420-00 STATE HOSPITAL	32570	B	571000	Insurance	$92,490	$130,435	$43,506	$86,929	($25,980)	$104,455		$104,455		$104,455
420-00 STATE HOSPITAL	32570	B	581000	Rentals/Leases-Equip & Other	$23,824	$30,378	$10,323	$20,055	($11,301)	$19,077		$19,077		$19,077
420-00 STATE HOSPITAL	32570	B	582000	Rentals/Leases - Bldg/Land	$1,802	$2,500	$267	$2,233	($2,100)	$400		$400		$400
420-00 STATE HOSPITAL	32570	B	591000	Repairs	$266,305	$283,070	$105,551	$177,519	($124,724)	$158,346		$158,346		$158,346
420-00 STATE HOSPITAL	32570	B	599110	Salary Increase							$1,685,665	$1,685,665		$1,685,665
420-00 STATE HOSPITAL	32570	B	599160	Benefit Increase							$272,147	$272,147		$272,147
420-00 STATE HOSPITAL	32570	B	601000	IT - Data Processing	$1,120									
420-00 STATE HOSPITAL	32570	B	602000	IT-Communications	$249,135	$235,898	$89,619	$146,279	$35,906	$271,804		$271,804		$271,804
420-00 STATE HOSPITAL	32570	B	603000	IT Contractual Services and Re	$80	$100		$100	($100)					
420-00 STATE HOSPITAL	32570	B	611000	Professional Development	$77,909	$89,410	$88,964	$446	$7,664	$97,074		$97,074		$97,074
420-00 STATE HOSPITAL	32570	B	621000	Operating Fees and Services	$137,935	$151,518	$132,329	$19,189	($47,067)	$104,451		$104,451		$104,451
420-00 STATE HOSPITAL	32570	B	623000	Fees - Professional Services	$1,006,761	$950,475	$570,837	$379,638	$281,542	$1,232,017		$1,232,017		$1,232,017
420-00 STATE HOSPITAL	32570	B	625000	Medical, Dental and Optical	$2,286,259	$1,911,426	$1,244,434	$666,992	$674,060	$2,585,486		$2,585,486		$2,585,486
420-00 STATE HOSPITAL	32570	B	682000	Land and Buildings		$110,000		$110,000	($110,000)		$3,362,757	$3,362,757		$3,362,757
420-00 STATE HOSPITAL	32570	B	683000	Other Capital Payments	$540,400	$517,634	$313,100	$204,534	($51,243)	$466,391		$466,391		$466,391
420-00 STATE HOSPITAL	32570	B	684000	Extraordinary Repairs	$48,960	$412,600	$412,245	$355	($232,600)	$180,000	$1,153,500	$1,333,500		$1,333,500
420-00 STATE HOSPITAL	32570	B	691000	Equipment Over $5000	$19,286	$100,000	$7,227	$92,773	($66,500)	$33,500		$33,500		$33,500
					$40,208,078	$42,457,951	$21,376,908	$21,081,043	$2,451,619	$44,909,570	$7,462,168	$52,371,738		$52,371,738
420-00 STATE HOSPITAL	32570	F	F_7091	HSCs & Institutions - Gen Fund	$25,627,942	$26,777,625	$13,482,111	$13,295,514	$2,918,888	$29,696,513	$6,947,991	$36,644,504		$36,644,504
420-00 STATE HOSPITAL	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$4,429,553	$4,377,653	$2,204,080	$2,173,573	($264,233)	$4,113,420	$269,868	$4,383,288		$4,383,288
420-00 STATE HOSPITAL	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$10,150,583	$11,302,673	$5,690,717	$5,611,956	($203,036)	$11,099,637	$244,309	$11,343,946		$11,343,946
					$40,208,078	$42,457,951	$21,376,908	$21,081,043	$2,451,619	$44,909,570	$7,462,168	$52,371,738		$52,371,738

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
421-00 SH SECURED SERVICES	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	50.27	65.72		65.72	2.00	67.72	17.00	84.72	1.50	86.22
					50.27	65.72		65.72	2.00	67.72	17.00	84.72	1.50	86.22
421-00 SH SECURED SERVICES	32570	B	511000	Salaries - Permanent	$2,034,322	$3,179,007	$1,347,868	$1,831,139	$860,038	$4,039,045	$699,300	$4,738,345	$105,024	$4,843,369
421-00 SH SECURED SERVICES	32570	B	512000	Salaries-Other	$74,369	$90,451	$40,117	$50,334	$87,125	$177,576		$177,576		$177,576
421-00 SH SECURED SERVICES	32570	B	513000	Temporary Salaries	$14,778	$5,360	$5,360		$236,560	$241,920		$241,920		$241,920
421-00 SH SECURED SERVICES	32570	B	514000	Overtime	$6,030	$5,309	$5,309		$5,323	$10,632		$10,632		$10,632
421-00 SH SECURED SERVICES	32570	B	516000	Fringe Benefits	$754,408	$1,315,603	$533,666	$781,937	$352,934	$1,668,537	$575,973	$2,244,510	$62,458	$2,306,968
421-00 SH SECURED SERVICES	32570	B	521000	Travel	$2,069	$1,200	$1,047	$153	$2,300	$3,500		$3,500		$3,500
421-00 SH SECURED SERVICES	32570	B	531000	Supplies - IT Software	$916	$975		$975	$225	$1,200		$1,200		$1,200
421-00 SH SECURED SERVICES	32570	B	532000	Supply/Material-Professional	$403	$20,195	$10,095	$10,100	$4,005	$24,200		$24,200		$24,200
421-00 SH SECURED SERVICES	32570	B	533000	Food and Clothing	$43,351	$238,711	$136,393	$102,318	$232,330	$471,041		$471,041		$471,041
421-00 SH SECURED SERVICES	32570	B	534000	Bldg, Grounds, Vehicle Supply	$8,556	$31,604	$3,554	$28,050	$24,950	$56,554		$56,554		$56,554
421-00 SH SECURED SERVICES	32570	B	535000	Miscellaneous Supplies	$20,118	$17,062	$6,432	$10,630	$15,052	$32,114		$32,114		$32,114
421-00 SH SECURED SERVICES	32570	B	536000	Office Supplies	$4,344	$1,047	$184	$863	($1,000)	$47		$47		$47
421-00 SH SECURED SERVICES	32570	B	541000	Postage		$3,045	$2,728	$317	$3,588	$6,633		$6,633		$6,633
421-00 SH SECURED SERVICES	32570	B	542000	Printing	$578	$4,925	$2,133	$2,792	$9,875	$14,800		$14,800		$14,800
421-00 SH SECURED SERVICES	32570	B	552000	Other Equip under $5,000	$5,672									
421-00 SH SECURED SERVICES	32570	B	553000	Office Equip & Furniture-Under		$253	$253		$3,559	$3,812		$3,812		$3,812
421-00 SH SECURED SERVICES	32570	B	561000	Utilities		$80,087	$34,190	$45,897	$75,427	$155,514		$155,514		$155,514
421-00 SH SECURED SERVICES	32570	B	571000	Insurance		$9,412	$2,320	$7,092	$16,037	$25,449		$25,449		$25,449
421-00 SH SECURED SERVICES	32570	B	581000	Rentals/Leases-Equip & Other		$755		$755	($755)					
421-00 SH SECURED SERVICES	32570	B	591000	Repairs	$1,432	$15,930	$5,898	$10,032	$12,391	$28,321		$28,321		$28,321
421-00 SH SECURED SERVICES	32570	B	599110	Salary Increase							$263,231	$263,231		$263,231
421-00 SH SECURED SERVICES	32570	B	599160	Benefit Increase							$42,548	$42,548		$42,548
421-00 SH SECURED SERVICES	32570	B	602000	IT-Communications		$9,288	$6,412	$2,876	$10,798	$20,086		$20,086		$20,086
421-00 SH SECURED SERVICES	32570	B	611000	Professional Development		$10,520	$260	$10,260	($10,520)					
421-00 SH SECURED SERVICES	32570	B	621000	Operating Fees and Services	$2,335	$20,096	$1,194	$18,902	$16,399	$36,495		$36,495		$36,495
421-00 SH SECURED SERVICES	32570	B	623000	Fees - Professional Services	$62,774	$36,000	$35,532	$468	$235,131	$271,131		$271,131		$271,131
421-00 SH SECURED SERVICES	32570	B	625000	Medical, Dental and Optical	$114	$362,385	$101,284	$261,101	$48,503	$410,888		$410,888		$410,888
421-00 SH SECURED SERVICES	32570	B	682000	Land and Buildings							$3,100,000	$3,100,000		$3,100,000
421-00 SH SECURED SERVICES	32570	B	699000	Operating Budget Adjustment							$206,837	$206,837		$206,837
					$3,036,569	$5,459,220	$2,282,229	$3,176,991	$2,240,275	$7,699,495	$4,887,889	$12,587,384	$167,482	$12,754,866
421-00 SH SECURED SERVICES	32570	F	F_7091	HSCs & Institutions - Gen Fund	$3,036,569	$5,459,220	$2,282,229	$3,176,991	$2,082,740	$7,541,960	$4,884,348	$12,426,308	$167,482	$12,593,790
421-00 SH SECURED SERVICES	32570	F	F_7093	HSCs & Institutions - Oth Fnds					$157,535	$157,535	$3,541	$161,076		$161,076
					$3,036,569	$5,459,220	$2,282,229	$3,176,991	$2,240,275	$7,699,495	$4,887,889	$12,587,384	$167,482	$12,754,866

The Situation

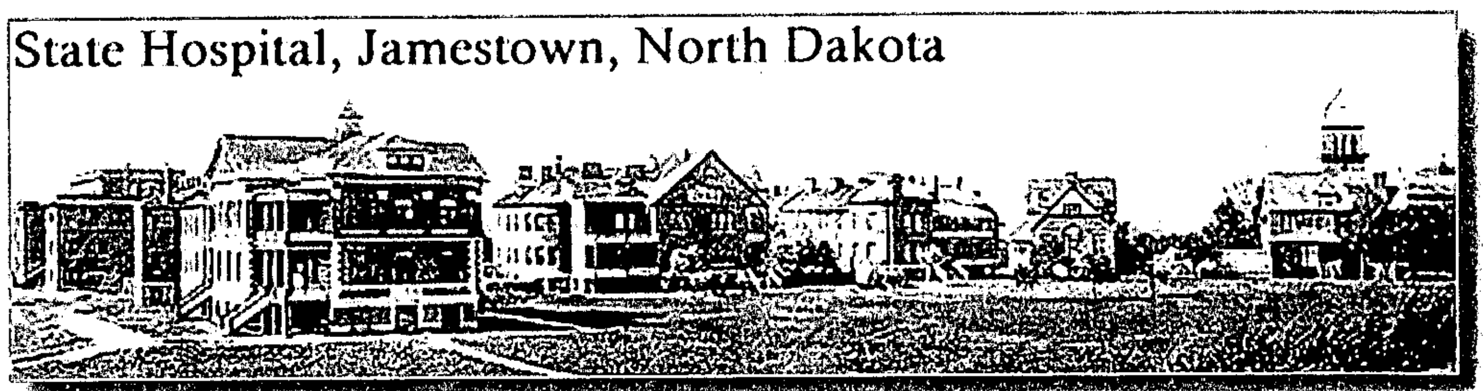
Authorized by the Dakota Territorial Legislature in 1883, the North Dakota State Hospital at Jamestown opened its doors on May 1, 1885 (1. Cole, 10-24-1999). Through the years, the hospital has provided numerous mental health services to countless citizens of our state. Today, the hospital is a part of the North Dakota Department of Human Services, which has the stated mission: "To provide quality, efficient, and effective human services, which improve the lives of people."

The current electrical distribution system has the potential to compromise the safety of our patients and building occupants. Therefore, the State Hospital requires the replacement of the existing underground, medium voltage, electrical distribution cable that supplies power to all of the buildings on the North Dakota State Hospital Campus including the Department of Corrections Buildings.

The current situation is as follows:

- The existing underground, medium voltage, electrical distribution cable is twenty-two (22) years old; is in poor condition; is unreliable; and needs to be replaced.
  - The electrical cable of this type and age has a history of failure due to the insulation breaking down.
- The failure of a single, existing electrical distribution cable has the potential to cause the long term loss of power to the entire campus including the North Dakota Department of Corrections Buildings.

To continue this emphasis on patient care and the safety of building occupants, the North Dakota State Hospital is requesting funds for the replacement of the existing electrical system cable.



Janelle; The Forum, 10/24/1999

The Solution

The North Dakota State Hospital is taking steps to rectify the situation and ensure an uninterrupted power supply for the proper care of our patients and occupants. We propose the following solution:

- The installation of new underground, medium voltage electrical distribution cable.
  - The project would include the installation of transformers, primary switches, conduit, and approximately 50,000 feet of medium voltage electrical distribution cable.
  - The medium voltage cable would be installed in a loop configuration so that the failure of any single cable would not cause a long term outage to any building.

The Benefit

[illegible]e installation of new underground, medium voltage, electrical distribution cable would drastically [illegible]educe the possibility of an extended power outage to the campus buildings and would greatly increase the reliability of the campus electrical distribution system.

In performing this project, the campus distribution system voltage would also be upgraded from 4,160 volts to 12,470 volts. This upgrade will provide the following benefits:

- Allow for future growth of the campus electrical load.
- Allow for the elimination of the existing campus substation; which will reduce future maintenance and replacement costs.
- 12,470 volts is a much more common distribution system voltage.
- 4,160 volts is being eliminated as a distribution system voltage throughout the country.

Although there are numerous benefits to this project, the primary purpose is to have the power system to maintain our high standard of care. A reliable electrical distribution system is critical to the state hospital in order to maintain a safe facility and to provide a high standard of care. We have studied the situation closely and believe this is the best solution possible.

Funding Request for:

Medium Voltage Electrical Distribution
Cable Replacement Project

NORTH DAKOTA STATE HOSPITAL TRADITIONAL SERVICES
CAPITAL IMPROVEMENTS AND EXTRAORDINARY REPAIRS
2007-09 BUDGET REQUEST

PROJECT	CAP IMP	EXTRAORDINARY REPAIRS
Phase II of Electrical Service Replacemnt	2,498,757	
Resurface streets and parking lots	614,000	
New lift station to eliminate ventilation problems, with sewer line connected to Jamestown sewer system and abandon sewage lagoon	250,000	
TL BUILDING		
Siding and windows for TL houses		45,000
SWIMMING POOL		
Replace water heater		20,000
Install heating coil with multi zone unit		2,500
PLUMBING SYSTEMS		
Replace two main water shut off valves		18,000
Replace 2 fire hydrants		18,000
Replace two manholes		36,000
Overhaul Chillers (must be done every 5 years)		19,000
Repair storm sewer by TL houses		35,000
HEATING PLANT		
Replace 4" AND 6" water lineS from Heating Plant to JRCC		20,000
Repair the rear wall refractory for coal boiler		33,500
Repairs and Overhaul of coal boiler Diamond Power soot blowers, manual and automatic		10,000
Repair the 18 coal unloading doors in the coal bunker		53,000
Replace rotating grate bars and chains for coal boiler		40,000
Install water cooling and recycling system on coal boiler's water cooled bearings		15,000
Roof Repairs - Heating Plant		75,000
Replace existing boiler feedwater pumps #1 and #2 with a new Grundfos vertical multistage pump (30 HP) with a variable speed drive		38,000
Replace feed water control valve on boiler #1		7,500
Purchase a new fuel oil pump to replace obsolete pumps #1 and #2		13,500
Remove underground fuel oil tank no longer in service		20,000
Electrical switch gear ventilation/isolation		25,000
TOMPKINS BUILDING		
Replace condensate pump		4,500
EMPLOYEES' BUILDING		
Replace windows - Employees' Building		120,000
Electrical service upgrade - Employees' Building		40,000
Plumbing service upgrade - Employees' Building		75,000
LAHAUG BUILDING		
Roof repair and replacement		60,000
Lahaug sewer piping replacement		30,000
Replace obsolete sprinkler heads on one floor		15,000
Install new temperature controls		20,000
Install new humidity controls		15,000

NORTH DAKOTA STATE HOSPITAL TRADITIONAL SERVICES
CAPITAL IMPROVEMENTS AND EXTRAORDINARY REPAIRS
2007-09 BUDGET REQUEST

PROJECT	CAP IMP	EXTRAORDINARY REPAIRS
NEW HORIZONS		
Replace water fountain and toilet drains		7,500
16 WEST BUILDING		
Roof Replacement - 16 West		180,000
Elevator Repair - 16 West		90,000
Asbestos Survey - 16 West		5,000
Asbestos Abatement - 16 West		50,000
Water main replacement - 16 West		22,500
Electrical service upgrade - 16 West		20,000
Repair Heating System - 16 West		15,000
Best Locks - 16 West (one floor)		20,000
TOTAL CAPITAL IMPROVEMENTS BUDGET REQUEST--->	**$ 3,362,757**	**$ 1,333,500**

OTHER CAPITAL PAYMENTS	
Bond Payments	**$ 466,391**
EQUIPMENT OVER $5,000	
Film Processor for X-Ray Department	20,000
EKG Machine for X-Ray Department	13,500

NORTH DAKOTA STATE HOSPITAL SECURE SERVICES
CAPITAL IMPROVEMENTS AND EXTRAORDINARY REPAIRS
2007-09 BUDGET REQUEST

PROJECT	CAP IMP
Estimated cost of 9,000 TO 10,000 sq. ft. very secure addition to the GM Building is $3,100,000 estimate from Joel Leapaldt	$ 3,100,000

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
REPAIRS EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
591000	591005	Electrical Service	40,000	17,263	25,000	Needed additional outside electricians in 2005-07 for CMS plan of correction
591000	591010	Elevator Maintenance Contract	22,200	11,333	21,312	Otis Elecvator Company
591000	591015	Heat/Air Conditioning Service	10,000	5,562	9,622	Chiller Systems maintenance
591000	591030	Plumbing Service	20,000	7,866	10,000	Needed additional outside plumbers in 2005-07 for CMS plan of correction
591000	591050	Repair Bldg and Grounds	114,870	28,757	30,472	Painting, flooring, New Horizons roof, CMS plan of correction and pool repairs in 2005-07
591000	591060	Repair Equipment - Office	6,000	4,533	2,322	Copiers, fax machines and 2 way radios
591000	591065	Repair Equipment - Other	10,000	5,654	6,028	Repair and maintenance of fork lift, custodial machines, x-ray equipment
591000	591120	Service Contract - Office Equipment	60,000	24,583	53,590	Mailing machine, copiers, Vitros 150 Analyzer(lab)
		TOTAL REPAIRS	**$ 283,070**	**$ 105,551**	**$ 158,346**	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
MEDICAL, DENTAL & OPTICAL EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
625000	625010	Dental Supplies	1,850	1,272	2,063	Dentist from DC every 3 weeks
625000	625015	Drugs - Regular	500,000	272,807	580,515	Drugs to treat medical conditions
625000	625020	Drugs - Tranquilizers	1,009,576	684,813	1,453,459	Drugs to treat psychiatris conditions
625000	625025	Lab Supplies	350,000	254,629	485,866	Reagents, test tubes etc.
625000	625055	Surgical Supplies	50,000	30,912	63,583	All medical supplies for Central Service
		TOTAL MEDICAL, DENTAL, OPTICAL	**$ 1,911,426**	**$ 1,244,434**	**$ 2,585,486**	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
FOOD AND CLOTHING EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
533000	533010	Clothing	15,000	5,425	14,700	Patient clothing from Volunteers
533000	533020	Dry Goods	80,250	50,530	136,860	Sheets, towels, paint brushes, cling wrap, aluminum foil, plastic silverware
533000	533025	Food Supplies	564,435	97,386	740,001	Meals from DOCR @ $2.53 first year and $2.68 plus paper products
533000	533030	Groceries	50,600	22,247	54,000	Gobbler and TL
533000	533035	Incontinent Briefs	13,000	17,230	16,500	Number of patients needing briefs varies
533000	533055	Safety Clothing	6,300	2,545	9,500	Gloves for medical, nursing, lab etc., work gloves, protective goggles
		TOTAL FOOD AND CLOTHING	$ 729,585	$ 195,364	$ 971,561	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
PROFESSIONAL FEES EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
623000	623010	Architects	-	61,979	-	Architects for construction projects in 2005-07 biennium
623000	623055	Engineers	3,000	5,548	5,000	Engineers needed for plumbing and sewer projects throughout campus
623000	623100	Legal Services	72,000	63,212	92,950	Guardianships, independent evaluations, mental health hearings, appeals
623000	623130	Management/Consulting	30,000	23,638	29,927	Betty Patterson-pharmacy, medical equip. maintenance, pharmacy contract for TL, Joint Commission
623000	623140	Medical Including Hospital	-	3,360	-	Emergency hospital care
623000	623160	Outside Doc & Hosp Service	245,475	132,681	430,490	Employee drug tests, reference lab, EEG reading, radiologist, physical therapy, Dakota Clinc, podiatry, Dr. Haake
623000	623175	Professionals Not Classified	600,000	280,420	673,650	Progress Enterprises ($600,000), chaplaincy intern, HIV testing, independen psychological evaluations
		TOTAL FEES-PREFESSIONAL SERVICES	**$ 950,475**	**$ 570,837**	**$ 1,232,017**	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
OPERATING FEES AND SERVICES EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
621000	621020	Advertising	30,000	31,987	20,100	Staff recruitment
621000	621060	Awards, Rewards, Prizes	25,000	15,360	17,420	Gift certificates, plaques for length of service
621000	621135	Extermination Services	10,000	8,200	8,850	Pest control
621000	621150	Freight & Express	35,518	40,369	20,100	Freight on all supplies and equipment received
621000	621170	Hazardous Waste Collection	5,000	2,883	2,500	Disposal of medical waste
621000	621285	Licenses and Taxes	32,000	25,252	25,796	City special assessments, pharmacy license, medication assistant licenses
621000	621340	Patient and Inmate Allowance	8,000	4,870	6,000	For children and adolescents
621000	621415	Research Fees	6,000	3,408	3,685	Background checks
		TOTAL OPERATING FEES	**$151,518**	**$132,329**	**$ 104,451**	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
OFFICE SUPPLIES EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
536000	536015	Office Supplies	65,000	48,230	75,200	Office supplies increase due to increased census
536000	536035	Resale Supplies	125,350	96,645	150,000	Resale Supplies for Gobbler
		TOTAL OFFICE SUPPLIES	$ 190,350	$ 144,875	$ 225,200	

NORTH DAKOTA STATE HOSPITAL
TRADITIONAL SERVICES
MISCELLANEOUS EXPENSES DETAIL
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
535000	535005	Art & Craft Supplies	4,300	6,530	30,240	Includes $20,000 for wood for Work Activity to build furniture
535000	535010	Dishes and Silverware	950	9,679	9,500	2005-07 one time expenses for Crossroads and move of TRC
535000	535015	Equipment Under $750	3,900	32,924	22,822	2005-07 one time expenses for Crossroads and move of TRC
535000	535020	Expendable Tools	10,000	5,982	21,000	Tools needed primarily for Plant Services
535000	535030	Health & Beauty Supplies	49,920	20,038	56,450	Increasing patient census
535000	535035	Laundry Supplies	21,390	11,234	18,800	Patient clothes are washed on the ward by patients or staff, linens and towels are washed by JRCC
535000	535065	Recreational Supply	9,000	6,235	9,950	Increasing patient census
535000	535085	Supplies Not Classified		74	-	Not budgeted
535000		**TOTAL MISCELLANEOUS**	**$ 99,460**	**$ 92,695**	**$ 168,762**	

Senate Bill 2012 – Department of Human Services
House Appropriations Human Resources Division
Representative Pollert, Chairman
February 23, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Alex C. Schweitzer, Superintendent of the North Dakota State Hospital and Developmental Center of the Department of Human Services. I am here today to provide you with an overview of the North Dakota State Hospital and North Dakota Developmental Center.

North Dakota State Hospital Programs:

The North Dakota State Hospital provides short-term inpatient and long-term residential psychiatric, forensic and chemical addiction services for adults. Within this group of adult patients are inmates referred from the Department of Corrections for residential addiction services.

The State Hospital provides inpatient services for children and adolescents with serious emotional disorders and substance abuse problems. The Jamestown School system provides educational services to the child and adolescent population on the grounds of the State Hospital.

The above-mentioned patients are considered to be the traditional patient population of the hospital.

The hospital also provides inpatient evaluation and treatment services for sexually dangerous individuals. This group of patients are housed and treated in the secure services unit of the hospital.

The hospital also provides psychiatric, medical and pharmacy services under a contract with the James River Correctional Center.

North Dakota State Hospital Census:

The North Dakota State Hospital admissions and average daily census data for the period from July 1, 2005 to December 1, 2006 is outlined in Attachment A.

The State Hospital operates 284 beds.

The hospital utilizes ninety (90) of these beds to provide addiction services to offenders referred by the Department of Corrections and Rehabilitation, comprised of the 60 male and 30 female offenders. These beds for the time period July 1, 2005 to December 1, 2006 were occupied at 92%.

The hospital operates 62 beds in the sex offender unit, and we have current occupancy of 58 patients. This program continues to show sustained growth in admissions.

The current number of offenders and level of commitment status is outlined in Attachment B.

The remaining 132 beds are in the inpatient and residential services unit where the hospital treats adults, children and adolescents with serious and persistent mental illness, serious emotional disorders and chemical addiction. The inpatient and residential services unit has been fully occupied for the past two years, with occupancy often running over 100%. The hospital has increased the capacity of the inpatient and residential services unit by 8 beds in the current biennium to deal with this increased occupancy. The reasons for the high occupancy are the admission of first time patients, increased acuity from community admissions and the need for treatment because of the increased use and abuse of drugs, specifically methamphetamine.

The current budget request for the State Hospital is for a total capacity of 300 patients. The breakdown by program includes; 90 beds in the Tompkins Rehabilitation Center, with 60 men and 30 women, 82 beds in the Secure Services Unit (sex offender program) and 132 beds in the traditional services program. The sex offender program would increase by 20 beds in this budget request.

Major Program Changes/Trends:

- High occupancy in the traditional services program for adults.

- The trend continues toward reduced third party reimbursement and more indigent clients served at the hospital.

- A recently completed two-year study of the Tompkins Rehabilitation and Corrections Center indicates a sixty percent (60%) improvement in life domains for patients when comparing discharge to two years post-discharge from the program.

- The hospital plans to transition 15 individuals with serious and persistent mental illness from the State Hospital to a transitional living facility in Jamestown by April of 2007.

- The increase of 20 beds in this budget request for the sex offender program to bring capacity from 62 to 82 beds and three units to four units.

- The construction of a one story building addition on the GM Building to allow for the containment of high risk sex offenders.

- The Senate passed SB 2136, as amended, which maintains control of the Sex Offender program located at the State Hospital with the Department of Human Services. The bill requires the Department of Human Services to reach an agreement with the Department of Corrections and Rehabilitation for safety and security services that includes the training of staff.

Overview of Budget Changes:

Traditional Services:

Description	2005-2007 Budget	Increase/ Decrease	2007-2009 Budget	Senate Change	To House
Institutions	42,807,951	9,563,787	52,371,738	-	52,371,738
General Funds	27,127,625	9,516,879	36,644,504	-	36,644,504
Federal Funds	4,377,653	5,635	4,383,288	-	4,383,288
Other Funds	11,302,673	41,273	11,343,946	-	11,343,946
Total	42,807,951	9,563,787	52,371,738	-	52,371,738
FTE	380.29	-	380.29	-	380.29

Budget Changes from Current Budget to Executive Budget:

- Salary and benefit increase of $2,945,911 total funds, with general funds increase of $2,431,734 to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase in health insurance).

- Other increases in salaries due to: $657,288 under funding of 2005 -2007 salaries, $758,174 transfers of salaries budget to operating and capital improvements, $67,976 for 1 FTE from the Developmental Center, $536,283 on 1/1/06 for market increases for mental health care specialists, cost to continue 2005-2007 4% salary increase into 2007-09 of $482,762, and $511,610 for

workload adjustments and higher starting salaries for nursing and medical staff due to market pressures, for a total of $3,014,093. The 2007-2009 budget request includes $1,059,046 under funding of salaries to cover salary roll-up.

- Operating costs increase of $956,915 is due to high patient occupancy and need for more medications and medical supplies.

- Capital improvements increase includes; major capital improvements of $2,498,757 for Phase II of Electrical Service Replacement, $614,000 for resurfacing of streets and parking lots and $250,000 for a new lift station for a total of $3,362,757. There is a decrease of $460,000 from the 2005-2007 budget to the 2007-2009 recommendation for emergency generator and water tower repairs. The net increase in the 2007-2009 budget recommendation for capital improvements is $2,902,757.

- Extraordinary repairs of $1,153,500 include infrastructure repairs of utility systems, roof and window replacements and heating plant repairs. There is a decrease of $232,600 from the 2005-2007 budget to the 2007-2009 budget recommendation. The net increase for extraordinary repairs is $920,900.

- Bond payment is a decrease of $51,243 in the 2007-2009 budget recommendation. Final bond payments are scheduled for the 2009-2011 biennium.

- There is a decrease of $66,500 in equipment over $5,000 in the 2007-2009 budget recommendation.

Senate Changes:

The Senate made no changes to the State Hospital's Traditional Services budget.

Secure Services:

Description	2005-2007 Budget	Increase/ Decrease	2007-2009 Budget	Senate Changes	To House
Institutions	5,459,220	7,128,164	12,587,384	167,482	12,754,866
General Funds	5,459,220	6,967,088	12,426,308	167,482	12,593,790
Federal Funds		-			-
Other Funds		161,076	161,076		161,076
Total	5,459,220	7,128,164	12,587,384	167,482	12,754,866
FTE	65.72	19.00	84.72	1.50	86.22

Budget Changes from Current Budget to Executive Budget:

- Salary and benefit increase of $521,700 total funds, with general funds increase of $518,159 to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase in health insurance).

- Other increases in salaries due to 19 FTEs for third unit added in 2006 of $1,302,540, market increase of $163,216 for mental health care specialists on 1/1/06, 2 FTEs added for 2007-09 biennium for $157, 528, 1 FTE transferred from the Developmental Center of $175,842, less $257,146 for nursing staff transferred to inpatient programs, for a total of $1,541,980.

- Operating costs increase of $698,295 due to higher patient occupancy, the third ward and security upgrades for the building.

- Projected fourth unit would add an additional 20 beds and 17 FTEs. Salaries $1,059,352, Operating $206,837 and Total General Funds $1,266,189.

- Capital improvements of $3,100,000 for addition to the GM Building for a high security treatment unit.

- Other funds increase of $161,076 because a small number of patients have third party payors or private funds for payment.

- Total FTE increase by 19 in the secure services, which increases the State Hospital total from 446.01 to 465.01.

Senate Changes:

- Increase of 1.50 FTE and $167,482 in general funds for increased security in the sex offender unit.

North Dakota Developmental Center Programs:

The Developmental Center provides services for individuals with developmental disabilities. The program includes residential services, work and day activity services, clinical and medical services and evaluation and consultation services.

The Developmental Center continues its efforts on an outreach program to assist the community with crisis evaluation and consultation to prevent admission to the Developmental Center.

Residential Services at the Developmental Center includes:

- Secure Services Unit – this unit is for individuals with developmentally disabilities who have sex offending behaviors and for other individuals from the campus that require a more secure living environment. These individuals require long-term care.

- Medical Unit – for individuals with developmental disabilities who are totally dependent on staff to complete daily cares and have medical concerns that require nursing staff accessibility 24 hours per day. Also, in this area are a small number of individuals diagnosed with profound mental retardation and dual sensory disabilities (vision and hearing). These individuals require long-term care.

- Behavioral Care Unit – these individuals with developmental disabilities present with psychiatric diagnoses and significant challenging behaviors. Some of these individuals may also have less severe medical needs.

North Dakota Developmental Center (NDDC) Census:

See Attachment C., for the census data for the Center for the period of 1997 through December 2006. The facility currently has resources for occupancy of 130 individuals.

Major Program Changes/Trends:

- The One Center (NDSH/NDDC) shares ten (10) senior and middle management positions.

- Transition task force working on reducing the population of the Developmental Center with appropriate placements into community settings. July 1, 2007 goal is 127 individuals residing at the Center and July of 2009 goal of 117 individuals.

- The NDDC Outreach Team has prevented admissions of people with developmental disabilities to both the North Dakota Developmental Center and State Hospital.

- The facility continues to experience a staffing shortage in the direct care staff, which has lead to reallocation of human resources.

Developmental Center:

Description	2005-2007 Budget	Increase/ Decrease	2007-2009 Budget	Senate Changes	To House
Institutions	42,425,282	6,031,330	48,456,612	-	48,456,612
General Funds	11,625,706	3,587,216	15,212,922	-	15,212,922
Federal Funds	27,850,053	1,391,031	29,241,084	-	29,241,084
Other Funds	2,949,523	1,053,083	4,002,606	-	4,002,606
Total	42,425,282	6,031,330	48,456,612	-	48,456,612
FTE	449.54	-	449.54	-	449.54

Budget Changes from Current Budget to Executive Budget:

- Salary and benefit increase of $3,055,001 (General funds of $1,043,196) to cover the Governor's budget recommendation for employee salary increase of 4% and 4% and benefit increases (increase health insurance).

- Additional increases in the salary area totaling $897,967 (General funds of $281,187) to fully fund the pay plan are composed of the $724,930 under funding in the 05-07 biennium and the balance is a result of critical market equity increases to recruit and retain staff in hard-to-fill classifications, and to meet staff to client ratios. The 2007-2009 budget request includes $1,047,908 under funding of salaries to cover salary roll-up.

- Operating costs increase of $1,502,656 (General funds of $469,016) is due to increases in utilities (freight and coal costs), travel costs (increased fuel cost), and medication costs.

- Medical, clinical and business equipment at a cost of $92,640 (General funds of $80,782) less reduction of $8,500 from the current budget, for a net increase of $84,140.

- The bond payments decreased by $58,726 (General funds of $58,726) per repayment schedule. Final bond payments are scheduled for the 2009-11 biennium.

- Increase of $1,598,200 (General funds of $1,547,092) for roof, building and grounds capital improvements and extraordinary repairs.

- Federal Funds increase of $1,391,031 because of operating expense increase and salary and benefit increase.

- Other Funds increase of $1,053,083 primarily because of additional revenue from Medicare Part D.

- No increase in FTE at the Developmental Center for this biennial period.

Senate Changes:

The Senate made no changes to the Developmental Center's budget.

Thank you. I would be glad to answer any questions about the budget request for the North Dakota State Hospital and North Dakota Developmental Center.

Discussion of Capacity, Multiple Admissions and Recidivism
North Dakota State Hospital
March 3, 2007

The State Hospital inpatient and residential services unit has been fully occupied for the past three years, with occupancy often running over 100%. The hospital has increase the capacity of the inpatient and residential services unit by 8 beds in the current biennium to deal with this increased occupancy. The reasons for the high occupancy are first time admissions, increased acuity from community admissions and the need for treatment because of increased use and abuse of drugs, specifically methamphetamine.

The State Hospital contracts with NASMHPD Research Institute (NRI) for analysis of selected performance measures/outcomes. One the hospital's performance measures is the 30-day readmission rate, which is an analysis of the percent of admissions to the facility that occurred within 30 days of a previous discharge of the same client from the same facility. In analyzing the NRI statistics for the State Hospital for the period of 1999 – 2006, the hospital has a 30-day readmission rate of 8%. The national rate for health care organizations that measure 30-day readmissions is the same over this time period.

The State Hospital also tracks first time admissions and multiple admissions by diagnosis. The following tables outline the data for admissions to the hospital, excluding the Tompkins Program and Sex Offender Program;

Admission Diagnosis:

Table 1:

Diagnosis (Axis I)	Rank
Alcohol Dependence	#1
Amphetamine Dependence	#2
Depressive Disorder	#3
Cannabis Dependence	#4
Psychotic Disorder	#5
Bipolar Disorder	#6
Alcohol Abuse	#7

First Time Admissions 2004 – 2006:

Table 2:

First Time Admissions	2004	2005	2006
Annual Percentage (%)	41%	34%	34%

Multiple Admissions 2004 – 2006:

Table 3:

Multiple Admissions	2004	2005	2006
Annual Average Admission	3.75	3.75	3.8

Admissions 11 and Above 2004 – 2006:

Table 4:

Year	2004	2005	2006
Annual Percentage	7%	9%	10%

Conclusion:

The State Hospital's 30-day readmission is within national norms for the time period of 1999 – 2006.

Four of the top seven admission diagnoses for the State Hospital are related to chemical substance abuse/dependence. Of course the hospital also admits several patients that are dual diagnosed, mental illness and substance abuse.

First time admissions have increased in the last few years and much of this has to do with substance abuse, including methamphetamine abuse.

Multiple admissions are not significantly high, at an average of 3.75 – 3.8 over the last three years. Admissions of patients 11 or more times range from 7% to 10% of total admissions. The hospital has some patients that have significant admissions, but nothing out of the ordinary in these statistics.

ND Developmental Center

January 2007

Superintendent of
DHS Institutions
Alex C. Schweitzer

Finance
Ken Schulz, CFO (9)

Plant Operations Director
Mark Lindsey (17)

Director of Finance
Carol Ebertowski

Mary Beth Wilson
Professional
Development (2.2)

QMS - Joanne
Lizakowski
(2)

Risk Management/
Workers Comp.
Karen Linstad
(1)

Human Resources
Lyle Grove,
Director (7.3)

Administrative Assistant
Karla Bachmeier

Assistant Superintendent
Sue Foerster

Residential Services
Sue Foester
(234.69)

Residential Services
Maplewood
Cedar Grove
STOP

Clinical
Program Director
Dr. Paul Kolstoe (4.2)

Health Services
Gloria Gebur
(91.35)

Health Services
HSC
CDT
NH

Dakota East
Dan Kohler
(47.8)

Auxiliary/Support Services

Dietary
Lori Fingarson, Directror
(33)

See also heading "State Hospital"

DEVELOPMENTAL CENTER
EQUIPMENT REQUEST
2007-2009 BIENNIUM

Department #	Department Name	Item	Cost Total	Comments
9706	Nursing Adminstration	Copy Machine	$ 5,900	
9707	Dental	Dental Chairs	$ 20,000	Current chairs are over 20 years old.
9712	Adaptive Equipment Services	Seating Simulator	$ 6,000	We currently have one of these, it's about 10 years old. It is an asessment tool for designing and building a molded seating system (it is a wheelchair with latex bags full of foam pellets -- you sit someone in it and use a vacuum to get the air out and the latex bags form around the person -- then you make a plaster mold -- make a seating system from the mold.
9712	Adaptive Equipment Services	Wheelchair frames	$ 7,200	
9712	Adaptive Equipment Services	Pressure mapping system	$ 8,000	A computerized mapping of a person's seat -- you get a three-dimensional picture of pressure points. Why important -- improves seating to prevent skin breakdown.
9713	Clinical Services	GPS tracking units	$ 9,000	To track people who are at high risk of elopement.
9767	Human Resources	Copy Machine	$ 5,195	Our copy machines experience high useage--they will be 6 years old in June, 2007.
9802	Clerical Services	Copy Machine	$ 12,950	
9816	New Horizons Administration	Copy Machine	$ 5,195	
9825	Maplewood Administration	Copy Machine	$ 6,600	
9835	Cedar Grove Administration	Copy Machine	$ 6,600	
			$ 92,640	

NORTH DAKOTA DEVELOPMENTAL CENTER
CAPITAL IMPROVEMENTS AND EXTRAORDINARY REPAIRS
2007-09 BUDGET REQUEST

PROJECT	CAP IMP	EXTRAORDINARY REPAIRS
ROOF REPLACEMENTS		
Central Receiving – this roof has been patched a couple of times in the past 7 years. This is a rubber roof that has shrunk and has a very good potential for failure. This roof last replaced in 1985. There are leaks in the Central Receiving office area.	90,000	
Vehicle Maintenance/Carpenter Shop – this roof is the original roof for this building. It was installed in 1984. It has pasted its life expectancy. There are a couple of small leaks in the garage area.	75,000	
Power House - there are 2 roof sections that are over 20 years old. These areas cover the electrical distribution and boiler systems for the campus.	48,000	
Collette Gym – this roof has reached its life expectancy and should be replaced before there is a failure.	48,000	
Cedar Grove – this building has a roof leak in the office area. An attempt to patch this area failed and there still are times when this roof leaks. To alleviate the problem the entire roof should be replaced on the commons area now and the living areas.	135,000	
FLOORING REPLACEMENTS		
There are many areas of campus that need flooring replacement. Carpeting and linoleum.	120,000	80,000
The tiles are coming loose in the Collette Gym. Every time the floor is scrubbed at least 50 tiles need to be glued down. The tiles are starting to break. The tiles are made up of 9 x 9 tile that is no longer available.	25,000	
PT POOL		
Replace pumps (2) in therapeutic pool	6,200	
CHAPEL		
Replace masonite siding with steel siding	12,000	
CABINETS AND COUNTERTOPS		
The kitchen and laundry rooms of New Horizons, Maplewood and Cedar Grove are in bad shape. The counter tops are chipped, cracked and many of the cabinets have swelled due to water damage.	10,000	20,000
PARKING LOTS AND ROADS		
Seal black top parking lots to increase life expectancy. Many of the parking lots have wide cracks in them which let water in and increase the potential for damage.	50,000	
SIDEWALKS		
This is an area that needs ongoing attention. With frost heaves and general wear there should be a rotation of sidewalk replacement to keep them in good condition.	5,000	
COLLETTE POOL		

The Collette pool filtration system is in need of repair. The underground tanks are leaking. We did a temporary patch on them 10 years ago. The walls of the tank are so thin that we are using wood blocks to prop up the filters.	55,000	
STEAM DISTRIBUTION SYSTEM		
There are a few areas of the steam distribution system that are direct buried. There have been leaks in this system in the past and the section of the piping needs to be replaced.	100,000	210,000
CHILL WATER SYSTEM		
There are a few areas of the chill water piping system that are direct buried. There have been a few leaks in this system in the past 10 years. This project should coincide with the steam line replacement, as the two systems are located in the same trench.	50,000	112,000
Overhaul of chillers required every 5 years.	19,000	
TUNNELS		
Repair cracks and eliminate water leaks.	25,000	
HEATING PLANT		
Replace electrical panel.	120,000	
GREENHOUSE SHOP		
The floor is pitted and hard to keep clean. This area is used for the can crushing workstation and has a problem with pest control due to the type of construction.	5,000	65,000
HVAC REPAIRS		
Repairs on air handlers, ductwork, univent heaters, coils, air handler motors and dampers on campus. We have done some repairs with the energy upgrade project but there is still a lot of equipment on campus that could need repairs in the upcoming years.		29,000
DOOR REPLACEMENT		
There is an ongoing need to replace doors on campus that get damaged or required replacement due to life safety code changes.		24,000
There are several overhead doors on campus that should be replaced because they have been damaged and they were just repaired.		15,000
BATHROOM STALL DIVIDERS		
There are many of the stall dividers on campus that have rusted out and should be replaced. This is an infection control issue as the rusted area cannot be kept as clean as smooth surface areas.		21,000
APPLIANCES		24,000
Replacement appliances used in all living areas on campus.		
TOTAL CAPITAL IMPROVEMENTS BUDGET REQUEST--->	**998,200**	**$ 600,000**

Funding	Capital		Ext. Repairs
General	947,092	$	600,000
Federal	51,108	$	-
	998,200	$	600,000

OTHER CAPITAL PAYMENTS	
BOND PAYMENTS---->	**534,505**

	Funding
General	534,505

EQUIPMENT OVER $5,000	
TOTAL EQUIPMENT OVER $5,000--->	92,640

	Funding
General	80,782
Federal	11,858
	92,640

Total Capital, Extraordinary Repairs, Bond and Equipment	Funding
General	2,162,379
Federal	62,966
Total	2,225,345

NORTH DAKOTA DEVELOPMENTAL CENTER
REPAIRS
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
591000	591010	Elevator Maintenance Contract	$ 40,000	$ 20,913	$ 40,000	Otis Elevator contract
591000	591015	Heat/Air Condition Service	$ -	$ 60	$ -	
591000	591030	Plumbing Service	$ 1,000	$ 600	$ 1,000	Occasional need to utilize outside service
591000	591050	Repair Building & Grounds	$ 80,096	$ 58,128	$ 115,000	More repairs needed -- no capital improvement $'s for two biennia
591000	591060	Repair Equipment-Office	$ 1,000	$ 255	$ 1,000	
591000	591065	Repair Equipment-Other	$ 40,000	$ 19,047	$ 40,000	Grounds equipment (Hanson's charges $75 per hour)
591000	591115	Repairs-Higher Ed.	$ -	$ 761	$ -	
591000	591120	Service Contract-Office Equip	$ 10,000	$ 12,666	$ 18,000	Copier machines are dated
591000	591125	Service Contract-Other	$ 120,000	$ 64,223	$ 125,425	Forklift maintenance, fire supression & fire alarm systems, Chillers service agreement, large part is for lab equipment ($40,000 per biennium)
591000		**TOTAL REPAIRS**	**$ 292,096**	**$ 176,653**	**$ 340,425**	

NORTH DAKOTA DEVELOPMENTAL CENTER
OPERATING FEES AND SERVICES
2007-09 BIENNIUM BUDGET

SUMMARY ACCOUNT	DETAIL ACCOUNT	DESCRIPTION	2005-07 BUDGET	ACTUAL 7/05-6/06	2007-09 BUDGET	COMMENTS
621000	621020	Advertising Services	$ 8,000	$ 7,530	$ 16,500	Help wanted ads in areas newpapers
621000	621060	Awards, Rewards, Prizes	$ 13,000	$ 13,009	$ 26,000	Years of service awards
621000	621135	Extermination Service	$ 4,000	$ 4,606	$ 9,000	Pest elimination
621000	621145	Film Processing	$ 500	$ 571	$ 1,000	Film processing
621000	621150	Freight & Express	$ 19,500	$ 18,325	$ 38,000	All freight -- not including coal
621000	621165	Guardian Ad Litem Fees	$ 60,000	$ 44,743	$ -	Will be in Fiscal (DHS) budget
621000	621170	Hazardous Waste Collection	$ 18,000	$ 20,927	$ 46,400	Will be higher due to increased fuel costs
621000	621275	Laundry & Dry Cleaning	$ 100	$ 40	$ 100	Dry cleaning
621000	621285	Licenses & Taxes	$ 1,997,737	$ 1,306,473	$ 2,117,500	Assessment
621000	621305	Misc Contractual Fees	$ 100	$ 561	$ 628	
621000	621310	Miscellaneous Refunds	$ 8,500	$ 8,191	$ 19,000	Sales Tax -- Collette, Dakota, Dietary -- rate is going up slightly for Grafton sales tax
621000	621325	Other Operating Fees	$ 1,000	$ 2,133	$ 4,000	Hair cuts
621000	621370	Purch Of Serv & Coop Agreement	$ 3,000	$ 3,325	$ 6,000	Amerinet contract
621000	621415	Research Fees	$ 2,500	$ 4,178	$ 8,000	Background checks on new hires
621000		**TOTAL OPERATING FEES & SERV**	**$ 2,135,937**	**$ 1,434,614**	**$ 2,292,128**	

Sub 2012
2-2-07 #5

Developmental Center Transition OAR
2007-09 Beinnium

CARES Team:	**BARS**
1 Unit Program Coordiantor	86,668
10 DTT II's	664,800
2 Behavior Mod Specialist	173,336
.5 RN	46,652
Psychiatric Consultation	15,600
Travel	27,000
2 Vehicles	60,000
Office Space	12,000
Operating Cost	27,348
	1,113,404
Human Service Center	
1 DD Case Manager	89,044
Operations Total	1,202,448
General	1,145,860
Federal	56,588
DD Grants	
ISLA and Family Care Option 3 - Admn. Reimb.	1,810,170
Community Services	5,133,735
Grants Total	6,943,905
General	2,552,884
Federal	4,391,021
OVERALL TOTALS	8,146,353
General	3,698,744
Federal	4,447,609

Department of Human Services
Summary by Subdivision (OMB's Budget Level) and Budget Account Codes with Funding Sources
For the 2007 - 2009 Biennium Budget

Subdivision	Class	FB	Bgt_Acct	Bgt_Acct_Desc	Prior Biennium 2003 - 2005	Current Budget 2005-2007	Year 1	Remaining Balance	Total Budget Changes	To OMB 2007 - 2009	Exec Budget Changes	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
430-00 DEVELOPMENTAL CENTER	32501	A	S101	FULL TIME EQUIVALENTS (FTES)	451.54	449.54		449.54		449.54		449.54		449.54
					451.54	449.54		449.54		449.54		449.54		449.54
430-00 DEVELOPMENTAL CENTER	32570	B	511000	Salaries - Permanent	$21,632,786	$22,874,312	$11,125,024	$11,749,288	$1,180,236	$24,054,548	($1)	$24,054,547		$24,054,547
430-00 DEVELOPMENTAL CENTER	32570	B	512000	Salaries-Other	$291,138	$269,000	$137,963	$131,037	$8,200	$277,200		$277,200		$277,200
430-00 DEVELOPMENTAL CENTER	32570	B	513000	Temporary Salaries	$231,020	$235,200	$114,048	$121,152	($199,488)	$35,712		$35,712		$35,712
430-00 DEVELOPMENTAL CENTER	32570	B	514000	Overtime	$84,354	$40,000	$22,945	$17,055	$5,144	$45,144		$45,144		$45,144
430-00 DEVELOPMENTAL CENTER	32570	B	516000	Fringe Benefits	$9,233,423	$10,707,029	$5,015,626	$5,691,403	($96,125)	$10,610,904	$1,185,654	$11,796,558		$11,796,558
430-00 DEVELOPMENTAL CENTER	32570	B	519100	Reduction In Salary - Budget					($1,047,908)	($1,047,908)		($1,047,908)		($1,047,908)
430-00 DEVELOPMENTAL CENTER	32570	B	521000	Travel	$327,215	$270,034	$181,088	$88,946	$73,742	$343,776		$343,776		$343,776
430-00 DEVELOPMENTAL CENTER	32570	B	531000	Supplies - IT Software	$14,941	$21,215	$10,232	$10,983		$21,215		$21,215		$21,215
430-00 DEVELOPMENTAL CENTER	32570	B	532000	Supply/Material-Professional	$32,578	$40,000	$22,792	$17,208		$40,000		$40,000		$40,000
430-00 DEVELOPMENTAL CENTER	32570	B	533000	Food and Clothing	$1,300,579	$1,199,616	$581,562	$618,054	$18,621	$1,218,237		$1,218,237		$1,218,237
430-00 DEVELOPMENTAL CENTER	32570	B	534000	Bldg, Grounds, Vehicle Supply	$306,931	$323,571	$148,753	$174,818		$323,571		$323,571		$323,571
430-00 DEVELOPMENTAL CENTER	32570	B	535000	Miscellaneous Supplies	$163,781	$179,484	$95,099	$84,385		$179,484		$179,484		$179,484
430-00 DEVELOPMENTAL CENTER	32570	B	536000	Office Supplies	$118,234	$112,453	$63,408	$49,045		$112,453		$112,453		$112,453
430-00 DEVELOPMENTAL CENTER	32570	B	541000	Postage	$26,777	$26,000	$11,344	$14,656		$26,000		$26,000		$26,000
430-00 DEVELOPMENTAL CENTER	32570	B	542000	Printing	$45,575	$15,879	$7,562	$8,317		$15,879		$15,879		$15,879
430-00 DEVELOPMENTAL CENTER	32570	B	552000	Other Equip under $5,000	$6,358	$8,000	$7,883	$117	($8,000)					
430-00 DEVELOPMENTAL CENTER	32570	B	553000	Office Equip & Furniture-Under		$2,121	$1,347	$774	($2,121)					
430-00 DEVELOPMENTAL CENTER	32570	B	561000	Utilities	$1,808,647	$1,285,448	$1,073,772	$211,676	$790,059	$2,075,507		$2,075,507		$2,075,507
430-00 DEVELOPMENTAL CENTER	32570	B	571000	Insurance	$67,413	$109,900	$55,281	$54,619		$109,900		$109,900		$109,900
430-00 DEVELOPMENTAL CENTER	32570	B	581000	Rentals/Leases-Equip & Other	$34,791	$43,216	$18,842	$24,374		$43,216		$43,216		$43,216
430-00 DEVELOPMENTAL CENTER	32570	B	582000	Rentals/Leases - Bldg/Land	$10									
430-00 DEVELOPMENTAL CENTER	32570	B	591000	Repairs	$418,120	$292,096	$176,653	$115,443	$48,329	$340,425		$340,425		$340,425
430-00 DEVELOPMENTAL CENTER	32570	B	599110	Salary Increase							$1,596,117	$1,596,117		$1,596,117
430-00 DEVELOPMENTAL CENTER	32570	B	599160	Benefit Increase							$273,231	$273,231		$273,231
430-00 DEVELOPMENTAL CENTER	32570	B	602000	IT-Communications	$210,612	$181,221	$94,310	$86,911	$35,259	$216,480		$216,480		$216,480
430-00 DEVELOPMENTAL CENTER	32570	B	603000	IT Contractual Services and Re	$70									
430-00 DEVELOPMENTAL CENTER	32570	B	611000	Professional Development	$17,075	$35,404	$17,246	$18,158		$35,404		$35,404		$35,404
430-00 DEVELOPMENTAL CENTER	32570	B	621000	Operating Fees and Services	$2,664,407	$2,135,937	$1,434,614	$701,323	$156,191	$2,292,128		$2,292,128		$2,292,128
430-00 DEVELOPMENTAL CENTER	32570	B	623000	Fees - Professional Services	$253,383	$265,214	$124,418	$140,796		$265,214		$265,214		$265,214
430-00 DEVELOPMENTAL CENTER	32570	B	625000	Medical, Dental and Optical	$1,106,641	$1,151,201	$623,943	$527,258	$390,576	$1,541,777		$1,541,777		$1,541,777
430-00 DEVELOPMENTAL CENTER	32570	B	682000	Land and Buildings							$998,200	$998,200		$998,200
430-00 DEVELOPMENTAL CENTER	32570	B	683000	Other Capital Payments	$619,726	$593,231	$296,615	$296,616	($58,726)	$534,505		$534,505		$534,505
430-00 DEVELOPMENTAL CENTER	32570	B	684000	Extraordinary Repairs							$600,000	$600,000		$600,000
430-00 DEVELOPMENTAL CENTER	32570	B	691000	Equipment Over $5000		$8,500	$8,303	$197	($8,500)		$92,640	$92,640		$92,640
					$41,016,565	$42,425,282	$21,470,673	$20,954,609	$1,285,489	$43,710,771	$4,745,841	$48,456,612		$48,456,612
430-00 DEVELOPMENTAL CENTER	32570	F	F_7091	HSCs & Institutions - Gen Fund	$9,170,453	$11,625,706	$5,883,561	$5,742,145	$916,146	$12,541,852	$2,671,070	$15,212,922		$15,212,922
430-00 DEVELOPMENTAL CENTER	32570	F	F_7092	HSCs & Institutions - Fed Fnds	$29,429,469	$27,850,053	$14,094,411	$13,755,642	($578,159)	$27,271,894	$1,969,190	$29,241,084		$29,241,084
430-00 DEVELOPMENTAL CENTER	32570	F	F_7093	HSCs & Institutions - Oth Fnds	$2,416,643	$2,949,523	$1,492,701	$1,456,822	$947,502	$3,897,025	$105,581	$4,002,606		$4,002,606
					$41,016,565	$42,425,282	$21,470,673	$20,954,609	$1,285,489	$43,710,771	$4,745,841	$48,456,612		$48,456,612

CLOSING THE NORTH DAKOTA DEVELOPMENTAL CENTER: ISSUES, IMPLICATIONS, GUIDELINES

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March 7, 2006

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CLOSING THE NORTH DAKOTA DEVELOPMENTAL CENTER: ISSUES, IMPLICATIONS, GUIDELINES

PURPOSE AND FOCUS OF THE PAPER

This paper has been prepared at the request of the Arc-Upper Valley Board of Directors. It is intended to stimulate discussion and further study by the Arc and other interested parties in North Dakota on the possible closure of the North Dakota Developmental Center at Grafton (hereafter "Grafton").

The primary focus of the paper is to identify and discuss 10 key issues, expressed as questions, associated with the potential closure of Grafton, North Dakota's remaining mental retardation and developmental disabilities (MR/DD) institution. The implications of closing Grafton are considered in light of other states' experiences in closing state-operated MR/DD institutions and in light of relevant research. The paper addresses the following ten questions:

1. How did state-operated institutions for persons with mental retardation and developmental disabilities evolve nationally?

2. What are residential and community services trends in North Dakota today and in two groups of "comparison states"?

3. How many states have closed state MR/DD institutions and how many are planning to do so in the near future?

4. What are today's institutional costs per resident in North Dakota and, based on previous trends, what can these costs be estimated to be in future years?

5. How well do persons with MR/DD typically adjust to relocation from institutions to community living environments?

6. How do parents of individuals relocated from state institutions to community settings respond to this process of change?

7. How might cost savings be achieved in North Dakota if Grafton were to be closed in the near future?

8. Should the State of North Dakota anticipate a need for increased appropriations associated with Grafton's closure, to cover the temporary "dual costs"?

9. What are some of the alternate uses to which a closed Grafton facility might be put?

10. What can North Dakota learn from the extensive experience of other states in planning and implementing institutional closures?

Question #1: How did state-operated institutions for persons with mental retardation and developmental disabilities (MR/DD) evolve nationally?

The first state-operated MR/DD institutions were opened in the Northeastern U.S. in the 1850s. They were developed to provide a temporary residential placement for individuals who, after a relatively brief period of education and training in these facilities, returned to community life. Early success at several schools led to the opening of additional state-operated MR/DD institutions across the U.S. (Braddock & Parish, 2003). The first state MR/DD institution in North Dakota was opened as the State Institute for Feeble-Minded in Grafton in 1904. In addition, the San Haven facility, opened originally as a tuberculosis hospital in 1922, was converted to MR/DD use in 1973, and closed in 1987 (Braddock & Hemp, 2004).

As the country industrialized and urbanized, state institution populations expanded much faster than facilities' capacities to provide appropriate training and educational services. By 1930, more than 100,000 persons with mental retardation were institutionalized across the U.S., and most residents received minimal custodial care. This trend toward custodial care and "warehousing" of persons with mental retardation increased after the Second World War and throughout the 1950s. Media exposés about deficient conditions were commonplace (Blatt & Kaplan, 1974).

In 1967, the nation's institutional census peaked at 195,000 residents in 240 state mental retardation facilities. Since 1968, the number of individuals with mental retardation served in state institutions has declined every year and, on average, four percent annually for 37 consecutive years. In 2004, the residential census of the nation's state institutions was 41,214 persons. If present trends continue, there will be fewer than 20,000 residents in state institutions in 10 years (2016). Costs for residential care, however, are climbing rapidly. Based on previous trends, in 10 years they are projected to reach an average of approximately $193,000 for each resident per annum ($530/day), in constant 2004 dollars. The per diem cost in the Grafton facility in 2004 was $392/day and $143,000 annually (Braddock, Hemp, Rizzolo, Coulter, Haffer, & Thompson, 2005).

Current trends promoting community services in the mental retardation field evolved out of the parent movement in the 1950s and 1960s. At that time, parents began insisting upon both a higher quality of institutional care and greater opportunities for community living. Federal legislation was enacted in 1963 (Pub. L. 88-156 and Pub. L. 88-164) that authorized the establishment of an initial, but incomplete, network of community centers and services across the country (Braddock, 1987). Segregating individuals with MR/DD in large, often remote institutions and providing substandard care became prominent civil rights issues in the 1970s and 1980s. Class action lawsuits (e.g., *Wyatt v. Stickney* in Alabama, *Ricci v. Okin* in Massachusetts, *New York State Arc v. Carey, Association for Retarded Citizens of North Dakota v. Olson*) were filed and such litigation continues in Federal District Courts throughout the U.S. (Braddock, 1998). By 1980, however, many states had begun implementing community services initiatives involving the development and funding of

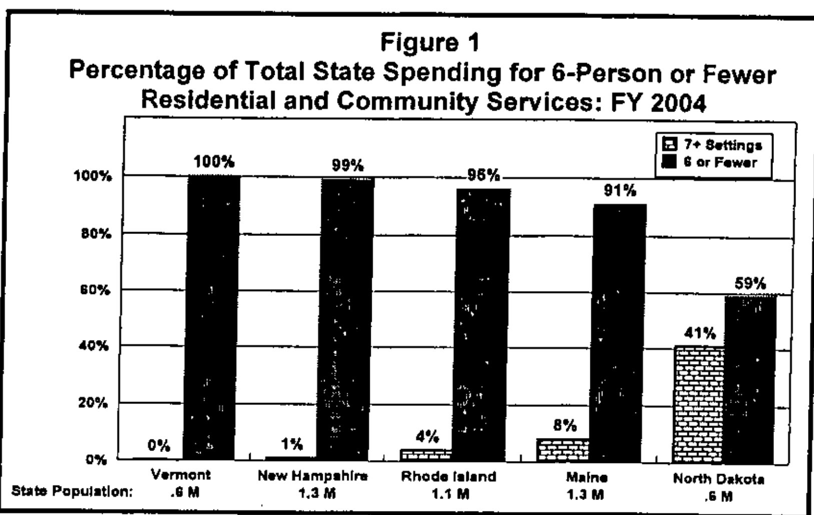
small group homes, supervised apartments, in-home family support programs, and supported employment.

Question #2: What are residential and community services trends in North Dakota today and in two groups of "comparison states"?

Today, institutional settings are being replaced by smaller, more individualized community placements and family support services. There are now more than 140,000 supervised living settings in the U.S. for six or fewer residents with MR/DD (Prouty, Smith, & Lakin, 2005). The total residential population of these small living environments was approximately 335,000 and this figure represented 68% of all out-of-home residential placements in 2004. In contrast, 86% of all persons with mental retardation in out-of-home residential placements nationally were living in large, 16 beds or more, publicly and privately-operated institutions in 1977 (Braddock et al., 2005).

North Dakota, however, significantly lags the dominant national trend in this regard. The State ranked 39th in 2004 in the percentage of persons with MR/DD living in smaller (six person or fewer), family-scale out-of-home environments, and 44th in the proportion of its total spending allocated to six-person or fewer settings. ***Figure 1*** compares North Dakota to four New England states with roughly the same state general population as North Dakota (Braddock et al., 2005).

Figure 1
Percentage of Total State Spending for 6-Person or Fewer Residential and Community Services: FY 2004



Another analytically useful comparison group of states includes South Dakota (.8 million population), Wyoming (.5 million), Montana (.9 million), and Idaho (1.4 million). Each of these "mountain west/plains states," like North Dakota, has one remaining institution. The 2004 MR/DD institutional censuses were 90 (MT), 92 (WY), 94 (ID) and 176 (SD), compared to 146 in North Dakota. Although South Dakota's census in 2004 was larger than North Dakota's, all four of these states had lower institutional utilization per capita rates (per 100,000 of the state general population).

Figure 2
Institutional Census Per Capita in North Dakota and the Mountain West/Plains States: 1990-2004

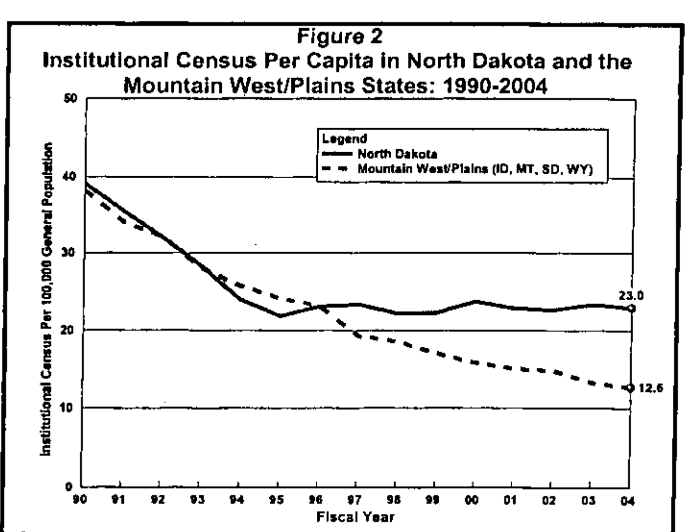


Figure 2 illustrates how the MR/DD institutional utilization per capita (of the state general population) for the four mountain west/plains comparison states began diverging from North Dakota in 1996. In 2004, North Dakota's institutional utilization exceeded the aggregate of the four comparison states by 83% (23.0 vs. 12.6). Moreover, South Dakota, Wyoming, Montana, and Idaho each committed a considerably larger share of total MR/DD spending to six-person or fewer residential and community services (70-77%) compared to only 59% in North Dakota. North Dakota's utilization rate for state-operated institutional care has been stable for the past 12 years, through 2006.

Question #3: How many states have closed state MR/DD institutions and how many are planning to do so in the near future?

Since 1970, on a national basis, 39 states have closed, or are planning to close, 139 state-operated MR/DD institutions (***Appendix I***). This is more than one-half the 240

institutions that existed in 1970. (The average institutional census in 1970 was about 800 persons, compared to an average of 206 residents for the 200 facilities open in 2004.)

Sixty of the 139 completed and in-progress closures have occurred in the past 10 years. In January 1991, New Hampshire closed the Laconia State School and became the first contemporary American state to operate an institution-free service delivery system. The District of Columbia, Vermont, Rhode Island, New Mexico, West Virginia, Hawaii, and Maine became institution-free from 1991 to 1999. Michigan has closed 12 state institutions and in 2004, its only remaining facility, Mt. Pleasant, had a census of 162 persons. Minnesota has only one "institutional" program for persons with MR/DD. This is an intensive behavioral treatment program for seven consumers, located in a state psychiatric hospital.

Providing community-based services for persons with MR/DD and their families has gained considerable public support in recent years. Between 1977 and 2004, the annual growth of total community spending in the United States averaged 10% per year, after adjusting for inflation. Total state institution spending, however, actually declined 1% annually during 1977-04, and the average annual census of residents in institutions dropped by five percent per year.

The census of Grafton and San Haven in North Dakota (***Figure 3***) declined by an average of two percent per year from 1966 to 1983, one-half of the U.S. institutional rate over that period. Following the implementation of the consent decree in *Association for Retarded Citizens of North Dakota v. Olson* (1982), the North Dakota institutional census dropped by 15% per year from 1983 to 1995, from 966 to 140 persons. San Haven closed in 1987. In the past 12 years, through early 2006, there has been essentially no further decline in Grafton's institutional population. In fact, it has increased slightly since 1995.

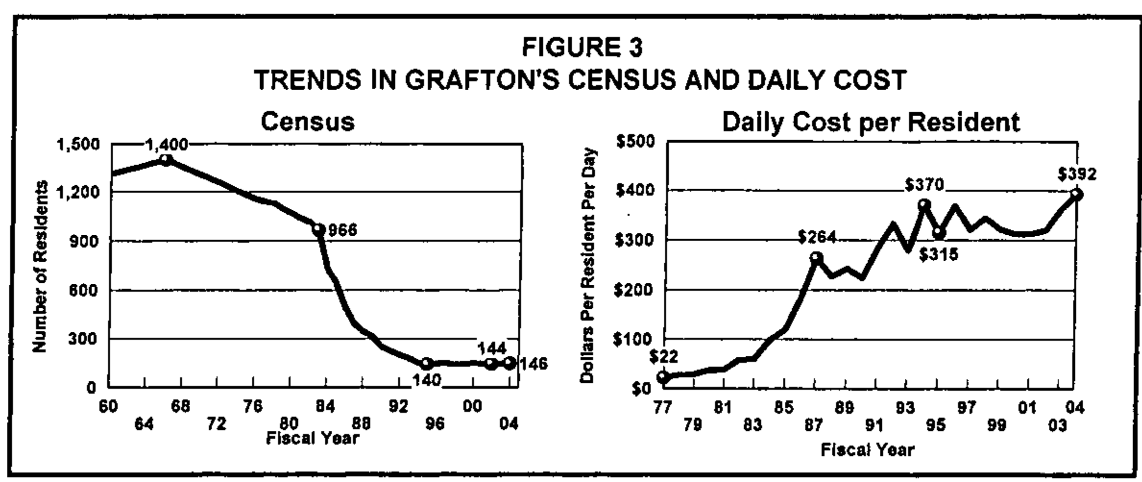


FIGURE 3
TRENDS IN GRAFTON'S CENSUS AND DAILY COST

Question #4: What are today's institutional costs per resident in North Dakota and, based on previous trends, what can these costs be estimated to be in future years?

If present trends continue, an average of $193,000 per year, or $530 per day in constant 2004 dollars, is expected to be spent in the year 2016 for each institutional resident in the United States. From 1977 to 2004, average per diems grew nearly nine-fold, from $45/day to $400/day, and in 2004 per diems exceeded $500/day in 15 states, $400/day in 21 states, and $300/day in 35 states (Braddock et al., 2005).

Since 1995, the cost for each Grafton resident has advanced from $315 to $392 per day (***Figure 3***). The average cost of care in North Dakota's institution is now over $143,000 per year for each resident. Absent a decision to close Grafton, and given the stability of the Grafton census, the Grafton per diem for fiscal year 2016 in constant 2004 dollars may well surpass $600/day for approximately 146 residents. This amounts to $219,000 per year per resident, or $32.0 million per annum for the Grafton facility in 10 years.

An equally significant fiscal consequence of continuing to commit increasingly larger sums of money to institutional operations lies in the fact that, given current spending trends for Grafton, fewer "new" funds would be available to initiate additional or higher quality community services for consumers and families in the State. However, the New England

states of Maine, New Hampshire, Rhode Island and Vermont have all closed their remaining state MR/DD institutions, reallocated institutional funding, and greatly expanded their community services for thousands more individuals with MR/DD and their families (***Figure 4***). In contrast, North Dakota has continued to dedicate funding to persons in Grafton and to larger group living arrangements for seven or more persons. The New England states' decisions to close their MR/DD institutions lead to the development of a range of community housing and supported work options that subsequently received widespread political support (e.g., Covert, Macintosh & Shumway, 1994).

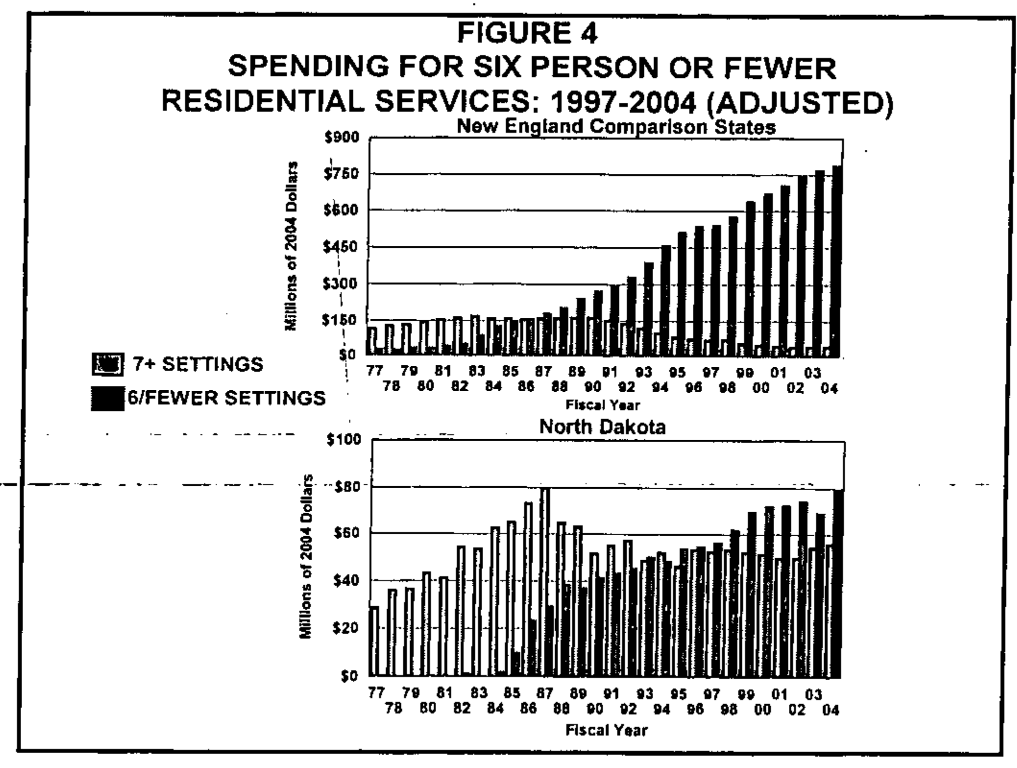


FIGURE 4
SPENDING FOR SIX PERSON OR FEWER RESIDENTIAL SERVICES: 1997-2004 (ADJUSTED)

Question #5: How well do persons with MR/DD typically adjust to relocation from institutions to community living environments?

Larson and Lakin (1989) of the University of Minnesota published a comprehensive review of research on changes in adaptive behavior associated with residents moving from state mental retardation institutions to smaller community living arrangements. Over 50

studies published between 1976 and 1988 were initially identified. After screening them according to six quality standards, 18 studies were subsequently analyzed. Results of the analysis indicated that institutions were "consistently less effective than community-based settings in promoting growth, particularly among individuals diagnosed as severely or profoundly retarded" (p. 330). The 18 studies reviewed involved 1,358 participants. The studies were conducted in 13 different states from all regions of the country. The authors concluded:

> ...it must be recognized that based on a substantial and remarkably consistent body of research, placing people from institutions into small, community-based facilities is a predictable way of increasing their capacity to adapt to the community and culture (p. 331).

In California, Brown, Fullerton, Conroy, & Hayden (2001) evaluated the well-being of more than 2,000 individuals with developmental disabilities who left state-operated California developmental centers from 1993 to 2001. The researchers assessed each individual at the state institution prior to the move, and, during 1994-2001, visited all 2,170 relocated individuals in their new homes in the community.

Data collected included measures of independence, behavioral challenges, choice-making, friendships, integration, person-centered planning, health, service intensity, earnings, and both consumer and family satisfaction. Brown et al. (2001) found that those relocated, compared to their lives in an institution in 1994, experienced improvement in "integrative activities," individualized treatment," "progress toward individual goals," "opportunities for choice-making," "reduced challenging behavior," and "perceived quality of life." Families were reported to be "unexpectedly and overwhelmingly happy with community living, even those who formerly opposed the change" (p. 3).

Brown et al. (2001) acknowledged that individuals relocated lost some of those gains between 2000 and 2001, stating that a plausible explanation was that "low salaries and high turnover rates translate into poorly motivated and poorly trained staff" in the community, an issue confirmed by family members who stressed the "poor quality and the short tenure of direct care staff" (p. 50). The State of California spent only 55% of the previous institutional cost per person, compared to community spending levels in New Hampshire, Pennsylvania, and Connecticut ranging from 80% to 86% of their states' institutional costs (Brown et al., 2001; Conroy, 1996).

Many people with levels of impairment once believed to be manageable only in institutional settings now live satisfactorily in community settings. This includes individuals with health problems (Gaylord, Abery, Cady, Simunds, & Palsbo, 2005; Hayden, Kim, & DePaepe, 2005; Larson, Anderson, & Doljanac, in press) and with challenging behaviors (Hanson, Wiesler, & Lakin, 2002; Kim, Larson, & Lakin, 2001; Stancliffe, Hayden, Larson, & Lakin, 2002). Undeniably, anecdotal reports of instances in which community placements did not work out are occasionally cited by proponents of continuing institutionalization of persons with MR/DD. However, the institutionalization of persons who have committed no wrong against society can only be justified by demonstrating clear benefits accruing to these persons from living in an institution. *Research literature noted above clearly indicates that state institutions do not provide a superior level of care for people with mental retardation.*

Question #6: How do parents of individuals relocated from state institutions to community settings respond to this process of change?

Families often initially oppose the transfer of their relatives from institutions to community settings, but after transfer occurs, the great majority of parents become strong

supporters of community placement (Heller, Bond, & Braddock, 1988). Since the late 1970s several studies have addressed the reactions of parents of institutionalized persons to the community placement of their relative with mental retardation. The studies demonstrated that, after community placement, parents consistently reported lower levels of satisfaction with the earlier institutional placement and higher levels of satisfaction with community placement (Brown et al., 2001; Larson & Lakin, 1991).

Initial family dissatisfaction with closure often bears little relationship to family attitudes toward closure a year later. The relative's medical status and the family's worry over "transfer trauma" have often both played significant roles initially upon the announcement of the closure, but not in determining longer-term parent reactions. The primary variables affecting both parent satisfaction with closure and parent stress levels is the family's current appraisal of the quality of the new community placement. Frequent staff consultation with the family members during the closure process was related to higher parent satisfaction with closure one year later (Heller et al., 1988).

Given that some families might resist institutional closure and the relocation of their relative, it is important to assure families that increased consumer health and adjustment problems are now uncommon during and following institutional closures. This is due to implementing the relocation process with sensitivity to the consumer's needs and preferences and involving families directly in the process. The literature on family reaction to institutional closure and relocation may be summed up as follows:

> ...the clearest message in these studies is that the overwhelming majority of parents become satisfied with community settings once their son or daughter has moved from the institution, despite general predisposition to the contrary (Larson & Lakin, 1991, p. 36).

Question #7: How might cost savings be achieved in North Dakota if Grafton were to be closed in the near future?

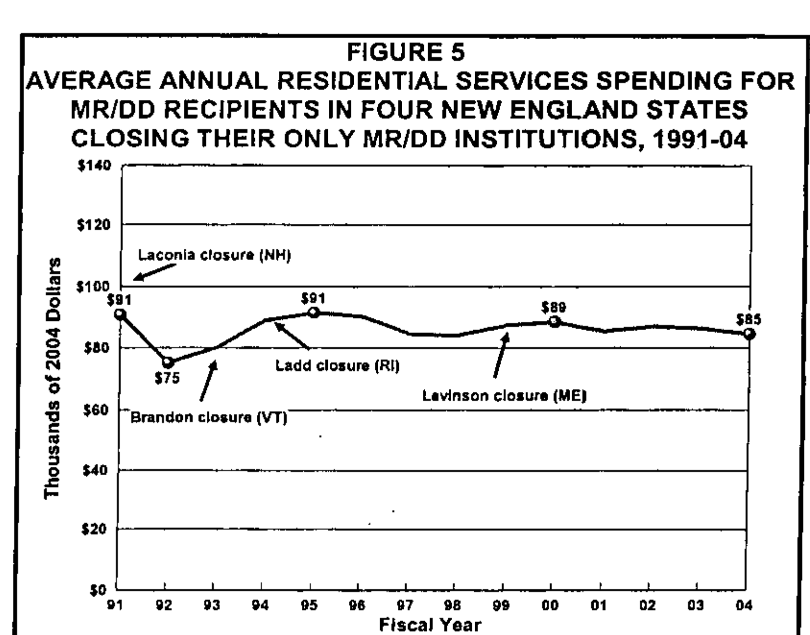
The closure of a state institution can generate savings for state government over time because it: 1) eliminates the high fixed cost of operating a state-owned facility, usually built for many more residents than live there at the time of closure; 2) shifts some fiscal responsibilities from state government tax revenues to federal Supplemental Security Income (SSI) and, in some cases, to local government sources; 3) increases the likelihood that individuals will engage in productive employment in a local community because they now live there; 4) utilizes less costly social, educational, religious, and recreational resources in the community rather than the relatively expensive, specialized services provided in the institution; and, 5) by renting/leasing residences it avoids the expensive institutional capital construction and remodeling costs necessary for most older institutions to remain open and certified for receipt of federal reimbursement (Braddock, 1991a, 1991b).

In a relevant study of closure costs and savings, the New York State Office of Mental Retardation and Developmental Disabilities (OMRDD) retained the services of an independent consulting firm to study the cost implications of its decision to close multiple mental retardation institutions. The study, authored by the Grant-Thornton accounting firm, concluded that the average post-closure per diem operating costs for each client "were approximately 9% lower than the pre-closure costs" (New York OMRDD, 1990). The study found that closure had little effect on state employee levels. Conversion of a state school campus to an alternate use such as a prison or juvenile facility provided substantial new employment opportunities and absorbed much of the economic impact of the state institution closure.

Another perspective on pre- and post-closure costs is afforded by the four New England states (Maine, New Hampshire, Rhode Island, and Vermont). These states, upon the closures of their last remaining institutions during 1991-99, became "institution-free"--like North Dakota would with the closure of Grafton. New Hampshire closed Laconia in 1991, Vermont closed Brandon in 1993, Rhode Island closed Ladd in 1994, and Maine closed Levinson in 1999 (Braddock et al., 2005).

An analysis of pre- and post-closure costs per residential recipient across 1991-2004 was completed. From the dates of the first closure (Laconia in 1991) through 2004, in inflation-adjusted terms, annual spending per statewide residential recipient in the four New England states declined from $91,000 to $85,000 (***Figure 5***). In addition, the number of aggregate MR/DD recipients served in the four states increased by 44% from 1991 to 2004. The number of recipients post-closure increased by 76% in New Hampshire, 50% in Rhode Island, 41% in Vermont and 30% in Maine.

FIGURE 5
AVERAGE ANNUAL RESIDENTIAL SERVICES SPENDING FOR MR/DD RECIPIENTS IN FOUR NEW ENGLAND STATES CLOSING THEIR ONLY MR/DD INSTITUTIONS, 1991-04



Question #8: Should the State of North Dakota anticipate a short-term need for increased appropriations associated with Grafton's closure, to cover the temporary "dual costs"?

Without specific knowledge as to how a closure process might be implemented in North Dakota, including the nature of the phase-down of the physical plant and the duration

of the closure's implementation, it is difficult to provide an accurate estimate of "dual" costs associated with the closure. However, the state should anticipate some temporary dual costs. Assuming closure takes three years to implement (i.e., 2007-09), and that approximately 50 residents move to the community each of the three years, "dual" costs were estimated to be $3.1 million in the first year, $5.7 million in the second year, and $1.9 million in the third year. These estimates, totaling $10.7 million for the three year implementation period are based on the following two additional assumptions:

- The annual cost per relocated consumer in the new community settings in FY 2007 was assumed to be equivalent to the projected per diem cost at Grafton in FY 2007. This assumption permitted community direct support staff wages in 2007, the first year of closure implementation, to be comparable with Grafton's wages. Community direct support staff wage costs for FYs 2008 and 2009 were projected to increase at the average annual rate of increase in Grafton's per diem rates during FYs 1977-04 (2.6% per year on an inflation-adjusted basis).[1]
- Consumer per diems for those residents remaining at Grafton during the closure process will increase significantly in the second and third years, due to fixed costs being spread over fewer residents. We estimated the increased Grafton per diem rates based on the average increases in per diems in the New England comparison states to be 17% in year one, 51% in year two and 57% in year three.

However, as noted in the previous discussion for ***Question*** *7*, average inflation-adjusted statewide costs per resident receiving services in the consolidated four New England comparison states actually declined from 1995 to 2004. This was due to the fact that additional community recipients with lower average support needs were able to be served as well. North Dakota may experience a similar trend in average overall community costs in the long-term as well.

[1] Some studies, however, have indicated that community costs for individuals with MRDD who had comparable needs were only 55-86% of those in institutions (Brown et al., 2002; Conroy, 1996). These lower community cost estimates were not used to generate the community per diem estimates in favor of emphasizing the conservative assumption of equalizing FY 2007 direct support staff wages in community settings with Grafton's projected FY 2007 staffing costs.

Question #9: What are some of the alternate uses to which a closed Grafton facility might be put?

Alternate uses possible for the Grafton physical plant depend upon the facility's proximity to projected population growth areas, the adaptability of the facility to alternate public or private use (e.g., prison, factory, state or industrial warehouse, etc.), and other factors. ***Table 1*** presents a summary of the various alternate uses for 130 developmental disabilities institutional closures in the U.S. See ***Appendix I*** for additional detail on each of the facilities that closed.

TABLE 1: ALTERNATE USES FOR INSTITUTIONAL CLOSURES IN THE U.S.

Alternate Use	Number[1]	Alternate Use	Number[1]
Corrections (including federal corrections)	22	New MR facilities	2
DD or other state/local administrative offices	15	Unoccupied (asbestos)	2
Alternate use not yet known	9	Private institutions	2
Universities/junior colleges	9	Historic preservation	1
Property vacant	9	Housing	1
Various community uses	6	Public health infirmary	1
Community DD programs	5	Retirement program	1
To be sold (including realty, public auction)	5	Reverting to U.S. Department of Defense	1
Commercial uses	4	Veterans' medical center	1
MI facilities	4	Water survey office	1
Demolished	3	Women's prison	1
Juvenile facilities	3	Undetermined	29

[1]Total is 137--7 institutions had two alternate uses

The four New England closures demonstrate the range of possible alternate uses displayed in ***Table 1***. The Laconia State School in New Hampshire was quickly reopened in 1991 as the Lakes Region Adult Correctional Facility. The town of Laconia (population 16,411) is 30 miles from Concord (population, 40,687). Brandon Center in Vermont, closed in 1993, is near Rutland (population 17,292) which is 85 miles from Colonie, New York (population 79,258). The closed facility is currently under development as a manufacturing site, with both private and state ownership.

The Ladd Center in Rhode Island, closed in 1994, was located in Exeter (population

6,045), 13 miles from Warwick (population 85,808) and was also proximal to Providence, a large city. A $6.4 million state fire academy and new state police headquarters is being developed on the Ladd Center site. The Elizabeth Levinson Center in Maine closed as a state institution in 1999 and now operates as a state-run short-term residential and health program for medically fragile children. Levinson, in Bangor (population 31,473) is 129 miles from Portland (population 64,249). Like North Dakota, the institutions in New Hampshire and Vermont were located in small towns, somewhat distant from a larger city. Grafton, a town of 4,516, is located 38 miles from Grand Forks.

Question #10: What can North Dakota learn from the extensive experience of other states in planning and implementing institutional closures?

In 1983, Illinois successfully relocated the 820 residents of the Dixon State School within a single calendar year. More than 90% of the parents were satisfied with the closure process and outcomes. Resident friendship patterns were kept intact by moving small groups of individuals together and by closing down one residential unit at a time (Braddock, Heller, & Zashin, 1983; Heller, Factor, & Braddock, 1986).

Guidelines based on state experiences in MR/DD institutional closures are summarized in ***Appendix II.*** They are presented from five perspectives: 1) general guidelines; 2) the individuals with developmental disabilities who are being relocated; 3) their families; 4) the community programs receiving residents from the closing facility; and 5) the staff of the closing facility. The guidelines were revised from Braddock et al. (1983) and Heller, et al. (1986).

CONCLUSION

In three previous analyses of the structure, financing and quality assurance of residential and community services in North Dakota, Braddock & Hemp (2004, 2000) and Braddock, Hemp, & Rizzolo (2002) suggested service and funding priorities for the State. For example, it was noted that North Dakota had fared better than most states fiscally in the recent national economic downturn during 2003-2005, and North Dakota was one of 10 states with the strongest financial outlook for fiscal year 2005. Priority needs for MR/DD services identified in the most recent North Dakota study included: 1) continuing the expansion of the Medicaid Home and Community-Based Services (HCBS) Waiver; 2) reducing reliance on Intermediate Care Facility/Mental Retardation (ICF/MR) programs for 16+ person public and private institutional facilities; 3) increasing family support, supported employment and supported living; and, 4) enhancing direct support staff wages and benefits (Braddock & Hemp, 2004, p. 50).

Nationwide, there are over nine times more individuals with mental retardation and developmental disabilities living in supervised out-of-home community settings than in state-operated institutions. The number of families and persons with disabilities benefiting from community services and supports nationally is growing as well. State-operated institutions are being closed in many states across the country and few families prefer such programs. Thus, given the trends outlined in this paper, the long-term future of services to persons with mental retardation and developmental disabilities in North Dakota is in community settings.

It therefore seems appropriate for North Dakotans to seriously consider expanding community residential services and support programs for people with MR/DD and their families, and subsequently closing the North Dakota Developmental Center at Grafton.

However, if Grafton is slated for closure, the implementation of that closure needs to be planned and executed in a manner sensitive to the needs of Grafton's consumers and their families and considerate of the employees of the facility as well. As previously noted, suggested guidelines specifically addressing closure implementation issues are presented in ***Appendix II.***

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APPENDIX I
COMPLETED AND IN-PROGRESS CLOSURES OF STATE-OPERATED 16+ INSTITUTIONS IN THE U.S. (139 CLOSURES IN 39 STATES)

State	Institution	Year Built/ Became MR	Original Use	# Residents, Closure Announcement	Year of Closure	Alternate Use
Alabama	Brewer-Bayside	1984	MR Facility	67	2003	Corrections
	Glenn Ireland	1986	MR Facility	20	1996	To be sold
	Tarwater	1976	MR Facility	74	2003	Corrections
	Wallace	1970	MR Facility	80	2003	Corrections
Alaska	Harborview	1964	MR Facility	45	1997	Community Programs
Arizona	Phoenix	1974	MR Facility	46	1988	Commercial
	Tucson	1972	MR Facility	13	1997	Outreach Offices
California	Agnews	1855/1966	MI Facility	411	2007	Undetermined
	Camarillo	1935	MR Facility	497	1998	University
	DeWitt	1942/1947	Army Hospital	819	1972	Placer County Recreation
	Modesto Unit	1943/1948	Army Hospital	1,394	1969	Modesto Co. Comm. College
	Napa	1875/1967	Asylum for MR/MI	30	2001	MI Use Only
	Stockton	1852	Asylum for MI	414	1996	University
Colorado	Pueblo	1935	MI/MR Facility	163	1989	Pueblo Regional Center
Connecticut	John Dempsey Center	1964	MR Facility		1998	Administrative Offices
	Mansfield	1906/1917	Epileptic Colony	146	1993	Corrections/U. of Connecticut
	New Haven	1964	MR Facility	56	1994	Job Corps
	Seaside	1961	MR Facility		1996	Administrative/Storage
	Waterbury	1963/1972	Convent	40	1989	Administrative Offices
DC	Forest Haven	1925	MR Facility	1,000	1991	Private Rehab/PH Infirmary
Florida	Community of Landmark	1965	MR Facility	256	2005	Revert to Dade County social programs
	Gulf Coast Center	1960	MR Facility	306	2010	Undetermined
	Orlando	1929/1959	TB Hospital	1,000	1984	Demolished, land to school, county
	Tallahassee	1928/1967	TB Hospital	350	1983	Unoccupied: asbestos
Georgia	Bainbridge	1967	WW II Air Force School	129	2001	Corrections
	Brook Run	1969	MR Facility	364	1997	Undetermined
	Georgia Regional-Augusta			436	2004	Undetermined
	Gracewood School/Hospital			93	2004	Undetermined
	Rivers' Crossing	1969	MR Facility	37	1994	Undetermined
Hawaii	Kula Hospital (privatized)	1984			1999	
	Waimano	1921	MR Facility	96	1999	Art Center for PWD
Illinois	Adler	1967	MI/MR Facility	16	1982	Water Survey Offices
	Bowen	1965	MR Facility	105	1982	Corrections
	Dixon	1918	MR Facility	820	1987	Corrections/New MR Facility
	Galesburg	1950/1969	Army Hospital	350	1985	Head Start/Community Programs
	Lincoln	1877	MR Facility	153	2004	Vacant*
	Meyer	1966/1970	MI Facility	53	1993	Women's Prison
	Singer	1966	MI Facility	45	2004	Undetermined
Indiana	Central State	1848	MI/MR Facility	83	1994	Undetermined
	Ft. Wayne	1879	MR Facility	120	2007	To be demolished
	Muscatatuck	1920	MR Facility	287	2005	Undetermined
	New Castle	1907	Epileptic Village	200	1998	Corrections
	Northern Indiana	1943	MR Facility	53	1998	Undetermined
Kansas	Norton	1926/1963	TB Hospital	60	1988	Corrections
	Winfield	1888	MR Facility	250	1998	Undetermined
Kentucky	Frankfort	1860	MR Facility	650	1972	Demolition
	Outwood	1922/1962	TB Hospital	80	1983	Demolition/New Campus
Maine	Aroostook	1972			1995	
	Levinson	1971			1999	
	Pineland	1908	MR Facility	265	1996	Undetermined
Maryland	Victor Cullen	1908/1974	TB Hospital	79	1991	Private Juvenile Facility
	Great Oaks	1970	MR Regional Center	273	1997	Private Senior Retire. Community
	Henryton	1928/1962	TB Hospital	312	1985	Undetermined
	Highland Health	1870/1972	General Hospital	88	1989	Sold to Johns Hopkins University
Massachusetts	Belchertown	1922	MR Facility	297	1992	Vacant
	John T. Berry	1900/1963	TB Sanitarium	101	1995	Undetermined
	Paul A. Dever	1940/1946	P.O.W. Camp	294	2001	Undetermined
	Fernald	1848	MR Facility	274	2007	Undetermined
Michigan	Alpine	1937/1959	TB Hospital	200	1981	Notsego County Offices
	Caro	1914			1998	
	Coldwater	1874/1939	Orphanage	113	1987	Corrections
	Fort Custer	1942/1956	Army Hospital	1,000	1972	Back to U.S. Dept. of Defense
	Hillcrest	1905/1961	TB Hospital	350	1982	Demolition
	Macomb-Oakland	1967/1970	CDA	100	1989	Reverted to Community Dev.
	Muskegon	1969	MR Facility	157	1992	Vacant
	Newberry	1896/1941	MI Facility	39	1992	Vacant
	Northville	1952/1972	MI/MR Facility	180	1983	Revert to MI Use
	Oakdale	1895	MR Facility	100	1991	Vacant/County Negotiating
	Plymouth	1960	MR Facility	837	1984	County/State Offices
	Southgate	1977	MR Facility	55	2002	Undetermined

APPENDIX I (CONTINUED)

State	Institution	Year Built/ Became MR	Original Use	# Residents, Closure Announcement	Year of Closure	Alternate Use
Minnesota	Brainerd	1958			1999	
	Faribault	1879	MR Facility	501	1998	Portion used by Corrections
	Fergus Falls	1888/1969	Asylum for MI	38	2000	Regional MH Center
	Moose Lake	1938/1970	Psychiatric Hosp	34	1993	Corrections
	Owatonna	1895/1947	Orphanage	250	1970	Abuse
	Rochester	1879/1972	MI Facility	150	1982	Federal Corrections
	St. Peter	1968			1996	
	Willmar	1973			1996	
Missouri	Bellefontaine	1924	MR Facility	341	2005	Undetermined
Montana	Eastmont	1969/1979	Residential School	29	2003	Nursing Facility
New Hampshire	Laconia	1903	MR Facility	4	1991	Corrections
New Jersey	Edison	1975/1981	Corrections	70	1988	Sold at public auction
	Johnstone	1955	MR Facility	239	1992	Corrections
	North Princeton	1898/1975	Epileptic Colony	512	1998	Undetermined
New Mexico	Fort Stanton	1964	Army Apache Outpost/TB H	145	1995	Skilled Nursing/Respite
	Los Lunas	1929	MR Facility	252	1997	Community Based Program MR/DD
	Villa Solano	1964/1967	Missile Base	82	1982	Housing
New York	J.N. Adam	1912/1967	TB Hospital	180	1993	Undetermined
	Bronx	1977	MR Facility	217	1992	Plans Not Final
	Craig	1896/1935	Epilepsy Hospital	120	1988	Corrections
	Gouverneur	1962	MR Facility	N/A	1978	Leased site
	O.D. Heck	1972	MR Facility	274	1999	Administrative Offices; non-profit use
	Letchworth	1911	MR Facility	704	1996	Undetermined
	Long Island	1965	MR Facility	682	1993	Undetermined
	Manhattan	1919/1972	Warehouse	197	1991	OMRDD Office
	Newark	1878	Custodial Asylum	325	1991	Community College
	Rome	1825/1894	County Poorhouse	638	1989	Corrections
	Sampson	1860/1961	Naval Base	695	1971	Office of Mental Health
	Staten Island	1942/1952	Army Hospital	692	1987	OMRDD & Community College
	Sunmount	1922/1965	TB Hospital	503	2004	OMRDD Specialty Units
	Syracuse	1851/1972	MR Facility	409	1997	Undetermined
	Valatie	1971	MR Facility	N/A	1974	Private Holdings and ICFs/MR
	Westchester	1932/1979	MI Facility	195	1988	Office of MH
	Wilton	1960	MR Facility	370	1995	Sold to private industry
North Dakota	San Haven	1922/1973	TB Hospital	86	1987	Vacant
Ohio	Apple Creek	1931	MR Facility	178	2006	Undetermined
	Broadview	1930/1967	TB Hospital	178	1992	City Administration Building/Retirement
	Cleveland	1855/1963	MI Facility	149	1988	Vacant/Negot. with City of Cleveland
	Orient	1898	MR Facility	800	1984	Corrections
	Springview	1910/1975	TB Hospital	86	2005	Undetermined
Oklahoma	Hissom	1967	MR Facility	451	1994	Corrections/Educational
Oregon	Columbia Park	1929/1963	TB Hospital	304	1977	College
	Eastern Oregon	1929/1963	TB Hospital	240	1984	Corrections/Opened New MR Facility
	Fairview	1907	MR Facility	327	2000	Light commercial/housing
Pennsylvania	Altoona	1975	MR Facility	90	2005	Undetermined
	Cresson	1912/1964	TB Hospital	155	1982	Corrections
	Embreeville	1880/1972	County Poorhouse	152	1998	Undetermined
	Hollidaysburg	1974	MR Facility	60	1976	Revert to MI Use
	Laurelton	1920	MR Facility	192	1998	Undetermined
	Marcy Center	1915/1974	TB Hospital	152	1982	Vacant
	Pennhurst Center	1908	MR Facility	179	1988	Veterans' Medical Center
	Philadelphia	1983	MI/MR Facility	60	1989	Vacant
	Western	1962		133	1999	
	Woodhaven	1974	MR Facility	N/A	1985	Became private institution
Rhode Island	Dix Building	1945/1982	WPA	80	1989	Corrections
	Ladd Center	1907	MR Facility	292	1994	Undetermined
South Carolina	Clyde Street	1973	Home for unwed mothers	20	1995	Administrative Offices
	Live Oak	1987	Nursing home	50	1999	To be sold
South Dakota	Custer	1964	TB Hospital	76	1996	Boot camp for delinquent boys
Tennessee	Winston	1979			1998	
Texas	Forth Worth	1976	MR Facility	339	1995	Undetermined
	Travis	1934	MR Facility	585	1997	Undetermined
Vermont	Brandon	1915	MR Facility	26	1993	For Sale, Local Realty
Washington	Interlake School	1946/1967	Geriatric MI	123	1995	Other State Agency
West Virginia	Colin Anderson	1920s	MR Facility	85	1998	Possible Juvenile Corrections
	Greenbrier	1801/1974	Women's College	56	1994	Community College
	Spencer	1893	MI/MR Facility	150	1989	Vacant/Possible Corrections
	Weston	1864/1985	MI/MR Facility	99	1988	Revert to MI Use
Wisconsin	Northern Wisconsin Ctr.	1897	MR Facility	173	2005	Intensive Treatment/Dental

*Four 10-bed "grouphomes" to be built on the Lincoln, Illinois site, to be named "Lincoln Estates."

Source: Braddock, Hemp, & Rizzolo, Coleman Institute and Department of Psychiatry, University of Colorado, 2005.

APPENDIX II
SUGGESTED PRELIMINARY GUIDELINES FOR INSTITUTIONAL CLOSURES

Institutional closure affects "sending" facility staff (staff at the institution that is closing), the "receiving" community staff and their agencies, and, of course, the individuals with disabilities and their families who are most affected. These guidelines were primarily adapted from closures at the Dixon and Galesburg Centers in Illinois (Braddock, Heller, & Zashin, 1983; Heller, Factor, & Braddock, 1986)

There are five sections in the Guidelines:

I. General Guidelines
II. Individuals Moving from the Institution
III. Families and Guardians
IV. Community Programs
V. Personnel of the Closing Facility

I. GENERAL GUIDELINES

1. Evaluate the Closure Systematically and Longitudinally

Develop a plan to evaluate (study) the closure of Grafton, first from the standpoints of the residents and their families but also from the standpoint of the impacted staff and the local community in which Grafton is situated. Use this evaluative information to help increase the likelihood of positive long-term impacts on consumers, employees, and communities. Announce the study at the same time the closure is announced. It should continue for at least two years after the last resident is moved to the community.

2. Seek Out Knowledge From Other States' Experiences with Institutional Closure

Many states have a great deal of experience with closing institutions for people with MR/DD. Seek out that experience if you choose to close Grafton.

II. GUIDELINES FOR INDIVIDUALS MOVING FROM THE INSTITUTION

1. Minimize Resident Transfer Trauma by Implementing an "Anticipatory Coping Strategy"

- Close Down Institutional Cottages or Units One at a Time;
- Keep Resident Groups and Friends Intact;
- Minimize Internal Transfer of Residents and Staff in the Closing Facility;

- Conduct Preparatory Programs for Consumers. This should include site visits to the new residential settings, as desired by the individuals, and in respect to any support needed based on their level of functioning; and,
- Involve Consumers Personally in Choosing Their Roommate(s) and Their New Community Home and Support Network.

2. Transfer Staff with Those Moving From the Institution

Determine whether institutional staff can be employed at community programs with individuals with developmental disabilities who know them and who are relocating to those programs.

3. Adopt a Relocation Assessment Process with an Appeal Mechanism

- Level One: Identification of an Alternative Plan

  The sending facility and state agency staff recommend a receiving program in the community for each resident based on service and support needs, preferences of the individual and/or the legally responsible persons, and availability of community resources.

- Level Two: Development of an Individual Services Plan

  A service plan is developed by the receiving program staff in collaboration with the sending facility staff. Minimizing internal transfers at the sending facility will improve the quality of information transmitted, as staff most familiar with the individuals moving would be available to provide the necessary input into the plans. The community agency staff has the final discretion in writing the plan.

- Level Three: Conference with Legally Responsible Person

  Prior to relocation, a meeting is offered at the community program with the legally responsible family member or guardian, if desired, to review with the community program staff the individual service plan. Closing facility staff may also participate in the meeting.

- Level Four: Appeal Process Available to Legally Responsible Person

  The legally responsible parent or guardian can object to the transfer plan if he or she believes it does not meet the individual's habilitation, support or medical needs. An appeal process is a necessary "relief mechanism."

III. FAMILY AND GUARDIAN GUIDELINES

1. Consultation with Closing Facility's Parents' Association

If a closure is decided upon, the state agency should promptly request permission to address the facility's parents' association. Meetings should be held, as necessary, to explain the closure process and to deal with problems that might arise during the relocation process. It is wise to acknowledge upfront to parents at both the sending facility, and to the community programs, that the relocations may temporarily disrupt routines at the institution and the community programs and in the lives of the individuals being relocated and their families. Every attempt to minimize this disruption should be made.

The state agency representative should convey to parents her or his willingness to work out solutions. It is also important for community program parents to be engaged to help provide a receptive environment for the relocated individuals and their families.

2. Involve Parents Who Have Been Through the Process

Parents involved in a successful institutional closure from a nearby state with such experience may be invited to the initial closure discussions with state agency representatives and with the closing facility parents' association. This can help reduce family anxiety and build support for the positive opportunities that a well-planned relocation can bring to their relatives.

3. Family/Guardian Notification

Individualized notification of families and guardians can serve to reduce anxiety and build support for individuals' planned relocations. Immediately upon the announcement of closure or phase-down, notification letters are sent to family members or guardians providing the following information.

- A rationale for the closure;
- The approximate time-frame;
- Anticipated positive aspects of the change;
- Types of community programs that will be available;
- Family and guardian options for alternative community programs;
- Reaffirmation of the state's commitment to serve the individual throughout relocation;
- Description of the four-level relocation assessment process--what will happen next; and,

- Name and phone number of a contact person designated by the state agency.

  Follow-up is continued through telephone contact reiterating essential information that was in the letter of notification and soliciting family or guardian participation in the individual's relocation to the community program.

4. Encourage Family Involvement

The following six steps can be employed to involve the families meaningfully in the process:

- Hold Informational Sessions at the Sending Facility

  Invite families to informational sessions at the sending (closing) facility. Representatives of the receiving community programs should also make presentations about their programs for the families.

- Open House at Community Programs

  Most community agencies operate a range of residential, day, work, and other support services. Invite families to an open-house at each receiving agency so that they have access to the appropriate information about the programs their family member is likely to be involved in.

- Parents at the Receiving Community Agencies. Contact families at the sending institution to offer assistance, inviting them for individualized or small group visits.

- Set Up a Family Buddy System at the Community Agency

  This system connects community agency families with the new families before, during and after the relocation.

- Family and Guardians Should be Present During the Actual Relocation if Desired

- The Community Agency Should Contact Families and Guardians to Inform Them When the Relocation is Scheduled and Invite Them to be Present. (The community agency parent buddy should also be present if possible.)

IV. COMMUNITY PROGRAMS RECEIVING RESIDENTS FROM THE CLOSING FACILITY

1. Develop Consistent Entry Criteria

Develop systematic criteria for accepting residents at each receiving program and communicate these clearly with sending facilities and family/guardians. Encourage pre-placement visits to the receiving programs by staff, consumers with disabilities, and families to enable them to evaluate the program's appropriateness.

2. Provide Staff Training

Prepare incumbent staff and personally orient new staff to the consumers who will be moving in. Often the persons coming from closing facilities are lower functioning, medically fragile, or have challenging behaviors. Without sufficient training, staff may lack the specific knowledge and skills to properly support some of the individuals moving.

3. Involve Receiving Programs in Planning

Once closure has been scheduled, involve receiving program representatives early in the planning process and keep them involved and well-informed.

4. Establish Mental Health Back-Up Supports

Mental health back-up supports to community residences should take the form of a troubleshooting group of trained and experienced professionals drawn from the state facility and community agencies. A "behavioral unit" at one of the community programs or at a state mental health center could function as a temporary placement until appropriate, permanent back-up programs are established in the community and/or state mental health center.

5. Develop Public Relations and Education Programs for Communities

Community providers and state agency personnel can enlist community support by attending meetings with persons and groups in the receiving communities. These meetings could be held at churches, schools, or informally with immediate neighbors, to educate and reassure.

6. Establish Relationships with Local Resources

Some new community residences may need to establish relationships with such local resources as the fire department, health providers, and public safety offices. Specific recommendations for local resources include the following topics:

- Testing, counseling and behavioral support for community mental health providers;
- Updated treatment and medication training for physicians and hospitals on topics such as challenging behavior, seizures, and motor problems;

- Dental monitoring and treatment techniques for neighborhood dentists; and,
- General orientation to developmental disabilities for firemen, police, recreation facilities.

7. Provide Financial Incentives for Community Residential Development

Community placements will be greatly facilitated by financial incentives for community programs. The Medicaid Home and Community-Based Services (HCBS) Waiver has been used successfully in most states.

8. Facilitate Development of Needed Support Services in the Community

Closure affords the opportunity for the development of necessary community services "infrastructure." For example, expanded supported living and supported employment programs for individuals moving from the institution will be needed.

V. PERSONNEL GUIDELINES

1. Plan Ahead Beginning Early in the Process

Develop a plan for future staffing patterns as individuals are relocated, conduct surveys of employee desires for transfer, and determine clear personnel policies early in the closure process. Do not promise employees what cannot be delivered.

2. Terminate One Unit at a Time and Minimize Internal Transfers

Close down one unit, wing, ward, or cottage at a time when possible and determine the schedule ahead of time, not during implementation. Closing down one component at a time keeps groups of individuals with developmental disabilities and familiar staff together, and can also result in increased administrative efficiency and cost savings.

3. Minimize Employee "Bumping"

"Bumping" (whereby staff working elsewhere in a state agency have more seniority and can replace less senior employees) should be avoided or at least minimized during the closure process. Bumping destroys program continuity in the closing facility at precisely the moment individuals being relocated need it most, with a deleterious effect on individuals who have developed interdependent relationships with staff over a long period of time.

4. Establish Employee Counseling Service

Establish an employee counseling and job placement service at the closing facility as soon as the closure is announced and becomes evident to staff. This service

would include individual counseling, workshop training, job relocation and transfer planning, job fairs, resume writing, and retirement planning.

5. Conduct Early and Continuing Briefings for Staff

Have a representative of the state agency or the state's personnel department present comprehensive briefings to facility staff when closure is announced. The briefings should announce the initiation of the employee counseling service, and fully discuss employee rights, benefits, and realistic expectations concerning layoffs, employee transfers, and retirement.

6. Develop an Open Door Policy

Develop clear lines of communication between management and all levels of staff at the closing facility.

7. Establish Liaison with Other Departments and Facilities

Establish positive working relationships with the other major employers in the closing facility's community, and in neighboring municipalities.

8. Adopt as Many Staff Incentives as Possible

Consider using one or more of the following incentives for staff in the closing facility:

- Early Retirement Inducements
- Staff Retraining

  In particular, develop staff retraining programs for community-based services employment.

- Extended Health Coverage

  Temporarily extend health insurance benefits for laid-off workers and their families throughout the first year if the workers remain unemployed.

- Adopt a Priority Interviewing Policy at Community Agencies

  Implement a priority for community agencies to interview staff from the closing facility, but give the community agency complete latitude to judge an employee's potential for working at the agency.

- Payment of Moving Expenses

Consider paying a pre-designated sum of money for moving expenses for employees transferring to MR/DD community agencies or to other MR/DD-related employment in North Dakota that is beyond 30 miles from Grafton.

9. Develop/Distribute Newsletter

Develop a periodic newsletter, perhaps monthly, and distribute it to staff at the closing facility and at the community agencies receiving individuals from the closing institution. A newsletter is useful in dispelling rumors and improving communication between the supervisory staff at the closing facility and employees affected by the closure. Rumors breed anxiety in staff and this can be transmitted to individuals who are undergoing the relocation to community agencies. The newsletters should include time tables, administrative policies including changes in policy, information about employees receiving new positions, job search information, and where to obtain counseling or other services.

10. Use a Participatory Management Approach

Involve top management and employee unions (if applicable) in the initial and ongoing planning for the closure. Make it clear to them that they cannot change the fact that closure is going to happen, but that they can and should influence and help make the decisions about the best way to carry out the closure and implement the relocation process.

1-30-07 sub 2012

#5

Report to the Interim Budget Committee on Human Services
House Bill 1012 – Section 16 – Plan to Transfer Appropriate Developmental Center Residents to Communities – Report to the Legislative Council
May 31st, 2006

Summary:

The Department of Human Services convened a task force of stakeholders in 2005 to prepare a plan in response to the mandate from House Bill 1012 – Section 16, to transfer appropriate Developmental Center residents to communities. The Superintendent of the Developmental Center chairs the task force and task force members include Department of Human Services staff, providers, advocates and a family member.

The current developmental disabilities population at the two institutions is 139 individuals, with 134 individuals residing at the Developmental Center and 5 at the State Hospital. In order to effectively transition these individuals to the community we need to build community capacity. These resources need to be in place to meet the current and projected needs of individuals in the community. The following are the recommended action steps developed by the Developmental Center Transition Task Force to accomplish the task of transitioning people to the community.

Recommended Action Steps:

1) Every individual with developmental disabilities residing at the Developmental Center and State Hospital will have a placement plan developed in order to place them in an **appropriate** community placement.

2) To accomplish this goal there is a need for community capacity building with the following elements in place;

    a) A statewide crisis prevention and response system that is based on a "zero reject" model.

    b) Increased need for crisis intervention services, to include;

        - Crisis Beds.
        - Out-of-Home Crisis Residential Services.
        - In-Home Technical Assistance.
        - Follow-Along Services after Out-of-Home Crisis Residential Services placement.

- Training for community professional and direct care staff.

c) Increase capability and capacity for the community to serve the young adults with developmental disabilities who are aging out of settings such as residential treatment centers, foster homes, the Anne Carlsen Center, and the juvenile justice system. As evidenced by the fact that 40% of the admissions to the Developmental Center in the past three years have been age 25 and under, a number of these young people present challenges that exceed the community's ability to serve.

d) Increased need for consultation;

- Behavioral plan consultation and oversight
- Consultation for individuals with sexual health issues.
- Psychiatric and psychological consultation and services.

3) Changes in funding and staffing, to include;

a) Review and amend where appropriate administrative rules that are a disincentive for Independent Supported Living Arrangement placements.

b) Increase funding for ISLA placements, including increased administrative reimbursement for existing and new ISLA placements.

c) Recruitment and retention of staff, particularly for direct service staff positions, since it is difficult to compete with other service industries as well as the retail sector.

- Salary funding increases to get ahead of turnover.
- Funding for appropriate staff enhancements to serve increased medical and behavioral needs.

4) The transition goal for July 1, 2007 is for a maximum population of 127 individuals residing at the Center.

- Use the residential decision profile for determining who would be appropriate for community placement.

- Utilize the statewide referral system and Developmental Center crisis response team to assure management of individuals in community settings.

5) The transition goal for July 1, 2009 is for a maximum population of 97 individuals residing at the Center.

6) The transition goal for July 1, 2011 is for a maximum of 67 individuals residing at the Center.

7) Develop a transition budget as an OAR for inclusion in the Department of Human Services 07 - 09-budget request, to cover the costs of transitioning people from the Developmental Center to the community and for enhanced community supports.

8) Determine the long-term future of the Developmental Center service system including clinical, healthcare, and residential/vocational components.

Testimony of Tom Alexander
Senate Appropriations – Human Services Sub-Committee: SB 2012
January 23, 2007

Chairman Fischer and members of the committee, my name is Tom Alexander. I am employed as the Project Director for the ND Medicaid Infrastructure Grant/Comprehensive Employment Systems Initiative out of the North Dakota Center for Person with Disabilities (NDCPD) at Minot State University. I am here on behalf of the ND Transitional Jobs Task Force.

Transitional Jobs (TJ) is a practical workforce strategy that uses time-limited, wage paying jobs that combine real work, skill development, and supportive services, to transition participants rapidly and successfully in the labor market.

In North Dakota and nationally, 50% of the people who are released from incarceration will re-offend. In 2006, 1071 individuals were released from state and federal prisons with the state of ND. Currently, it costs approximately $29,000 per year for an individual to be incarcerated in the ND prison system. Statistically, 535 of the 1071 released will re-offend and cost approximately $15.5 million per year for these individuals to be incarcerated.

National statistics indicate that if a state has a Transitional Jobs Program the percentage of people who re-offend drastically decreases. For example (based on 2006 ND release info):

- Enrolled in TJP for 3 months – of the 535 people who will statistically re-offend that number will decrease to 428 (20% decrease).
- Enrolled in TJP for 6 months – of the 535 people who will statistically re-offend that number will decrease to 69. (87% decrease).

Governor Hoeven stated in his 2007 State of the State address, "Six years ago, our challenge was creating jobs. Then our challenge became creating higher paying jobs. Today, our challenge is finding people to fill those jobs." Nationally, the success of the Transitional Jobs Programs is well documented.

We ask this committee for an appropriation of $150,000 over a 2-year period for the establishment of a Transitional Job Program in ND to be included in the ND Department of Human Services budget. The NDMIG project is committed to this program and is willing to allocate $50,000 dollars of its grant funding for the establishment of this program.

The funding requested for this program will be used to hire a professional to develop TJP and will also include general administrative costs of this project. The person hired will also be responsible to seek funding for direct services through federal granting dollars in partnership with NDCPD.

I would be happy to answer any questions you may have. Thank you.

OCTOBER 2006

Transitional Jobs Programs for Persons with Criminal Records

Transitional Jobs (TJ) is a rapidly developing and expanding strategy intended to help persons with criminal records and limited employment experience successfully return to the workforce and their communities. This is notable given that other less intensive reentry programs have not proven to be as successful with this population.

What are Transitional Jobs?

Transitional Jobs are time-limited, subsidized jobs that combine *real work, skill development, and support services* to help participants overcome substantial barriers to employment. They operate in rural, urban, and suburban areas of the country, engaging individuals who have a broad array of barriers to work.

Transitional Jobs placements are typically in public or nonprofit organizations. Workers **earn a wage** of between $5.15 and $8.00 per hour and work between 20 and 35 hours per week. The programs are time limited, typically offering two to six months of paid work experience, though some last as long as 12 months. As participants near the end of the transitional job, they receive assistance in looking for and obtaining unsubsidized employment and subsequent help with job retention.

Do Transitional Jobs work for persons with criminal records?

TJ participants have higher job retention rates than those in other programs because TJ participants learn how to be successful employees through job skills classes and real work experience. The results of Transitional Jobs programs for persons with criminal records is consistent with general Transitional Jobs program success, in which 60 to 94 percent of graduates go on to unsubsidized employment at starting wages averaging $8.00 to $10.90 per hour. Currently, Transitional Jobs programs designed specifically for persons with criminal records have been or will be adopted in 10 states, the majority of which have the largest reentering populations in the nation. These TJ programs are being supported financially or otherwise by state-level corrections departments. Many more TJ programs serve persons with criminal records as part of other target populations, including recipients of welfare and people who are homeless.

Why do persons with criminal records benefit from Transitional Jobs?

Specifically, for persons with criminal records, Transitional Jobs programs:

- Increase stability during the immediate transition from incarceration into the community by providing cash income to help cover living expenses and by fostering a positive routine and realistic hope for moving into permanent employment;
- Allow time to get reestablished as productive members of the workforce while building a work history for their resumes;
- Provide an opportunity to prove key facets of employability such as reliability and trustworthiness, leading to strong references that are instrumental when seeking unsubsidized employment; and
- Offer linkages to community supports and help with managing time for

competing demands, such as parole officer meetings, finding housing, and re-establishing custody of children.

Workforce organizations, departments of corrections, and funders across the nation are seeking opportunities to add this critical TJ strategy to their prison reentry initiatives.

The following programs exclusively serve people with criminal records:

New York City: Center for Employment Opportunities (CEO)

Mindy Tarlow
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Laura Brenden
Director of Business Development
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www.ceoworks.org

The Center for Employment Opportunities (CEO) provides job readiness and placement services to former inmates, probationers, and others under community supervision in New York City. CEO's TJ program is a work crew model. Each day, CEO sends a work crew of five to nine people to over 30 work sites.

CEO funding primarily comes from competitively bid criminal justice contracts at the city, state, and federal levels for work crew services. In addition, CEO receives support from several private foundations, among them the Edna McConnell Clark Foundation, the JEHT Foundation, and the Gimbel Foundation.

CEO serves over 2,000 people on parole each year. Of those, 9,000 participants have been placed in permanent unsubsidized jobs in the last 10 years. Within two to three weeks of program participation, 60 percent of participants are connected with a job developer and placed in permanent jobs. CEO has placed participants in a Transitional Job with over 150 public and private sector employers. For CEO participants placed in permanent jobs, 30 percent returned to prison in three years; for those who held onto the job for six months, the three-year return rate was 13 percent.

Chicago: Roosevelt University and the Career Advancement Network (CAN)

Mark Kaufman
CEO, Career Advancement Network
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Michael J. Elliott
Executive Director
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The Career Advancement Network (CAN) serves females with criminal histories in Chicago. Recognizing that trauma such as domestic violence, substance abuse, and assault are often felt by women who were formally incarcerated, CAN combines an intensive therapeutic counseling program to promote behavior and lifestyle change, which supports success in the workforce. CAN's TJ program is an individual placement model that begins two months prior to release from prison by providing TJ placements in the hospitality industry and other service sectors.

The CAN program is funded through city funds from the Chicago Mayor's Office of Workforce Development and receives training and placement support from the National Hotel and Lodging Association.

CAN has served over 200 women since 2004, and of those, only five have recidivated back to prison. Seventy-eight percent of TJ completers are placed into

unsubsidized jobs. Seventy percent of those placed are still working in the job after 60 days and 50 percent are still working after 90 days.

Detroit: Goodwill Industries of Greater Detroit

Joe Evans
Detroit Career Center Director
Goodwill Industries of Greater Detroit
Phone: 313-964-3900 ext. 505
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jevans@goodwilldetroit.org

Detroit's New Start Employment Program is a TJ program for probationers from the Wayne County, Michigan jail system. All participants are adult Detroit residents residing at the Elmhurst Residential Treatment Center, which specializes in substance abuse treatment. New Start's TJ program is a social enterprise model, which is a revenue-generating business that performs a service or creates a product as a means of funding the program, also allowing TJ participants to learn a variety of skills. New Start is a partnership between Wayne County Corrections and Goodwill Industries of Greater Detroit Industrial Operations Work Center. The industrial plant is a Tier I parts assembly and packaging supplier for auto manufacturers and others.

The program is funded by grants from the Detroit Workforce Development Department and the Ford Motor Fund. New Start partners with the following organizations to provide supportive services and financial support: Wayne County Department of Children and Family Services, Elmhurst Home and Naomi's Nest (residential and outpatient treatment centers), and the Michigan Department of Corrections.

The New Start program was initiated in January 2001 and has enrolled over 429 male and female probationers and parolees in TJ. Sixty-four percent of TJ participants transitioned to permanent employment, earning an average wage of $9.40 an hour. Eighty-eight percent of participants are still employed in their unsubsidized job after three months.

Fort Wayne: Blue Jacket, Inc.

Anthony Hudson
Executive Director
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www.bluejacketinc.org

Blue Jacket, Inc. (BJI) works with adult participants from most criminal justice agencies in Allen County and surrounding counties in Fort Wayne, Indiana. BJI's TJ program is a construction social enterprise with a thrift store to be added soon. The TJ construction project includes 125 hours of in-class construction training, 40 hours of paid employment at $8.00 per hour for six months.

The following partners assist the vision of BJI by providing supportive services:

- NeighborWorks, Inc.
- Associated Builders and Contractors
- Allen County Community Corrections
- Indiana Dept. of Workforce Development
- Ivy Tech State College

Blue Jacket, Inc. began a pilot program in 2005 and began its present TJ program in March 2006. BJI currently employs 14 participants with plans to employ 30 by the end of 2006. Of the 14 participants, three are buying homes being remodeled or built by BJI. BJI has served over 100 persons with criminal records since its inception.

Other Examples of TJ programs serving persons with criminal records:

Transitional Work Corporation
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Goodwill Industries of San Francisco
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Sweet Beginnings
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773-638-1805
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Workforce, Inc
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Advancement Plus
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For more information about the Transitional Jobs strategy, please visit our website at www.transitionaljobs.net.

The National Transitional Jobs Network (NTJN) is a coalition of more than 200 Transitional Jobs (TJ) programs, policy organizations, and sponsoring organizations. TJ is a workforce strategy designed to overcome employment obstacles by using time-limited, wage-paying jobs and combining real work, skill development, and supportive services to transition participants successfully into the labor market. The Network works to influence a number of audiences to ensure that policies will account for the hard-to-employ, that the public understands the need to invest in these services, that programs are able to effectively serve as many individuals as possible, and that best practices and technical assistance are widely shared and implemented throughout the network. The NTJN is made possible through the generous support of The Joyce Foundation, The Annie E. Casey Foundation, and Network members.

The mission of the National Transitional Jobs Network is to support and expand the size, type, and number of Transitional Jobs programs nationwide and to support the quality of the service model.

For More Information Contact:

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Transitional Jobs Programs Build Stronger Communities

Transitional Jobs (TJ) programs are a key to building stronger communities because by design, they open doors to employment for community members who are struggling to get past barriers to permanent, lasting employment. Transitional Jobs is a workforce strategy that transitions participants rapidly and successfully into the labor market by creating the experiences necessary to ensure an employer views the TJ worker as the preferred hire from the community.

What are Transitional Jobs?

Transitional Jobs (TJ) is a practical workforce strategy that *uses time-limited, wage-paying jobs that combine real work, skill development, and supportive services,* to transition participants rapidly and successfully into the labor market. TJ programs are operating in hundreds of communities and cities in 30 states across the country. These TJ programs are engaging individuals who due to their age, low education, limited work experience, criminal records, receipt of welfare, or racial discrimination, are not afforded full opportunity to engage in the workforce. These individuals become full participants in our communities through the added value of work.

TJ placements are typically in public or nonprofit organizations, although there are a growing number of for-profit and government Transitional Jobs placements. Workers **earn a wage** of between $5.15 and $8.00 per hour and work between 20 and 35 hours per week. TJ work assignments are time-limited, typically lasting two to six months, but sometimes lasting as long as 12 months. During their transitional job, workers pay taxes on their earnings and earn Social Security credit.

As participants achieve a level of workplace success, they receive assistance in obtaining unsubsidized employment and subsequent help with job retention and career path planning. TJ programs establish the worker, through experiential work, as a low-risk hire to employers. Some TJ programs also foster financial literacy and other GED, English for Speakers of Other Languages, parenting or fatherhood classes, as well as provide a bridge to vocational skills training.

TJ is particularly effective serving:

- Persons with criminal records;
- Youth exiting from foster care and juvenile justice systems;
- Current, potential, and former TANF recipients; and
- Persons experiencing homelessness.

Do Transitional Jobs work for persons with criminal records?

TJ is a rapidly developing and expanding strategy intended to improve communities through better outcomes for persons reentering the community from a correctional institution. More than 10 states, the majority of which have the largest reentering populations in the nation, have supported TJ programs to serve individuals with criminal histories. These TJ programs are being supported financially or otherwise by state-level corrections departments.

An unfortunate reality in our country is that a majority of those reentering the community with criminal histories are persons of color –

particularly African American and Latino. An estimated 12.6 percent of all black males in their late twenties are in prisons or jails, compared to 3.6 percent of Hispanic males and 1.7 percent of white males.[1] In reentering their communities from prisons or jails, these individuals are often confronted by employer policies that disproportionately keep persons of color with criminal histories unemployed. In fact, researchers have found that individuals with criminal histories who are white receive more job offers than those who are not. Research also shows that employers discriminate particularly against black men and those with weak employment records.[2] Such discrimination contributes substantially to employment and earnings gaps between white and black young men.

Transitional Jobs programs address this barrier by successfully employing persons with criminal histories and improving their employment records, thereby, working to change an employer's perception. Well over 50 percent of workers, and more typically, over 65 percent, go on to unsubsidized employment after leaving TJ programs. These permanent placements pay well above minimum wage, with wages averaging $8.00 to $10.90 per hour. Job retention by TJ participants also consistently exceeds retention from other job referral and placement programs because TJ participants have learned how to be successful employees through real work experience.

Can Transitional Jobs programs connect youth to work?

The number of TJ programs in the country who work with youth exiting out of foster care and juvenile justice systems is growing. Emerging programs are adopting TJ to work with youth who are facing greater obstacles to work due to their deep poverty, gang affiliations, and child welfare and juvenile justice experiences that far too often have not prepared them to succeed in the workplace.

The unemployment rate for people ages 16 to 25 is more than six times higher than for the overall market: 26.0 percent versus 4.2 percent.[3] Many youth have little or no work experience and few opportunities for summer jobs or internships. Particularly young people expected to live independently in the community as they exit foster care and juvenile justice systems are often unprepared for the workplace and face many barriers to employment including incomplete education, lack of work experience and references, unclear career direction, unstable housing, and overwhelming personal and family circumstances.

Youth TJ programs mainly operate social enterprises or work crew based models under close supervision to complete needed and unaddressed community service projects such as low-income housing rehabilitation, building maintenance, or trail and park improvement. Some TJ programs serve youth in scattered site work assignments in public or nonprofit community service agencies or schools. These programs are often coupled with other programs providing basic education, GED or ESL classes, counseling, and peer-to-peer interactions. Following completion of the transitional job, participants receive supportive services to further schooling or to gain permanent employment.

Youth Transitional Jobs programs produce significant returns to youth and to the community. A fourteen-month study of youth community service projects found the following:[4]

- Every dollar invested in youth results in more than two dollars returned to the economy in the form of wages and reduced benefits.
- 80 percent of young people in youth corps and YouthBuild programs move into jobs, school, or both upon program completion.
- The aging workforce requires that we engage the potential future workforce fully – failure to integrate our youth into the workforce will adversely impact our economic capacity and productivity.

Can TANF goals be met through Transitional Jobs programs?

TANF, the nation's welfare program, has goals to move adults into the workforce and requires states to ensure significant percentages of TANF recipients are working as they receive benefits. Many TJ programs serve persons receiving TANF who often face significant barriers to employment, including low levels of education, substance abuse, domestic violence, depression, and little work experience.

TJ programs serving TANF recipients include case management to work with participants on individual issues and help the participant move into the workplace to gain experience. As participants work in their transitional job, they are also complying with state TANF work requirements. These TJ programs typically are scattered worksite models or social enterprises. TJ worksite placements for TANF recipients are often with nonprofit, governmental, or for-profit employers and include work in clerical, maintenance, food service, shipping or receiving, healthcare, retail, and other service industry sectors.

In just three of the dozens of TANF programs in our communities, well over 25,000 persons receiving TANF have become workers:

- *Community Jobs*, the state of Washington's Transitional Jobs program, has served over 11,026 individuals since 1998.
- *Georgia Goodworks*, Georgia's Transitional Jobs program, has served over 4,230 individuals since its implementation in 2000.
- *Transitional Work Corporation* in Philadelphia, PA serves over 1,500 people annually. This TJ program has served over 13,472 people since it began in September 1998.

Aggregated data indicates that between 72 and 92 percent of TJ participants receiving TANF who complete the TJ program are successful in becoming employed.

TJ programs work. The results are obvious: TJ programs effectively engage persons who are excluded from the workforce to change perceptions and experiences that serve as barriers to employment, and to strengthen our communities and provide many community members with the opportunity to become self-sufficient through work.

For more information about the Transitional Jobs strategy, please visit our website at www.transitionaljobs.net.

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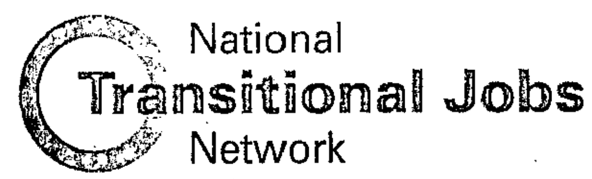
[1] U.S. Department of Justice, Bureau of Justice Statistics. *Prison Statistics*. Retrieved September 20, 2006, from http://www.ojp.usdoj.gov/bjs/prisons.htm

[2] Holzer, H.J. (2002, June). *Perceived criminality, criminal background checks, and the racial hiring practices of employers*. Washington DC: Georgetown Public Policy Institute, Georgetown University.

[3] Berstein, J. & Houston, E. (2000). *Crime and work*. Economic Policy Institute. Retrieved September 20, 2006, from http://www.epi.org/content.cfm/books_crimeandwork#intro

[4] Jastrzab, J., Masker, J., Blomquist, J., & Orr, L. (1996). *Evaluation of national and community service programs, impact of service: Final report on the American conservation and youth service corps*. Cambridge, MA: Abt Associates, Inc.



OCTOBER 2006

Basic Transitional Jobs Program Design

Transitional Jobs (TJ) is a practical workforce strategy that uses *time-limited, wage-paying jobs that combine real work, skill development, and supportive services*, to transition participants rapidly and successfully in the labor market. The essential underpinning of the program is that every participant can be successful in the workplace. TJ programs reflect a flexible, evolving design comprised of core fundamental elements combined with elements tailored to the target population. Transitional Jobs programs can vary as to length, the type of transitional employer (for profit, nonprofit, or government), the role of formal skills training, funding streams, and the population served. TJ can be delivered in an urban or rural context of a micro-enterprise, a publicly or privately funded job, or work crews bidding on jobs. In any of these settings, the following are key common elements.

Objectives:
Transitional Jobs offers a model of employment by which participants learn through experience the customs and routines of work, acquire work-task skills, establish an employment record, and generate employer references to enhance their competitiveness in private sector employment. Transitional Jobs programs assume that everyone can work. With confidence gained from success in the workplace and appropriate case management to assist with any problems along the way, TJ provides the participant with learning opportunities, pay, and the support necessary to transition to full-time, permanent employment.

Target Populations:
The populations served are typically limited to people with multiple employment obstacles or limited work experience. This includes individuals who are homeless, persons with criminal records, refugees and asylum seekers, long-term welfare recipients, and youth. For each of these populations, the Transitional Jobs program employs strength-based case management to help participants manage their barriers and be successful in the workplace. Program services are tailored for the specific population and strong linkages are made to related support services.

Orientation and Assessment:
Program services begin with program overview, initial screening, and often drug testing, followed by a review of program requirements. Participants are assessed in the areas of academic skills, vocational skill development, employment experience, and vocational goals and interests. The assessment informs the development of both short-term employment goals and long-range career plans. This process engages the individual in the program and in "owning" and developing an individual service plan. This plan will then be the focal point for the participant and staff throughout the program.

Drug testing in Transitional Jobs programs is not for the purpose of excluding participants but to expose them to the practices of many employers, to identify use and connect participants to services, if needed, and to keep them engaged in moving to employment through a Transitional Job while they are in treatment.

Life Skills and Job Readiness:
Because TJ is an experiential learning model, life skill classes and activities focus on skills needed to succeed in the transitional job as well as resolving challenges at work. Challenges can include childcare, medical or drug treatment, parole or probation, other appointments, family problems, housing, and child support. These short-term, peer-to-peer classes address soft job skills, family support issues, and personal barriers. For most populations, but especially for persons with criminal records, classes should address anger management, stress reduction, conflict resolution, and other life skills to support the work of the case managers.

Additionally, classes may include writing a resume, filling out an employment application, how to interview and conduct a job search, learning real wage expectations, learning how to dress on the job, displaying appropriate workplace behaviors, developing financial literacy, and engaging in career planning. Developing skills needed to retain employment starts with these classes and continues throughout participation in the Transitional Jobs program.

Case Management:
Case management in TJ programs differs from case management in many settings because it is work focused. The case management function is designed as an ongoing activity that monitors progress toward short-term goals, maintains contact, supports meaningful engagement, and fosters progress toward unsubsidized employment as a key long-term goal related to a career plan. Resolution of underlying barriers to participation is discussed and addressed including transportation problems, lack of affordable housing, decision-making skills, and goal setting. Case management also includes:

- ongoing employment counseling during job readiness training, employability planning, and the Transitional Job assignment;
- evaluation and review of weekly performance on the job;
- weekly planning to improve workplace success through greater management of personal barriers and skill attainment;
- monitoring of participation in job search and interviewing with job leads; and
- linkage to other supports to gain unsubsidized employment while in a transitional job.

Transitional Job:
The subsidized job is a short-term, wage-paying employment opportunity located with employers who have agreed to assign a mentor on the job (typically trained by the agency operating the Transitional Jobs program) who will also be the person reporting to the case manager on work performance and any workplace issues. Employers typically are nonprofits, but can be governmental agencies or for-profit employers. Especially for private employers acting as Transitional Jobs employers, they are expected to contribute to the wages, employ the participant, or actively assist with placement activities.

The purpose of the subsidized job is to help the participant obtain a work history, to reinforce the participant's sense of ability and stability on the job, and to increase the participant's job skills.

Transitional jobs are between 20 and 35 hours per week with a wages averaging $5.15 to $8.00 per hour. Because participants are paid, they are eligible for the Earned Income Tax Credit (EITC) and Social Security credit. The duration of the subsidized job varies by program, with the average length of the Transitional Job lasting two to six months. Participants often access unsubsidized placement before six months.

Career Pathways Planning:
Transitional Jobs programs continually develop basic employment skills, integrate education with work, and propel individuals toward progressively higher levels of skill, responsibility, and wages. Unlike traditional training programs targeted to a particular population or individual job, Transitional Jobs programs stress career advancement through employer participation while building on the idea of a universal program, with training and work opportunities open to individuals at all levels of skills and readiness in the local job market.

Unsubsidized Job Placement and Retention:
Transitional Jobs programs are a vehicle to finding a permanent job; this support makes the model unique and more successful than Workfare or Work First job referral models. While working on the transitional job, individuals work with job development staff in the search for unsubsidized employment. Based on assessed skill level, work experience, employment desires, and presence or lack of barriers, the job developer and case manager work with the participant in developing an individualized job strategy that incorporates other Transitional Job program work activities with the goal of securing unsubsidized employment at the best available wages. TJ programs typically offer job retention services for a minimum of 90 days. If the Transitional Job employer is for-profit, typically that employer will have agreed to hire the transitional employees after a period or to work to prepare them and support their applications with other employers.

Education and Training:
Linkages to education (ABE, ESL, GED, college) and vocational training are strongly encouraged. These skill enhancements help increase future employment and earnings potential. Whenever possible, resources for education should be leveraged to couple the skill or educational credential gain with growing self-confidence in the workplace to move the participant toward higher wage employment.

Additional Client Support:
Program funds are often used to provide assistance with transportation, clothing for work, tools for work, emergency food, and other emergency needs. For example, some programs provide participants with public transportation passes during orientation and throughout the Transitional Job phase. Others provide participants with a clothing stipend and with boots for work.

Incentives:
Incentives for program participants can serve as crucial program and job retention devices to encourage both mentors and participants to remain engaged with the program. These can be made available while the employee is in a Transitional Job or as incentives when milestones are reached in employment. Incentive options include gift certificates for mentors of TJ participants who enter unsubsidized employment and stay on the job for 90 days, certificates for participants who enter unsubsidized employment and attend retention sessions, peer recognition through newsletters, and continued participation with the program in an advisory capacity after employment. Some Transitional Jobs programs have also used gym memberships, aerobics classes, computer class certificates, other similar in-kind contributions, or discounted purchases from the private sector to reinforce the positives of workplace success. For many participants, being asked to return to participate in peer-to-peer sessions is also a personal incentive that can be incorporated in the program.

Conclusion:
Part of the enduring strength of the Transitional Jobs model is its flexibility and adaptability to a variety of populations and contexts. If you are interested in starting a Transitional Jobs program

OCTOBER 2006

National Transitional Jobs Network

The National Transitional Jobs Network (NTJN) is a coalition of more than 200 Transitional Jobs (TJ) programs, policy organizations, and government officials who collaborate in an effort to increase the presence of TJ in the fabric of the workforce system and to ensure that individuals with barriers to employment are prepared through experiential learning to successfully join the workforce. TJ is a workforce strategy designed to overcome employment obstacles by using time-limited, wage-paying jobs and combining real work, skill development, and supportive services to transition participants successfully into the labor market.

National Transitional Jobs Network Mission:
The mission of the National Transitional Jobs Network is to support and expand the size, type, and number of Transitional Jobs programs nationwide and to support the quality of the service model. NTJN fosters economic opportunity for America's workers by developing new TJ programs, building the capacity of existing TJ programs, and promoting a national dialogue on job advancement strategies.

National Transitional Jobs Network Leadership:
The NTJN is led by a Steering Committee comprised of 17 high-level officials or leaders - one third providers, one third advocates, and one third government officials.

Activities of the National Transitional Jobs Network:

- Development and dissemination of communications materials and media outreach.
- Coordination of regional and national forums and conferences.
- Coordination of state and federal advocacy and policy development.
- Dissemination and support of TJ best practices, research, and evaluation.
- Provision of technical assistance to groups across the country.

History of the National Transitional Jobs Network:
In response to changes in federal welfare legislation, the National Transitional Jobs Network formed in 2000 to support peer networking, technical assistance, and policy advocacy. The NTJN and the Center for Law and Social Policy convened the first national gatherings of Transitional Jobs programs and conducted the first program census. The first host agency was the Economic Opportunity Institute (EOI) in Seattle. Since April 2004, the Chicago-based Heartland Alliance for Human Needs & Human Rights has served as the host agency for the NTJN.

- Through 2003, NTJN members assisted with development of welfare to work programs and established the effectiveness of TJ to connect the individuals with barriers to employment to success in the workplace.
- By 2005, the NTJN evolved to include TJ as a reentry strategy for persons with criminal records at the local, state and federal level.
- In 2006, the employment needs of youth exiting out of foster care and juvenile justice systems became an additional focus for the NTJN.

Attachment for Reference:

In 2006 a total of 1,071 individuals were released from state and federal prisons within the state of North Dakota. At present, these individuals reside in the following locations:

ND Cities:

Bismarck	221
Fargo	166
Grand Forks	33
Minot	30
Jamestown	17
Dickinson	16
Williston	11
Total	494

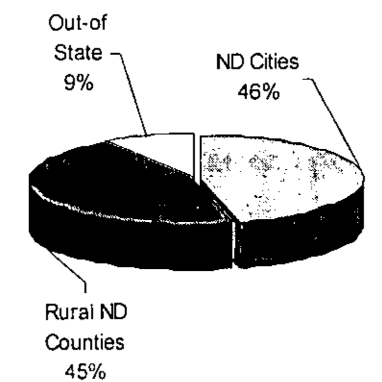
Rural ND Counties:

Burleigh	108
Cass	107
Rolette	107
Emmons	16
Mountrail	15
Grand Forks	13
Richland	10
Walsh	9
Ward	8
Barnes	6
McLean	6
Morton	6
Pembina	6
Divide	5
Wells	5
Benson	4
McHenry	4
McKenzie	4
Ramsey	4
Traill	4
Williams	4
Mercer	3
Sheridan	3
Foster	2
Pierce	2
Ransom	2
Steele	2
Eddy	2
Cavalier	2
Bottineau	1
Bowman	1
Dunn	1
Grant	1
Griggs	1
Kidder	1
Sioux	1
Stark	1
Stutsman	1
Towner	1
Total	479

Out-of-state:

98

Location of Individuals Released in 2006



Source: Tammy Barstad, ND Prisons Division

March 6, 2007

To: The House of Representatives

From: Deanne Markle
Restore Coordinator

I'm writing on behalf of my experience of being sentenced to do Community Service.

The site I chose to do my 300 hours of Community Service was at the Restore, which in turn opened up an opportunity for me to gain full time employment as the Restore Coordinator.

I have maintained this position for over 1 year and hope to continue to do so. This work experience for Rehab Services, Inc., Restore has been a very positive one.

I'm a recovering meth addict and alcoholic and have been clean for 1 year and 4 months as of today. Having been able to gain the position I have would not have been possible with out the sentence of Community Services hours. The experience I have gained from this program is hard for me to express. It has been priceless and a major part of helping me to live my life in a more positive way and free from addiction.

Through the Community Service Program, I was able to get the treatment I needed from Rehab Services, Inc. and the Recovery House.

I thank the Community Service Program every day for the opportunity it has given me in my day to day activities.

Sincerely,

Deanne Markle
Restore Coordinator

Executive Summary
North Dakota State Hospital/Department of Corrections and Rehabilitation
Tompkins Rehabilitation Center
Program Evaluation
January 19, 2007

The Tompkins Rehabilitation Center has completed three longitudinal studies to describe treatment effectiveness for chemically dependent residents referred to the North Dakota State Hospital by the Department of Corrections and Rehabilitation.

Perception of Care Survey;

This survey describes perception of the resident about the care received. 31 variables are measured. The report available is a 4-year study. See attached graphs.

Criminogenic Risk Study;

This study measures improvement in the reduction of criminogenic risk (those risks known to increase the likelihood of an offender returning to prison). The study measures improvement from the beginning of treatment to discharge from treatment. The study measures 15 variables that are known criminogenic risks. The report available is a 4-year study. See attached graphs.

Program evaluation:

This study is an 18-24 month post discharge program evaluation. The outcome scores are compared with severity scores at admission. The instrument used to measure results is the Addiction Severity Index; a nationally recognized, valid, reliable instrument used in the evaluation of addiction treatment programs. The Addiction Severity Index measures seven domains that are descriptive of life functioning.

Domains measured for outcomes:

- Medical
- Employment
- Alcohol
- Drug
- Legal
- Family/social
- Psychiatric

Study demographics:

- 119 cases followed from discharge to 18-24 months post discharge

- 41 women
  - 80.4% methamphetamine dependence in the women's sample
  - 24% addicted to three or more drugs
  - 39% dual diagnosed with a psychiatric diagnosis

- 78 men
  - 66% methamphetamine dependence in the men's sample
  - 37% addicted to three or more drugs
  - 17% dual diagnosed with a psychiatric diagnosis

- All cases are high risk offenders (risk to re-offend) as measured on the Level of Services Inventory – Revised (LSI-R)

The study adheres to three important guidelines for program evaluation;

- The use of an instrument that has been validated and tested for reliability.

- Success is measured in 'real life' ways such as improvement in Job, Family, etc.

- Methods used include an adequate sample size, consistency in the process of gathering data, and consistency in methodology.

A key to success in addiction programs is length of time in treatment. It is well documented that continuing care is necessary for long term recovery.

Staff at the Tompkins Rehabilitation Center has successfully placed 98% in continuing care programs. (2% were returned to prison) Overall length of stay is 6 – 12 months.

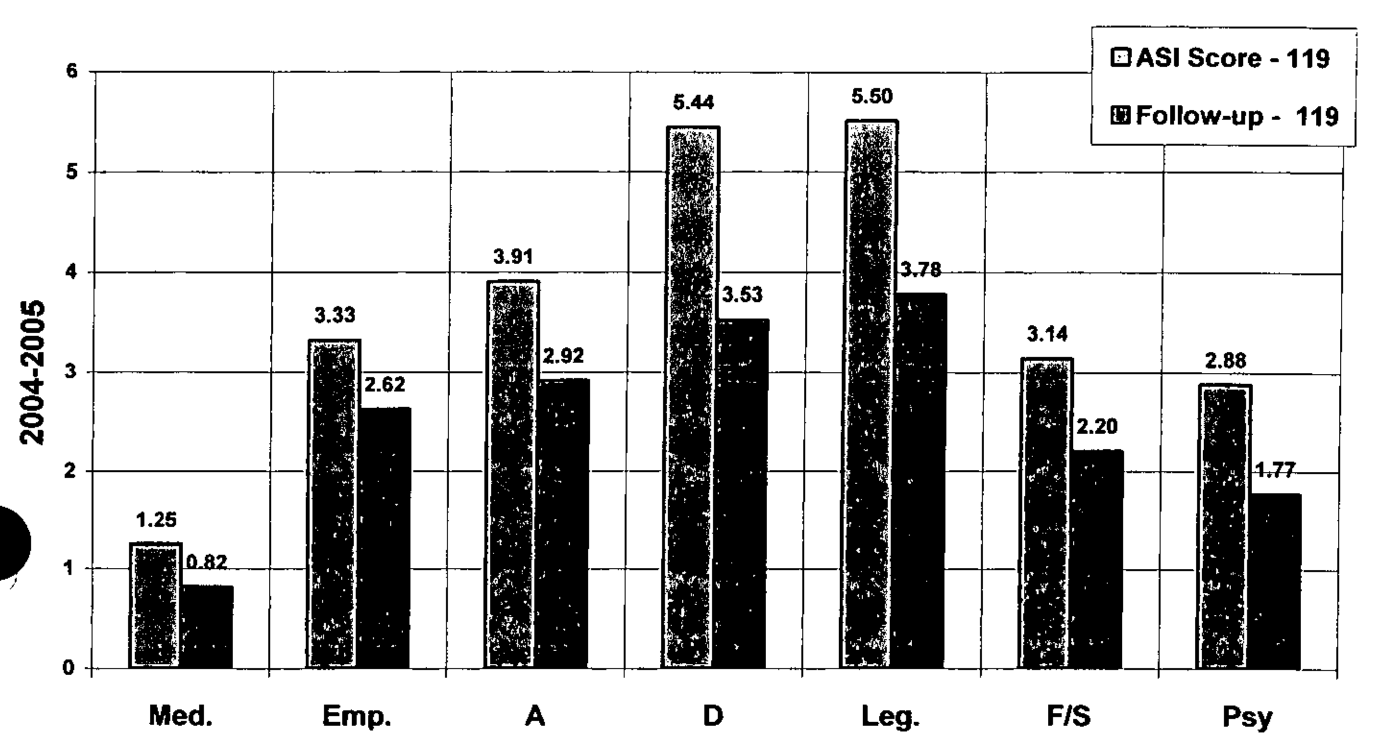
- 51% referred to one of the eight regional human service centers
- 19% referred to private providers
- 28% referred to private half-way houses
- 98% to Alcoholics Anonymous or Narcotics Anonymous

A second key to success is the inclusion of family members and other pro-social influences during treatment. Staff at the Tompkins Rehabilitation Center has successfully included 60% of the families in a family education and treatment program.

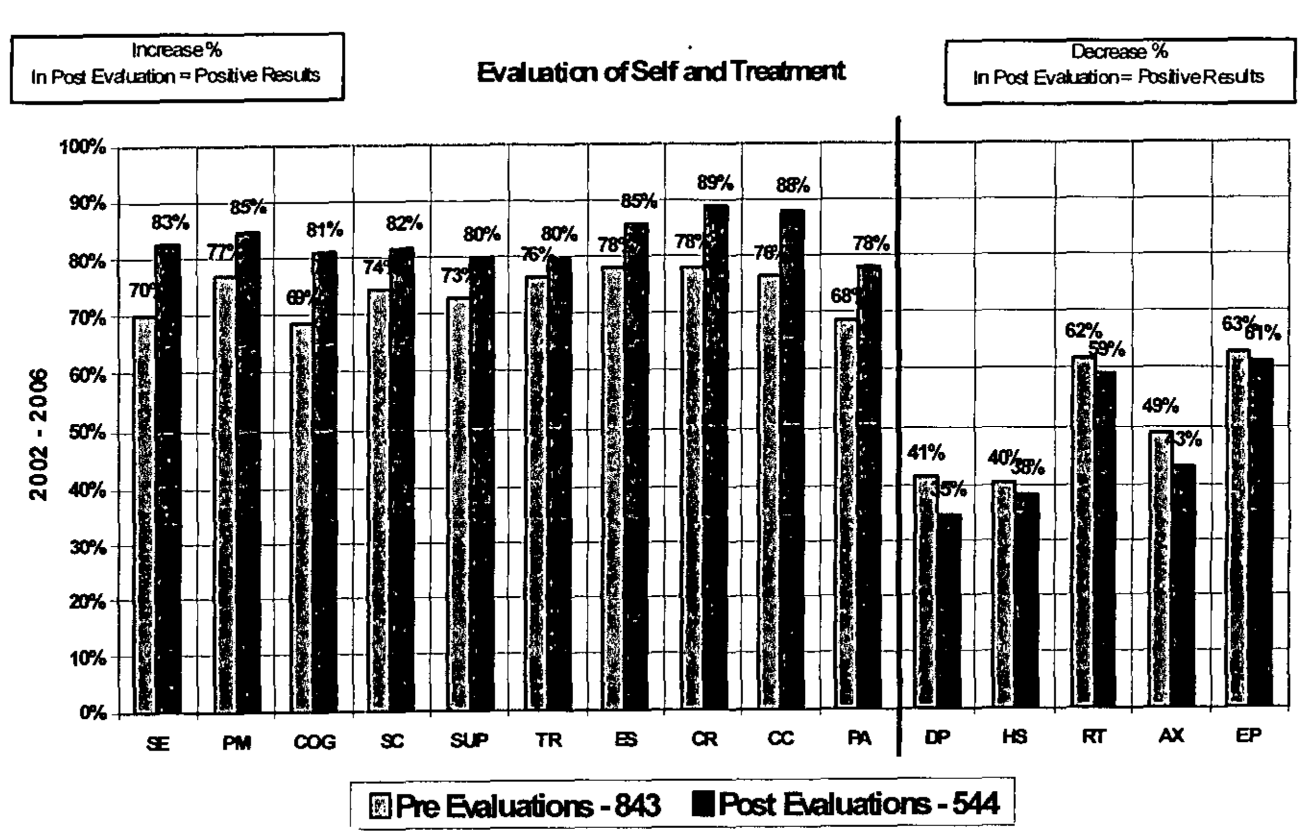
Summary:

- 98% completed treatment successfully
- No incidents of using drugs while in treatment
- 98% were successfully transitioned to continuing care
- 80% rated being treated with dignity and respect 'very good/excellent'
- Counselor rapport rated 89%
- Counselor competence rated 88%
- 60% had family involvement in treatment
- 70.7% have improved on the domains targeted for intervention
- Success with methamphetamine users was equal to success with other drug users

TOMPKINS REHABILITATION AND CORRECTIONS CENTER
PROGRAM EVALUATION
18 – 24 MONTHS POST DISCHARGE

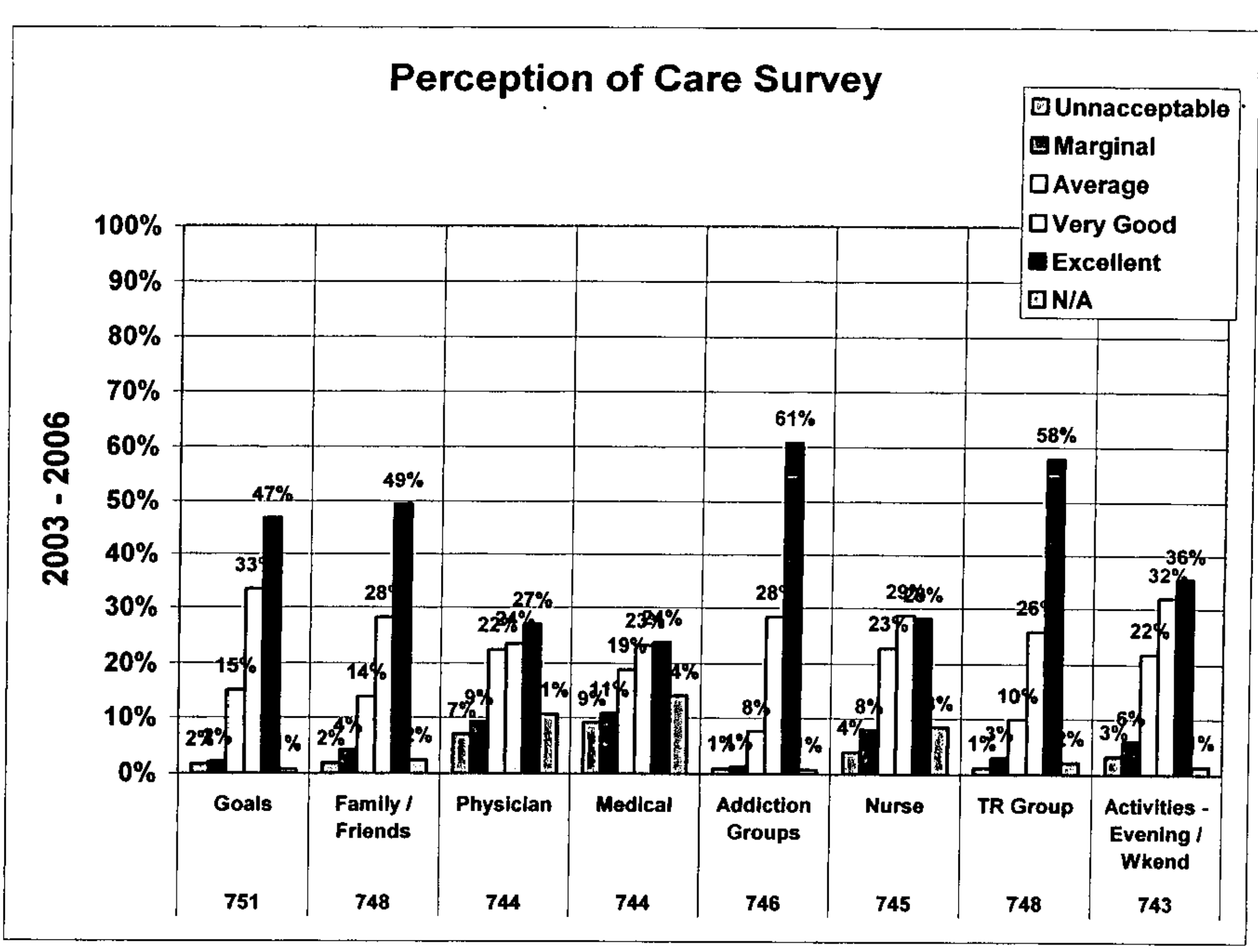


EVALUATION OF SELF AND TREATMENT
CRIMINOGENIC RISK STUDY
2002-2006



SE = Self Esteem
PM = Self Efficacy
COG = Cognitive/Problem Solving
SC = Social Conformity
SUP = Peer Support
TR = Treatment Readiness
ES = External Support
CR = Counselor Rapport
CC = Counselor competence
DP = Depression
AX = Anxiety
PA = Program Assessment

DP = Depression
HS = Hostility
RT = Risk Taking
AX = Anxiety
EP = External Pressures



Perception of Care Survey
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Goals
Family / Friends
Physician
Medical
Addiction Groups
Nurse
TR Group
Activities - Evening / Wkend
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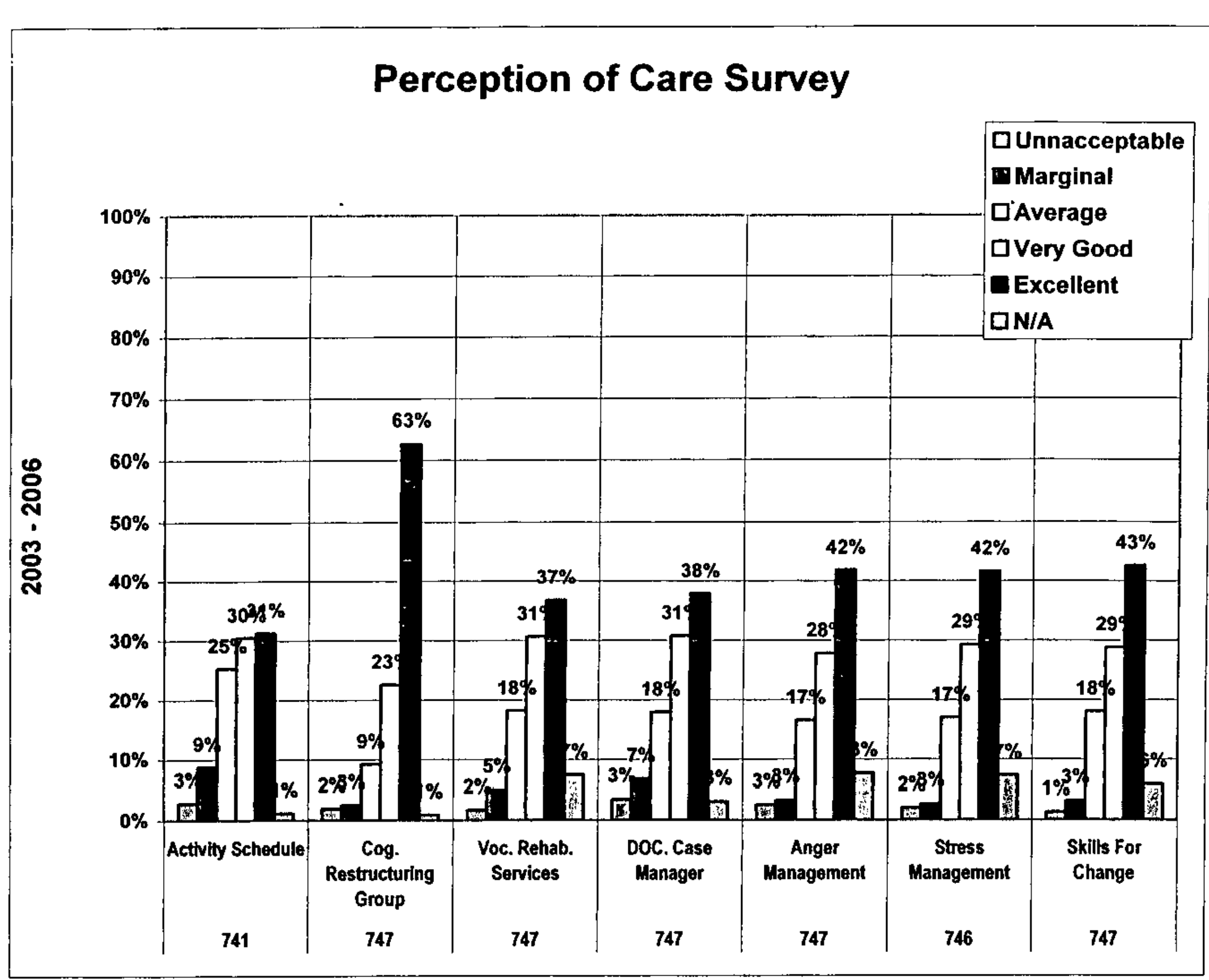
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Activity Schedule
Cog. Restructuring Group
Voc. Rehab. Services
DOC. Case Manager
Anger Management
Stress Management
Skills For Change
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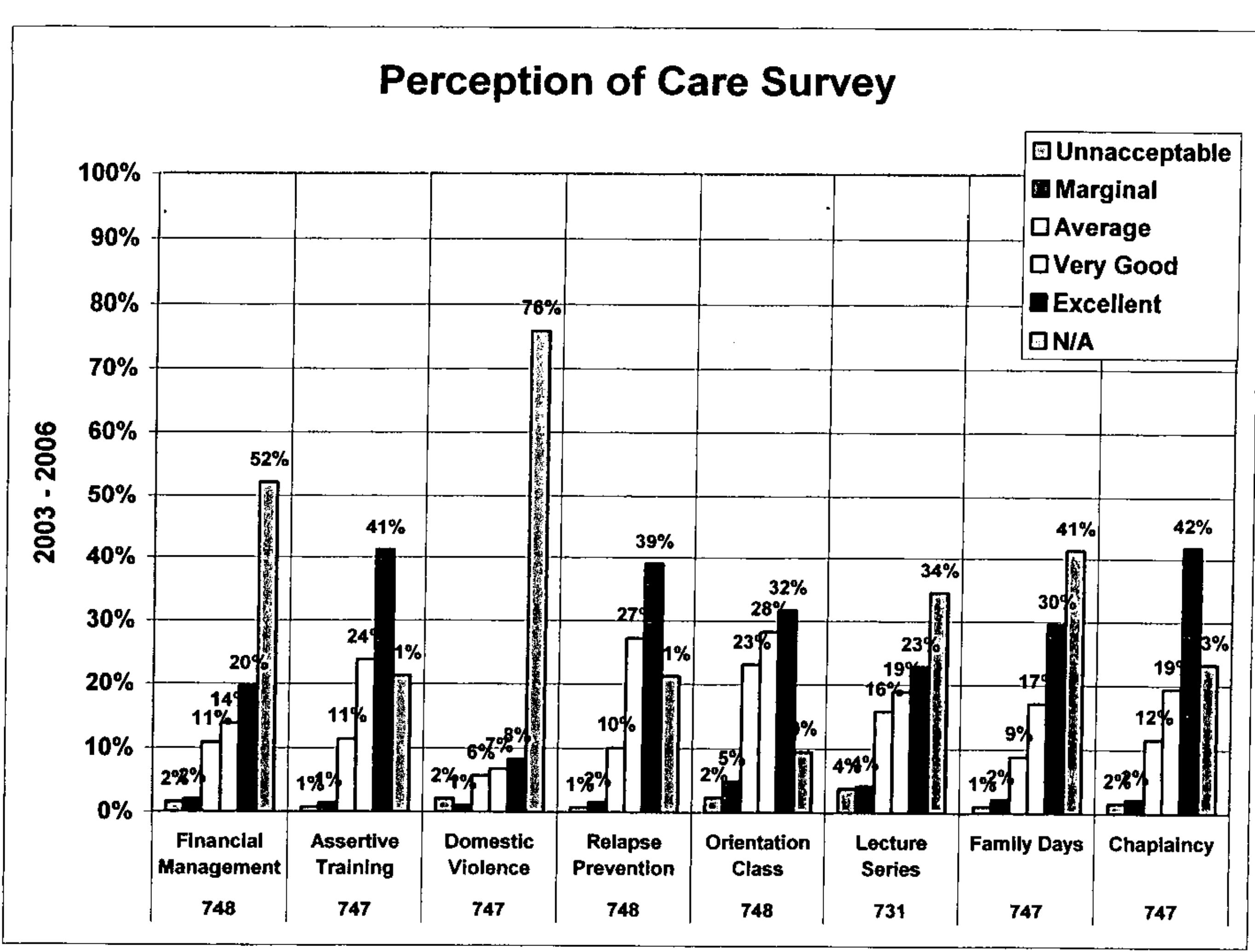
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Financial Management
Assertive Training
Domestic Violence
Relapse Prevention
Orientation Class
Lecture Series
Family Days
Chaplaincy
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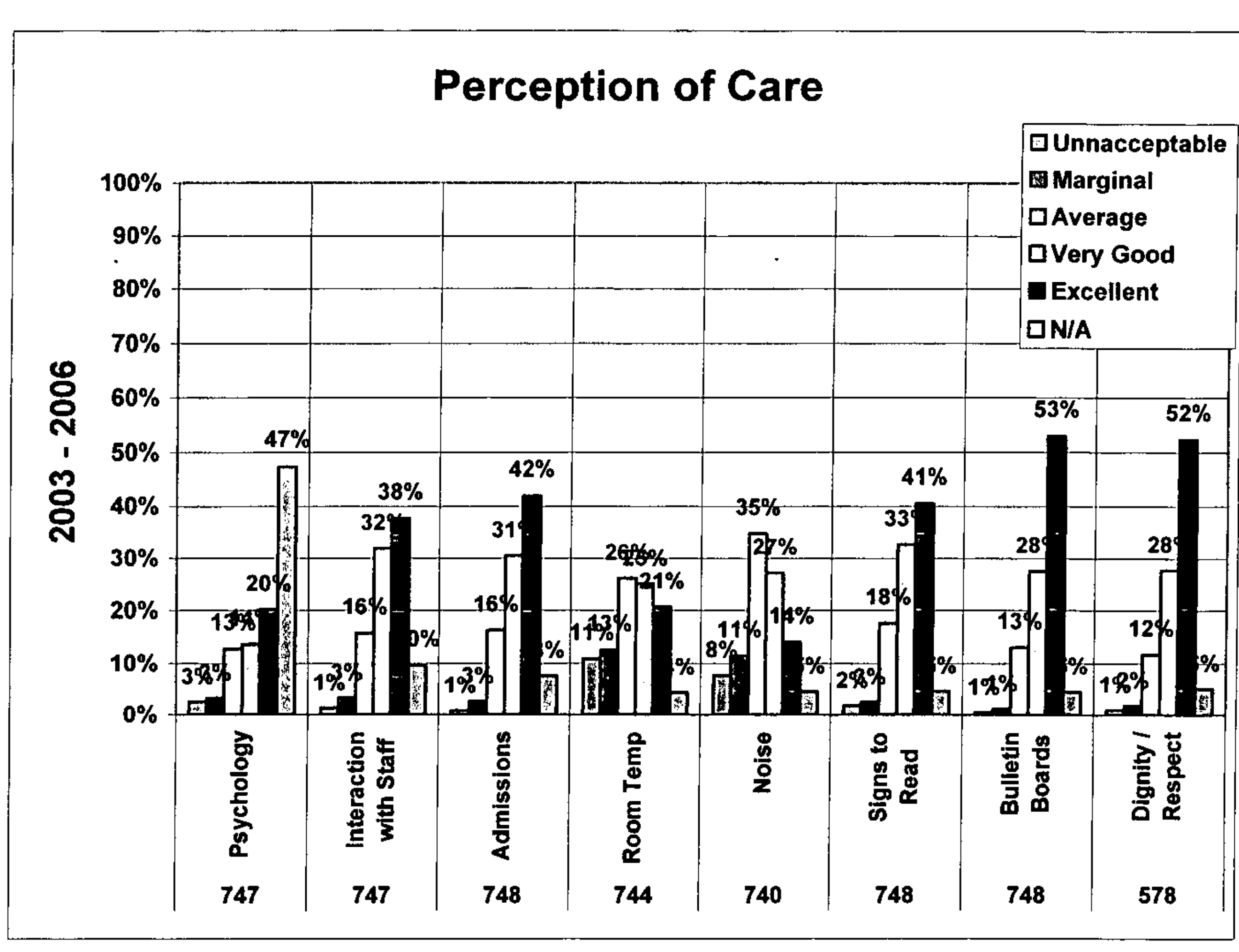

Perception of Care
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Psychology
Interaction with Staff
Admissions
Room Temp
Noise
Signs to Read
Bulletin Boards
Dignity / Respect
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Department of Human Services
Division of Mental Health & Substance Abuse
Community-Based High-Risk Sex Offender Treatment Contract Information
March 6, 2007

Request for Proposal issued in May 2006.

Contract with Counseling & Psychotherapy Inc. began September 2006. Sex Offender treatment service began in December 2006.

This program serves sex offenders not served through the regional human service centers. This program serves high-risk sex offenders and sex offenders who have adult victims. These offenders are not served at the regional human service centers.

As of March 5, 2007, there were thirty-one (31) sex offenders receiving treatment through this program.

07-09 Budget Building Description

- 80 offenders anticipated in treatment services by the end of June 30, 2007.
- 60 additional offenders added to primary outpatient treatment in the first part of the 07-09 biennium for at total of 140.
- 120 anticipated to receive primary outpatient treatment services during the second half of the 07-09 biennium.
- 20 offenders anticipated receiving sex offender aftercare treatment services.
- 140 total sex offenders receiving treatment at any level in 07-09 biennium could be served through contract.

Program includes two primary treatment levels plus aftercare treatment services.

- High Intensity treatment = $13,405 annual cost
- Medium Intensity treatment = $9,525 annual cost

- Annualized cost of treatment = $11,465

Counseling and Psychotherapy Inc., headquarters Massachusetts

- 25 – 30 years of experience in sex offender treatment.
- Clients who continue in any level of their containment model programming have less than a 1% recidivism rate.
- Currently this agency provides sex offender treatment in six states including North Dakota and serves over 1,000 clients total.

#11 6

Written Testimony
Senate Appropriations Committee
Senate Bill 2012
Senator Ray Holmberg – Chair

Submitted by:
Anna M. (Andi) Johnson, LAC
Director of Operations
ShareHouse/Sister's Path/Robinson Recovery Center
Fargo, N.D.

Honorable Chairman Holmberg and members of the Senate Appropriations Committee,

My name is Andi Johnson and I am currently the Director of Operations at ShareHouse and the Director of the Robinson Recovery Center. Thank you for allowing me to present testimony regarding the Robinson Recovery Center and answer any questions the committee may have regarding the North Dakota Meth Pilot Program. I would like to refer to the attachments labeled Robinson Recovery Center 2006 Annual Summation Report Narrative and the Robinson Recovery Center/ShareHouse Annual Summation Report: January 2006 through December 2006. An additional attachment making reference to differing levels of care and how addiction outcomes are influenced with those levels of care is provided to enhance understanding of addiction treatment.

I would like to take a few moments to review items listed in the narrative.

Additionally, funding for this project was provided by an appropriation of $500,000 by the 59th Legislative Assembly, $174,000 from the Otto Bremer Foundation, and in kind services of ShareHouse to include involvement in our intensive inpatient program (Spirit), nursing care, and mental health services. To fund this project at its current level

would include $667,000 for 24 months of similar services. If a doubling effort is granted by the 60th Legislative Assembly, we realize that $700,000 has been allocated for this possibility which would equate to $1.2 million dollars for a doubling effort in the current biennium. This would fall short of the current allocation as a doubling effort would equal $1.334 million dollars at its current rate of funding. ShareHouse recently completed a cost analysis and submitted an RFP receiving $85/day for each client for the highest level of care. Since opening on January 3, 2006 we have added 2 additional staff members to accommodate the many needs of the meth addict. With these additions and increased incident of property damage to the facility with several repairs needed, the actual cost per day per client was assessed at $102.53. Bill Lopez, ShareHouse Executive Director would be happy to submit a budget justification to anyone requesting one. Although this project has presented with some challenges, ShareHouse has learned a great deal about the management and treatment issues involved in meth addiction and applies new techniques which hope to improve treatment outcomes in years to come.

Thank you Chairman Holmberg and members of the committee for allowing ShareHouse this opportunity to present information on this exciting project. .

Respectfully submitted,

Anna M. (Andi) Johnson, LAC
ShareHouse Director of Operations
4227 9th Ave. S
Fargo, ND 58103
701-282-6561
701-388-7423
Johnsonam@sharehouse.org
www.sharehouse.org

ROBINSON RECOVERY CENTER
2006 ANNUAL SUMMATION REPORT
NARRATIVE
ANNA M. (ANDI) JOHNSON, LAC
SHAREHOUSE DIRECTOR OF OPERATIONS

The Robinson Recovery Center opened its doors on January 3, 2006 as a result of legislation passed in the 159th Legislative Assembly. ShareHouse has been honored to provide meth specific treatment to clients and their families and has admitted 63 clients during its first year of operation as a result of being chosen by the Department of Human Services through the RFP process. Although there has been significant knowledge concerning the meth addict shared in training, there has been relatively minimal research conducted concerning meth addiction as a segregated population. The Robinson Recovery Center is one of three residential treatment facilities in the United States. It is the only co-ed methamphetamine residential treatment center. Throughout its first year of operation, we, as an addiction profession, have gained experiential, therapeutic, and residential knowledge about the meth addict in hopes of improving treatment outcomes.

Within initial presentation to the Robinson Recovery Center, the meth client presents with decreased cognitive abilities, heightened sexual responsivity, lack of social skills, physical deterioration, high degree of impulsivity, poor dental hygiene, increased dual diagnosis, significant criminal history, and increased potential for the development of infectious diseases.

Although the primary therapeutic interventions consisted of use of the Matrix Model (Matrix Institute - Los Angeles, California), the residential rules remained the same initially. Attempting to balance residential rule enforcement and retention in treatment therapeutically was and continues to be our greatest challenge requiring innovative and creative thinking on the parts of the RRC staff to include the residential coordinator, two social workers (case managers), two licensed addiction counselors, and the clinical director.

Due to increased relapse potential, impulsivity, heightened sexual sensitivity, and increased violence resulting in property damage and danger to RRC employees, the residential rules were significantly revised in November 2006 to include no cell phones, no computers, no cameras, increased facility and room searches, and increased need to segregate the meth population by gender. This resulted in segregating all group sessions, allowing only one gender to attend self help support groups in the community each night, and segregated smoke breaks. Most recently, the schedule has changed to discontinue TV and radio diversions during the day and during all evening programming.

These residential rule changes, dissimilar to primary rules at ShareHouse, have significantly improved management of the facility. Their impact on retention therapeutically continues to be researched. In dealing with the retention effort, ShareHouse has incorporated the best practice of contingency management in our programming efforts beginning January 2007.

It became clear that the intensity of the case management effort required an additional position which was added June 2006. Issues contributing to the case management effort include higher incidence of legal involvement, higher incidence of CPS involvement, high level of impulsive thinking and behavior increasing the potential to relapse, high degree of dual diagnosis, negative peer associations, high degree of criminal thinking, increased need for monitoring efforts, and increased need for support for each client.

Synopsis of Summation Report

Referrals:

Robinson Recovery Center received a total of 146 unduplicated referrals throughout 2006 with most of the referrals (34.64%) from Fargo and (24.84%) from Grand Forks. The most referrals received were in the month of January (28).

The largest reason for denied access (40.97%) was unresolved legal issues. This was due to the presence of a combination of class A, class C and federal class a felony charges stemming from meth use, manufacturing, or dealing. I was unable to accept these clients due to the high potential of minimum mandatory sentences leading to incarceration. Due to their ability to receive treatment while in prison, they were unable to be admitted to this project. The second largest reason (19.28%) was the inability to locate the client. The client or referral agent would contact the facility and if unable to be admitted within 24 hours, they would be difficult to locate.

Admissions:

Of the 63 Admissions, 19 currently remain in treatment.

Robinson Recovery Center admitted 63 individuals during 2006 with the largest number of admission from Fargo (34.92%), Grand Forks (30.16%) and Dickinson (15.87%). The Western half of the state to include Bismarck, Dickinson, Williston, and Minot contributed 22.22% of the admissions while the Eastern half of the state (Jamestown, Fargo, Grand Forks, and Devil's Lake) contributed 77.78% of the admission.

Consistent with the national average, 30 men (47.62%) and 33 women (52.38%) were served during this time. The youngest client was 18 and the oldest was 54 with a median age of 28.44.

After successful completion of 2 months of intensive treatment incorporating the Matrix Model, cognitive restructuring, therapeutic community, anger management, healthy relationships, schedule review, continuing care, family group sessions, recreation group, and exercise group, the client is expected to seek a minimum of 20 hours of employment per week to aid in community transition. Clients obtaining full time employment increased 600% since opening from 5 to 30 and unemployment decreased 55% from 55 to 30.

Academically, 4 have completed their GED while in treatment and currently 6 are attempting to complete this process.

Residentially, 39 clients have improved housing situations secondary to treatment involvement.

There were no changes to legal status for any clients throughout their duration of treatment with parallel numbers presenting for probation, pending and no legals.

Sponsorship (a mentor within the self help support group) is an expectation of the treatment program. Initially, it was expected that each client obtain temporary sponsorship at 6 weeks and permanent sponsorship at 12 weeks. The time frame was shortened to obtaining a temporary sponsor at 2 weeks with a permanent sponsor at the end of 30 days into the program. Engaging the sponsor in the treatment program has been a pivotal dynamic to aid in treatment success for each client.

Child Protection Services has been involved in 18 (28.57%) of the 63 admissions with 15 (83.33%)of the 18 clients being women.

Other Drug Use is suspected in 100% of admissions to RRC. However, 79.37% identified this as a current issue. Other drug use identified by clients includes alcohol, cannabis, cocaine, and opiates.

Infectious Disease has a surprisingly low incidence (9.52%) among this population. However, of those reporting, ostracism has occurred resulting in isolation of the identified client. This may contribute to clients not reporting or not knowing about the possibility of an infectious disease. Upon admission, every client is referred for screening to include Human Immunodeficiency Virus, Tuberculosis, and Hepatitis C.

Discharge Statistics:

Success as defined by Webster's dictionary is "the degree or measure of succeeding or a favorable or desired outcome." This same definition is used when measuring success of meth addiction. For the purpose of this summation report, a successfully discharged client from the RRC program meets the following criteria:

- Completed a minimum 4 months of treatment (average treatment stay for someone completing treatment at RRC is 5.49 months)
- Maintained gainful employment or successfully completed his/her GED
- Has maintained attendance to self help support groups in the community
- Has made a commitment to continued attendance to aftercare groups
- Has identified 1-2 permanent sponsors and involved them in the treatment process
- Continues to successfully manage any dual diagnosis issues

- Has resolved medical and dental issues during treatment
- Continues to submit to random UA screens for a minimum 6 months following treatment programming.

During the first year of operation, the Robinson Recovery Center has successfully completed 21 (45.65%) of 46 discharged clients. Considerations to include in this statistic are:

- Significant Cognitive Deficits
- High level of impulsivity behaviorally and cognitively
- High incidence of dual diagnosis
- Highest level of care for addiction treatment
- Environmental issues (legal, residential, academic, employment, and family)
- Remaining in treatment

During the initial 3 months of the project the following factors contributed to early discharge:

- Use of mind altering chemicals 2 or more times
- Fraternization
- Threats of violence
- Introducing chemicals to the facility

With regulatory changes residentially all of these issues have decreased significantly. However, a decrease in retention and the possibility of decreased successful completion rate is a possible outcome. For this reason, the best practice of contingency management has begun January 2007. This practice involves the use of incentives for positive behaviors and will be reviewed therapeutically and residentially.

Conclusions:

Previous conclusions identified in the 8 month summation report included fraternization with the need to segregate by gender, high relapse potential specific to the meth client, and the presence of dual diagnosis issues.

After one year of operation and annual statistics including observable behavior and numerous interviews with clients, family members, and staff members at ShareHouse-RRC, the following conclusions are reached:

- For treatment to be successful for the meth addict segregation by gender is imperative, not just in programming, but in physical location.

- Adherence to regulatory rule enforcement to aid in the provision of structure is an important component of treatment. The higher the level of distractions, the higher the incidence of impulsive thinking and impulsive behavior, the higher the probability of relapse potential in the community.
- Ongoing facility, room, and person searches are needed to intervene on criminal thinking errors and behavior requiring additional case management staff.
- The longer the treatment episode, the higher the probability of success with an average length of stay for successful clients at 5.49 months.
- When the probation officer and CPS worker is actively engaged in the treatment process, the probability of success increases.
- A commitment to aftercare involvement and maintained self help group attendance increases the likelihood of success for the meth addict.
- The potential for relapse appears higher for the meth addict secondary to level of impulsivity and decreased cognitive functioning.
- Due to the high incidence of dual diagnosis, an increased level of dual diagnosis programming and direct involvement of psychologists and psychiatrists to the process of treatment is needed. Psychological testing to identify current level of IQ and concrete/abstract thinking ability is needed to tailor treatment to the current abilities of the client.
- A higher staff to client ratio is needed due to the intensity of treatment services and numerous aforementioned issues.

There appears to be a dichotomous relationship between treatment and incarceration for the meth addict due to the presence of minimum mandatory sentences for use, distribution, and manufacturing of methamphetamine. Research has identified drug court (an interwoven and complimentary relationship between corrections and human services) as one of the most successful interventions for the addicted client. ShareHouse has been privileged to experience firsthand knowledge of this due to the provision of treatment for drug court in Cass County. When law enforcement/corrections partners with treatment programs to provide support and enhanced motivation for the addicted client, the potential for a positive treatment outcome is synergistic. Since the implementation of increased search protocol at RRC, law enforcement and probation officers have been considered a partner in the RRC project. This has significantly enhanced program security and therapeutic interventions. Drug court allows the therapist to be truly therapeutic while allowing the probation department to enforce regulations.

In answer to a legislative inquiry regarding the need for a doubling effort of this project – yes, there is a need and I believe that it is larger than the 146 referrals to this program. However, 146 referrals specifically for meth addiction treatment, is a start. A doubling effort would allow the state to segregate by gender thereby improving treatment outcomes. A doubling effort will be initially challenging if legislation is not considered

regarding minimum mandatory sentences and the need for treatment rather than incarceration.

Recently an attorney has given me a subpoena for a client residing at RRC. Due to minimum mandatory sentencing guidelines, she will face imprisonment at the conclusion of treatment. However, he questioned whether she could remain in our program in lieu of incarceration. The answer to this question from a therapeutic point of view is "yes." This client has not relapsed, has responded positively to her treatment experience, maintained full time employment throughout her treatment stay, adhered to all programming requirements, and even though she has known that she would be incarcerated at the conclusion of treatment, wanted to remain sober prior to incarceration. This is the biggest dilemma when faced with meth addiction treatment. Addiction is a disease; legal problems are a significant consequence when dealing with the meth addict and interfere with the possibility of this client becoming a contributing member of society while serving her time in a treatment facility.

What will take precedence in this ongoing dilemma that the meth addict faces on a daily basis; incarceration or treatment? One look at the ever increasing prison population has given North Dakota a clear answer to this question. The 59th North Dakota Legislative Assembly voted to change that and the Robinson Recovery Center was born with the potential for increased success based on newfound experiential knowledge of the meth addict in residential treatment.

The many clients, family members, and friends would like to say a word of thanks to the North Dakota legislators for boldly affirming the need for methamphetamine treatment and given them a second chance at life.

In closing, the work of the meth addict in treatment is a difficult road with little to no cognitive direction. Once engaged in the treatment process, dual diagnosis can contribute to ongoing difficulties. Poor boundaries contribute to fraternization issues and ongoing emotional reactions. Upon successful completion of treatment, the direction becomes clearer but the road remains long with normal life struggles tempting each client to relapse. Only with ongoing support, treatment maintenance, and understanding will the recovery of the meth client continue and succeed.

Respectfully Submitted,

Anna M. (Andi) Johnson, LAC
ShareHouse Director of Operations
Robinson Recovery Center

ShareHouse, Inc
Robinson Recovery Center
Budget Justification

Expenses:		
Staff:		
Clinical Director	$ 45,000	
LAC (2)	77,000	
Social Worker (2)	70,000	
Residential Manager	22,880	
Administration Salary	36,465	
Residential Supervisors	78,840	
Payroll Taxes	30,671	
Employee Benefits	60,952	
New Hire Expense	550	
Depreciation	1,000	
Dues & Subscription	1,000	
Insurance	7,000	
Licenses	500	
Meal Expense	31,200	
Lease Payments	3,040	
Office Expense	4,000	
Programming	1,000	
Continuing Ed	4,000	
Repairs & Maintenance	5,000	
Vehicle Repairs	400	
Supplies	5,000	
Telephone	200	
Travel	1,000	
Administrative Costs	21,520	
Utilities	$ 16,000	
Total Expenses		$524,218

The ShareHouseRobinson Recovery Center
Budget Justification
Fargo, North Dakota

The current budget submitted includes the ongoing expenses to operate a 20 bed co-ed pilot methamphetamine program on the campus of ShareHouse. The current budget does not reflect an in kind donation from ShareHouse that includes but not limited to, on site nursing consultation, psychiatric consultation, placements in a higher level of care on the main ShareHouse campus. It is estimated that the in kind donation by ShareHouse is equivalent to $40,000.

The total projected amount of expenses for the project is $524,218.

Expansion of the Robinson Recovery Center on the ShareHouse campus.

To expand the current project to a 40 bed facility on the ShareHouse campus the following adjustments would be made to the current expense;

1. Two licensed Social Workers @ $70,000 + $19,600 (benefits and taxes) = $89,600
2. One licensed addiction Counselor @ $40,000 + $11,200 (benefits and taxes) = $51,200
3. New Hire = $100, Insurance = $7,000, Licenses = $300, Meal Expense $31,200, Office Expense = $3,000, Programming = $1,000, Continuing Education = $3,000, Repairs and Maintenance = $5,000, Supplies = $5,000, Telephone = $200, Travel = $500, Administrative Cost = $15,000 and Utilities = $16,000 for an additional total add to the current budget = $228,000 **(Contingency Management estimated at $10,000 annual)**
4. ShareHouse will be responsible for start up costs to include computers, desks, renovation of security to name a few which would be estimated at $75,000.
5. The current budget expenses are$524,218 + $228,000 +**($10,000)** (expansion) = $752,218 **($762,218)** for a total expense of a 40 bed facility on the ShareHouse campus.

Expansion to an alternative site

To expand the methamphetamine treatment project to an alternative site the current expense of $524,218 in addition estimated renovation cost to include but not limited to security and fire system, office furnishing, computers, living room and bedroom furnishings, all linens, staff training, transportation would = $150,000 - $200,000. Per request, I can provide a detailed report on start up costs with a decision to provide services at an alternative site.

Respectfully Submitted,

Bill Lopez, LSW
Executive Director

ROBINSON RECOVERY CENTER

SHAREHOUSE

ANNUAL SUMMATION REPORT

JANUARY 2006 THROUGH DECEMBER 2006

Referrals by Region		
Total: 153		
Region 1 (Williston)	3	1.96%
Region 2 (Minot)	5	3.27%
Region 3 (Devil's Lake)	3	1.96%
Region 4 (Grand Forks)	38	24.84%
Region 5 (Fargo)	53	34.64%
Region 6 (Jamestown)	16	10.46%
Region 7 (Bismarck)	6	3.92%
Region 8 (Dickinson)	20	13.07%
Unknown	9	5.88%
Western Region (Regions 1, 2, 7, 8)	34	23.61%
Eastern Region (Regions 3, 4, 5, 6)	110	76.39%

Referrals by Month	
January	28
February	14
March	13
April	7
May	6

June	12
July	8
August	8
September	15
October	8
November	16
December	13

Denied Admissions		
Total: **83 (56.85%)**		
Unresolved legal issues	34	40.97%
Refused to be admitted to treatment	13	15.66%
Inappropriate level of care	6	7.23%
Unable to locate	16	19.28%
Unable to court commit	4	4.82%
Medical issues exceeds facility's capability to manage	2	2.41%
Lack of follow through from referral source	1	1.20%
Pending admission	0	0
History of violence/sexual behavior	7	8.43%

Admissions		
Total: 63 (41.18% of Referrals)		
Region 1 (Williston)	1	1.59%
Region 2 (Minot)	2	3.17%
Region 3 (Devil's Lake)	3	4.76%

Region 4 (Grand Forks)	19	30.16%
Region 5 (Fargo)	22	34.92%
Region 6 (Jamestown)	5	7.94%
Region 7 (Bismarck)	1	1.59%
Region 8 (Dickinson)	10	15.87%
Western Region (Regions 1, 2, 7, 8)	14	22.22%
Eastern Region (Regions 3, 4, 5, 6)	49	77.78%

Admission Statistics					
Total Admissions: 63					
Male:			30 (47.62%)		
Female:			33 (52.38%)		
Average Age:	28.44	Youngest:	18	Oldest:	54
Length of Stay:		Average:	3.35	Successful completion LOS	5.49
Employment (upon admission)					
Full Time:	5	Part Time:	3	Unemployed	55
Employment (during or following treatment)					
Full Time:	30	Part Time:	3	Unemployed:	30
Academic (upon admission)					
Less HS:	18	HS/GED:	37	College:	8
Academic (during or following treatment)					
Less HS:	16	HS/GED:	39	College:	8
Residential (upon admission)					
Own:	1	Rent:	10	Homeless:	52
Residential (during or following treatment)					
Own:	3	Rent:	17	Homeless:	22

Legal (upon admission)					
Yes/Pending:	20	None:	23	On Probation:	20
Sponsorship – Involvement with community support system (upon admission)					
Yes:	2	No:	61		
Sponsorship – Involvement with community support system (during and after treatment)					
Yes:	41	No:	22		
Child Protect					
Yes:	18	Women: 15	Men: 3	No:	45
Other Drug Use:	63	Yes: 50	79.37%	No: 13	20.63%
Dual Diagnosis	63	Yes: 55	87.30%	No: 8	12.70%
Infectious Disease	63	Yes: 6	9.52%	No: 57	90.48%

Discharge Statistics		
Category	Number of Clients	Percent of Discharges
Successful Completion	21	45.65%
Temporary Discharge with potential to return to treatment	18	39.13%
Cannot Return	5	10.87%
Left Against medical advice (AMA)	2	4.35%
Total	46	100%

ROBINSON RECOVERY CENTER
SCREENING FORM

Dimension	0	1	2	3	4
Intoxication/Withdrawal	None	Mild Sx of withdrawal	Withdrawal Sx. Present with need for intervention	Medication needed for withdrawal sx.	Medical facility needed
Medical	No problems identified	Medical issues identified but currently stable	Medical issues identified with need for medication but is stable on medication	Medical issues identified, medication given, not currently stable, monitoring needed	Severe medical issues with need for medical attention in a medical facility
Mental Health/Psychiatric	No problems identified	Mental Health issues identified but are mild in nature with no need for medication	Mental health issues identified, medication or other intervention (counseling) indicated but appears stable with minimal need for increased monitoring	Mental health issues identified, intervention needed with increased monitoring indicated, not currently stable	Mental Health issues identified and currently unstable regardless of intervention services – Need for psychiatric hospitalization
adiness to Change	Highly motivated to enter treatment	Action stage of change with some intervention indicated to maintain action	Preparation stage of change	Contemplation stage of change	Pre-Contemplation stage of change
Relapse Potential	Easily understands relapse and can identify 10 primary relapse triggers	Although understands relapse and can identify relapse triggers, is mildly struggling with this issue	Intervention needed – relapse situation, thoughts, and behavior present with some difficulty removing self from obstacles of relapse.	Lacks clear understanding of relapse and limited understanding of personal relapse triggers	No understanding of relapse and relapse triggers.
Recovery Potential	None - job, fam.,support, money, leg. (GAF – 90)	Mild problems – no interv needed (GAF – 80)	Interv. Needed in 2 areas – (GAF – 70)	Interv. Needed in 3 areas – (GAF – 60)	Interv. Needed in 4-5 areas – (GAF – 50)

ROBINSON RECOVERY CENTER
LEVELS OF CARE
ADDICTION TREATMENT SERVICES

Level 0.5 — Psycho-education (DUI and MIP classes)

Level I — Outpatient (individual counseling or group counseling once weekly)

Level II.1 — Intensive Outpatient Program (8-19 hours of programming weekly)
(Matrix Outpatient)
(IOP)
(Relapse Prevention Program)

Level II.5 — Day Treatment (20 or more hours weekly on an outpatient basis)

Level III.1 — Low-Intensive Residential Treatment (minimum 5 hours weekly with employment and sober supportive housing)

Level III.5 — High Intensive Residential Treatment (minimum 20 hours programming weekly)

Department of Human Services
Division of Mental Health & Substance Abuse
Methamphetamine Residential Treatment Services Contract History
Robinson Recovery Center – Share House

The 2005 Legislature session passed Senate Bill 2373 which provided $500,000 in general funds and up to $800,000 in others funds for methamphetamine residential services.

A request for proposal was issued and two agencies responded. Share House was issued the contract based on total budget, daily rate, and number of client days.

The original proposal from Share House totaled $786,858. This translated into 9,307 client days at $85.00 per day at an 85% occupancy rate. Share House proposed the additional funding from self-pay, Share House reserves, and third party insurance. When added to the $500,000 of general fund resulted in the submitted total budget.

The North Dakota State Hospital, the second responder under the RFP, proposed a budget that translated into 9,125 client days at $135.37 per day at an 85% occupancy rate.

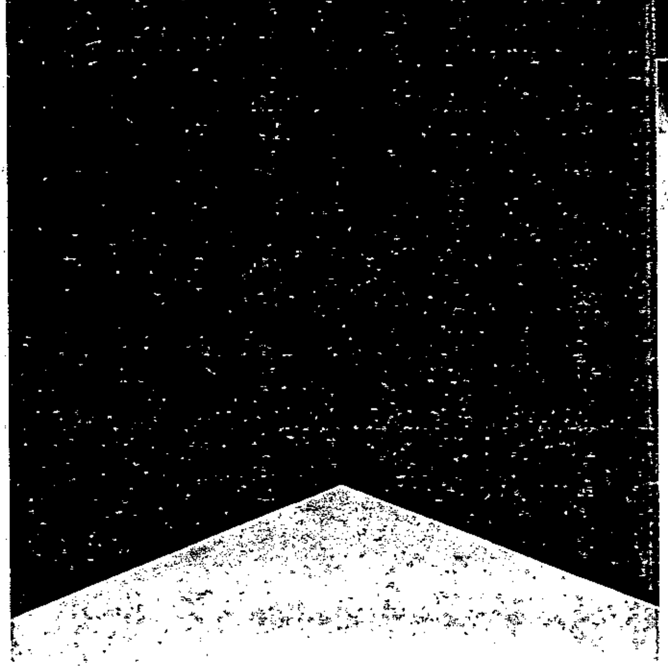
The Share House contract for the Robinson Recovery Center began in October 2006 and services began on January 3, 2006.

Due to program developments and client needs, Robinson Recover Center added staff and programming paid for with their reserves and Bremer grant funding. These additions resulted in a daily rate of $102.58 reported to the Division in January 2007.

With the proposed increased funding to increase capacity at Robinson Recover Center and the resulting economies of scale, it is anticipated by Share House that the daily rate would decrease to $73- $75.00 per day at a 70% occupancy rate.

Our Mission

To provide chemical dependency treatment and recovery services to those in need and the prevention of abuse through education.



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SHAREHOUSE
Robinson Recovery Center
Methamphetamine Recovery Program

ROBINSON RECOVERY CENTER

The Robinson Recovery Center (RRC) opened it doors on January 3, 2006, in response to precedent-setting legislation by the 59th North Dakota Legislative Assembly. They unanimously voted to establish a 20-bed residential methamphetamine treatment facility in response to the growing epidemic of "meth" addiction.

Senator Larry Robinson (D-Valley City) championed the legislation making treatment possible for methamphetamine addiction for the constituents of North Dakota. Located on the ShareHouse campus, this facility provides high and low intensity residential treatment.

The RRC offers a strategic approach to methamphetamine addiction by utilizing the Matrix Model of treatment. In combination with this approach, therapeutic community and cognitive restructuring are interwoven into each day of recovery. Adjunct programs include co-dependency groups, domestic violence group, exercise/recreation group, spirituality, NA Big Book Study and 12 x 12, and family programming. Each client is expected to attend a minimum of two self-help support group meetings each week, in addition to obtaining sponsorship while residing at Robinson.

Chemical Dependency

Level of Care includes:

- **High Intensity Residential** – 30 hours of programming includes CD groups, cognitive restructuring groups, domestic violence groups, living skills, co-dependency groups, family programming, therapeutic community, and self-help support group attendance – including sponsorship.

- **Low Intensity Residential** – Five hours of programming each week are offered as an aftercare program to each client via individual counseling, dual diagnosis counseling, or Matrix aftercare group.

Prepared by the North Dakota Legislative Council staff

February 2007

DRUG COURT FUNDING

This memorandum provides information on funding and FTE positions for drug courts for the 2005-07 and 2007-09 bienniums.

Adult Drug Court				
	Funding		FTE	
	2005-07	2007-09	2005-07	2007-09
Department of Corrections and Rehabilitation	$341,414	$619,788	2	5
Department of Human Services	48,884	275,239	1	2.4
Total	$390,298	$895,027	3	7.4

Juvenile Drug Court				
	Funding		FTE	
	2005-07	2007-09	2005-07	2007-09
Department of Human Services	$245,344	$396,496	12	14.6
Judicial branch	387,000	675,000		
Total	$632,344	$1,071,496	12	14.6

Drug Court Funding Source		
	2005-07 Biennium	2007-09 Biennium
General fund	$632,241	$1,496,982
Other funds	390,401	469,541
Total	$1,022,642	$1,966,523

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North Dakota Department of Human Services
Drug Court Involvement

Existing Drug Courts
Estimated Expenditures for 2005-2007

	Grand Forks Region IV	Fargo Region V	Bismarck Region VIII	Total
Adult Court				
Number of staff involved	-	Advisory Council Involvement	1	1
Biennial Cost *(Including Fringes)*			48,884	48,884
Juvenile Court				
Number of staff involved	3	6	3	12
Biennial Cost *(Including Fringes)*	119,189	39,769	86,386	245,344
Total Drug Court 2005-2007	119,189	39,769	135,270	294,228

Additional Drug Court Initiative for 2007-2009

	Minot Region II	Grand Forks Region IV	Fargo Region V	Bismarck Region VIII	Total
Drug Court					
Number of staff involved	1	1	1	1	4
Biennial Cost *(Including Fringes)*	86,660	94,448	95,630	100,769	377,507

TESTIMONY FOR HOUSE APPROPRIATIONS SUB-COMMITTEE
SB 2012
COMPULSIVE GAMBLING SERVICES
PRESENTED BY LISA VIG, LAC, NCGC
PROGRAM DIRECTOR, GAMBLERS CHOICE
LUTHERAN SOCIAL SERVICES OF NORTH DAKOTA
March 7, 2007

Good morning and thank you for the opportunity to testify on Senate Bill 2012 regarding funding for compulsive gambling treatment services in North Dakota. My name is Lisa Vig, and I am a licensed addiction counselor and nationally certified gambling counselor. I have been employed with LSS for 17 years and have been treating compulsive gamblers and their families for the past 16 years.

Presently, a capped figure of $400,000 for the biennium is allocated to DHS from lottery funds. $300,000 of that $400,000 is designated for gambling treatment services provided by Lutheran Social Services' program, Gamblers Choice. We have full service outpatient programs in Minot and Fargo, with more limited counseling in Grand Forks, Bismarck and Williston. In 2005, we experienced a 27% increase in the number of gamblers who requested treatment. 215 gamblers were treated at a cost of approximately $2600 per gambler for the 6-8 month program. In the upcoming biennium, we are anticipating over 400 gamblers will seek treatment. It is imperative that we have adequate subsidy to ensure that all gamblers who come to us seeking help and a new way of life are afforded that valuable opportunity. Compulsive gamblers should not be given a "free ride" to recovery, but they should be allowed an affordable treatment opportunity.

One of the most significant and visible consequences of this addiction is financial devastation. In 20005, the debt level for 18% of gamblers presenting for treatment was between $15,000-29,999. In comparison, the income level of 28% of those gamblers was in the $0-$14,999 per year range. It is not unusual for gamblers to be experiencing legal issues such as embezzlement, NSF checks and defaulting of loans due to their gambling addiction. In 2005, 53% of our clients were female. 93% were Caucasian, and 26% were between the ages of 18-30. 30% were married and 53% designated charitable forms of gambling to be their game of choice.

Compulsive gamblers do not wake up one day and decide to become a compulsive gambler... whose main priority is to find money with which to gamble. Many begin gambling for a very simple and appropriate reason...it is fun and enjoyable. However, for about 1 in 20 who decide to gamble, it becomes much more than a game of recreation. Significant and new research has shown tremendous differences in the brain activity of compulsive gamblers as opposed to social gamblers. Parts of the brain are activated in the pleasure center creating reactions that are very pleasurable. The gambler finds great reward when these pleasure

centers are activated by the gambling activity. For them, gambling is a mood altering activity-much like alcohol or drugs are a mood altering substance. When the ACTION compulsive gambler is gambling, he is omnipotent, problem-free, loved/admired/respected by all, powerful, skillful, in control, thrilled by the competition and accolades from the crowd. When the ESCAPE compulsive gambler is gambling, he is having a vacation from the stress and worries of life. He is hiding from the world, living in a fantasy, numbing away physical and/or emotional pain and problems by disappearing into the slot machine or pull tab jar. At this point, the gambler has lost the ability to choose whether he will gamble or not. It has become a coping mechanism, a way to solve problems and a way to deal with life. As it is with alcoholism and/or drug addiction, some type of intervention or treatment is necessary in order to help the addict make "the turn".

Treatment for compulsive gambling can be very successful. However, treatment has to be available and affordable in order for people to access it. Presently, there are few professionals involved in treatment. An obvious reason is that compulsive gamblers have a difficult time paying for services. A not so obvious reason is that there is no health insurance coverage for this diagnosis. It is imperative that a state that is in the business of profiting from gambling, make gambling treatment an affordable reality to those who are suffering from this illness.

An article in The Forum on Sunday, March 4 reported that the state of North Dakota wagered 268.5 million dollars on charitable gambling in 2005, ranking us 10th in the nation. The State of North Dakota has become a charity. We are addicted to gambling.

This week is National Problem Gambling Awareness Week. Please honor the individuals who desire to make a change in their life through treatment. An investment of $2600 in an individual will bring about a far greater return to our State when they pay their taxes, re-pay loans, purchase a car, buy clothes and homes as a result of their recovery.

Thank you for the opportunity to testify this morning. I would be happy to take questions.

Lisa Vig, LAC, NCGC
Lutheran Social Services of ND
701-271-3279

Department of Human Services
Division of Mental Health & Substance Abuse
Comprehensive Gambling Treatment

Division of Mental Health & Substance Abuse awarded the 05-07 $300,000 contract to Lutheran Social Services (LSS) through a request for proposal (RFP) process.

Lutheran Social Services of ND's budget is shown in attachment A.

Division biennial spending plans are listed below.

05-07 Spending Plan	**07-09 Spending Plan**
$300,000 LSS Treatment Contract	$325,000 Treatment contract
$ 81,062 Media/awareness	$ 60,000 Medial/awareness
$ 18,938 Certification Training	$ 9,000 Treatment Vouchers
$400,000 Total	$ 6,000 Educational materials for PRC
	$400,000 Total

The compulsive treatment contract will be re-procured in the spring of 2007.

ATTACHMENT A

Gambling Treatment Budget
Contract Year 2005-2007
Lutheran Social Services of ND

Income:	
Department of Human Services	**$300,000**
Client Income	**$90,000**
United Way Income	**$149,000**
Bremer Grant	**$12,000**
Workshop Training	**$5,000**
TOTAL	**$556,000**
Expenses:	
Salaries	
Professional counselors (5)	**$262,864**
Peer Mentors (4)	**$40,135**
Clerical Staff (2)	**$46,315**
Office supplies	**$1200**
Long distance phone	**$900**
Occupancy	**$59,000**
Other Professional (Village)	**$35,000**
Residential Services (ShareHouse)	**$13,297**
Psychiatric Consult	**$5292**
Psychologist Consult	**$4000**
Staff Development	**$4620**
Mileage	**$4000**
Vehicle Rental	**$2000**
Gas	**$2000**
Food for Group Meals (240 meals)	**$6500**
Treatment Books/Resources	**$3000**
Gas vouchers for Clients traveling to counseling	**$2000**
Administration (12.98%)	**$63,877**
TOTAL	**$556,000**

Prepared by the North Dakota Legislative Council
staff for House Appropriations - Human Resources
March 2007

COMPULSIVE GAMBLING TREATMENT SERVICES - FUNDING

Funding for compulsive gambling treatment services available to Lutheran Social Services of North Dakota is provided primarily from the following sources each year:

Lottery revenues (Department of Human Services)	$150,000
Native American tribes	35,000
United Way fundraising	82,000
Client collections	3,000
Total	$270,000

North Dakota Indian Gaming Association Compulsive Gambling Project

Allan Stenehjem, Project Coordinator

Program components funded by the 5 tribes and their casinos in North Dakota include:

Public Information: Provide printed and video materials, regarding compulsive gambling addiction prevention, intervention, treatment, and support services statewide. All materials are made available free of charge.

Telephone Referral: Toll free 800 number to provide comprehensive assistance to individuals and their families in need of information, referral, and/or assessment for compulsive gambling addiction. We are actively engaged in a statewide "Marketing Plan" to ensure all North Dakota citizens, challenged with compulsive gambling concerns, will receive appropriate specialized services and are aware of the treatment services available. And most importantly we work to educate the public on the successful outcomes to treatment. The referral service system will also provide referral for ongoing support through 12-step programs such as Gamblers Anonymous and Gam-Anon, as well as for credit counseling and adjunct services whenever appropriate.

Customer Assistance Program: Through a partnership with Lutheran Social Services, Gamblers Choice, we offer financial assistance to any individual seeking treatment services regardless of the source of their gambling addiction, (slot machines, black jack, pull tabs, bingo, or the lottery. We support up to 16 individual treatment sessions per individual. This financial assistance may also include travel reimbursement for those individuals who qualify.

Training: Managers and employees of tribal casinos receive training (minimum of once per year at each casino) using the model "Compulsive Gambling and Risk Taking Behavior." Training and technical assistance is made available to casino management in policy development and implementation regarding customer interventions. Information is offered with a core focus on "harm reduction" as it relates to treatment.

Research: We are members of the Advisory Board with the Department of Human Services, Division of Mental Health and Substance Abuse. Through the efforts of this working group we have implemented a statewide 60-hour gambling addiction counselor training program. Currently North Dakota does not require any type of license or certification for individuals in the helping profession to provide gambling treatment services to their clients. It is the intent and hope that this training and certification process better equips our current professionals to better serve their clientele.

Government Relations: As a registered Lobbyist for this grant program we represent the interest of not only the North Dakota Indian Gaming association but also those individuals interested and concerned about the issues related to the treatment of gambling addiction in the State of North Dakota.

My name is Mindy and I am a compulsive gambler.

What was harmless occasional gambling in casinos and local bars became a compulsion that nearly destroyed my life. I spent every evening at a black jack table in a local bar spending every dime I had and winning nothing. I lied to my family and friends; stole money from an employer and did not pay my bills. I attempted or contemplated suicide several times.

My gambling started at a very early age playing cards with friends and family for pennies. Later, I gambled playing pool and on sporting games. I gambled at county fairs, church socials and charity events. Around eight years ago my attitude towards gambling changed. Often times, it was all I thought about. I could no longer be counted on by friends and family. I wasn't there for my daughter's teenage years or other important events. In April of 2004 I was charged with a class C felony and sentenced to pay restitution and two years of supervised probation for opening pull tabs without paying for them at a charitable gaming sight I worked for. However, I was able to pay the restitution back within a year and I was taken off from probation and the felony was wiped from my record. I returned to gambling at the end of May 2005 with a vengeance. I borrowed money I knew I could not pay back; I lied to my friends and family all of the time. I spent every dime I had on gambling night after night. I discovered pay day loans and asked for more and more money from friends and family. I wrote out literally thousands of dollars in bad checks.

I reached bottom in July of 2006 and started an outpatient treatment program through Lutheran Social Services called Gamblers Choice. Through the expertise of the counselors and mentors I learned to recognize my illness of compulsive gambling and the lengths this disease and my addiction will go to keep me in action. Gamblers Choice has provided me with the tools I need to build roadblocks against my addiction and keep my addiction at bay. I can now recognize the addictive side of me and have learned steps to take when I have cravings. With their help I am now a great mother, a caring grandmother; a trustworthy friend; a loving daughter and a dedicated employee. I have stepped back into society with honesty and commitment and could not have done it without the help and fellowship of this program. In the last seven months I have paid all of my friends back; started making payments on old credit card debts; am no longer behind on utilities, car payments or rent payments. I am actually interested in rebuilding my credit so I can again own a home someday.

I believe there are thousands of people like me that need help from programs like Gamblers Choice. I believe we would be saving lives by funding these programs and we would be doing a disservice to the communities of North Dakota if these programs were no longer in existence. I believe this because Gamblers Choice saved my life seven months ago and I thank God every day for their program and I truly hope that others have the same opportunity to get help.

Thank you.

Hi, my name is Linda and I am a compulsive gambler.

My life was changing and I could do nothing about it. My children had left home to start their own lives; menopause and clinical depression took their place. In 1998 I was diagnosed with Parkinson's disease and Osteoporosis. I didn't know how to deal with it all and so I chose a path of destruction instead.

A path that led me to the black jack table in a local bar, night after night; day after day. I didn't have money for normal every day things; let alone gambling. But somehow I found a way to feed my addiction. The all-consuming disease of pathological gambling had entered my life and it would be several years before I found the strength and the knowledge to wrestle free from its grasp.

I lied to my family and friends so they would borrow me money. I had some pretty creative stories to tell and I look back on it now and it sickens me to think that I actually used the excuses and reasons that I did to betray so many people that I love.

I knew there was something wrong and finally decided to seek help. I went to outpatient treatment at Gamblers Choice in 2002 and did not listen to them, or work the program; then in January of 2003 I entered the in patient treatment program in Granite Falls, MN. At the end of the thirty days, I again attempted out patient treatment; but failed.

On my birthday; December 30, 2004 my fiancé had gone to bed early and I wanted to go gambling so I stole $1025 from his wallet; got in his vehicle and headed for the casino. The roads were very icy and it was snowing; but it didn't matter. I stayed for three days; not making one phone call to my loved ones to let them know that I was okay. It didn't matter that I made them worry...I was gambling.

I finally ran out of money and my fiancé didn't want me to come home. So now I was homeless and without a vehicle. I went to the Y for help and shortly after I arrived I took several pain pills and hoped it would all be over soon. I was admitted to the State Hospital the next day. I felt hope for the first time in a long time that someone would figure out what was wrong with me and why I did all those hurtful things to myself and the people I love. The problem was that I was depending on someone else to discover the problem and it was actually something I had to figure out for myself. I did learn a lot about myself however, and when I was released lived at Share House in Fargo for 30 days. While I was at Share House I returned to Gamblers Choice and this time I listened.

Mine was not a textbook model of recovery, as it took several attempts for me to realize that I had to work the program; become involved with Gamblers Anonymous and set up the roadblocks that I had learned about in treatment. I now have the gift of recovery.

I have been gamble-free for two years and two months now; my fiancé and I were married on September 30, 2006; I no longer lie to manipulate people and I sponsor several women in the Gamblers Anonymous Program. I have started a Wednesday night

ladies group and am the Secretary for the Fargo Chapter of GA. I have peace in my life and enjoy spending time with my family and friends.

The Gamblers Choice program saved my life. It gave me back what my addiction had taken from me; my dignity, my self esteem, my sanity, my hope and my peace of mind. I am now a devoted wife, a caring friend, and a loving sister, daughter and mother. I will be forever grateful to Dawn and Lisa for what they have given to me and my family.

I believe that other people like me need their care and with your help, by funding these much needed programs; I am sure they will find it and eventually find the serenity that I have.

Thank you.

Prepared by the North Dakota Legis[illegible] Council staff

October 2006

SURVEY OF AGENCY ALCOHOL, DRUG, TOBACCO, AND RISK-ASSOCIATED BEHAVIOR PREVENTION PROGRAMS

During the 2001-02 interim, the Budget Committee on Government Services studied programs dealing with prevention and treatment of alcohol, tobacco, and drug abuse and other kinds of risk-associated behavior which are operated by various state agencies. The committee studied whether better coordination among the programs within those agencies may lead to more effective and cost-efficient ways of operating the programs and providing services. At that time, a survey of agency alcohol, drug, tobacco, and risk-associated behavior programs was conducted and the results were placed in a table. That information was updated during the 2003-05 biennium by the Budget Committee on Government Services as part of that committee's study of the state's long-term prison needs and the needs of individuals with mental illness, drug and alcohol addictions, and physical or developmental disabilities.

On November 14, 2005, a letter was sent to the relevant agencies requesting an update of the table for the Advisory Commission on Intergovernmental Relations. In particular, the letter requested that the information be updated and narrowed to address programs that discourage destructive decisions. Discouraging destructive decisions includes prevention, education, awareness, and early intervention. In July 2006 the Advisory Commission on Intergovernmental Relations requested the information for the 2005-07 biennium be narrowed to only include prevention programs and the money in each program that goes to local chapters to students against destructive decisions be identified. The following table notes changes to the previous table presented to the commission. Underscored language is new and overstruck language is old. Changes by means of overstrike or removal to the 2003-05 biennium have been made when a program for that biennium was reported to not be a prevention program in the 2005-07 biennium and to an actual amount in the case of the National Guard.

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
State Department of Health									
Community health grant program: To SADD through local public health		$4,700,000	$4,700,000		~~$4,700,000~~ $4,671,700 28,300	$4,700,000	Tobacco master settlement funds (10%) through the community health trust fund	Funds go to local public health units for preventive health services in schools and communities with an emphasis on tobacco control	Majority of funds for tobacco prevention and control in schools and communities - Estimated 20 to 25% will fund other preventive health services
~~Pilot education and cessation programs for city, county, and state employees~~		~~500,000~~	~~500,000~~		~~395,000~~	~~395,000~~	~~Tobacco master settlement funds (10%) through the community health trust fund~~	~~Funds go to local cities, counties, and the state Public Employees Retirement System (PERS) for pilot cessation programs~~	~~100% of funds support tobacco education and cessation programs and services~~
~~Community Health Grant Program Advisory Committee~~		~~100,000~~	~~100,000~~		~~211,000~~	~~211,000~~	~~Tobacco master settlement funds (10%) through the community health trust fund~~	~~Funds support the work of the advisory committee~~	~~100% of funds support the work of the advisory committee and evaluation of the program~~
Statewide tobacco cessation quitline for primary prevention		680,000	680,000		~~884,000~~ 68,016	~~884,000~~ 68,016	Tobacco master settlement funds	Funds support a statewide toll-free telephone counseling and referral quitline	100% of funds will support the statewide tobacco cessation quitline
Tobacco prevention and control - Centers for Disease Control and Prevention (CDC)		2,199,994	2,199,994		2,463,495	2,463,495	Centers for Disease Control and Prevention	Restricted to tobacco control; cannot be used for direct services or cessation services	100% for tobacco control
~~American Legacy Foundation~~		~~38,326~~	~~38,326~~		~~66,000~~[1]	~~66,000~~	~~American Legacy Foundation~~	~~Restricted to matching funds in CDC grant for cessation promotion~~	~~100% for tobacco cessation~~

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
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Abstinence education grant program: To state SADD chapter		252,440	252,440		~~405,583~~ 355,789 49,794	405,583	Health Resources and Services Administration - Section 510 abstinence education grant program	Funds go to the regional/tribal children's services coordinating committees and public health units within the four tribal and eight regions of North Dakota	70% of funds are used for abstinence education in their respective communities and the other is used for administrative services $22,000 appropriation received, funding not secured
Comprehensive sexually transmitted disease prevention systems (CSPS) for primary prevention	$13,000	320,954	333,954		~~653,092~~ 27,655	~~653,092~~ 27,655	Centers for Disease Control and Prevention	Limited to prevention of syphilis, gonorrhea, and chlamydia	.9 full-time equivalent (FTE) position for grant administration and 1.5 FTE positions for sexually transmitted disease counseling and intervention. Funding to support chlamydia testing in high-risk individuals approximately 3 to 5% of funds are directed to risky behavior recognition/reduction. Funding is generally used for disease intervention.
Injury prevention program		500,000	500,000		463,301	463,301	Department of Transportation and Title V (maternal and child health block grant)	Department of Transportation funds are restricted for child passenger safety projects for preschool and school-age populations	Department of Transportation funds are for purchase of car seats, training, and projects designed to increase child restraint and seat belt use by young children. Title V funding may be used for suicide prevention. No specific funds are dedicated for programs addressing destructive decisions in the adolescent population relating to motor vehicle crashes or suicides.
~~HIV testing and risk-reduction counseling, partner counseling and referral services, group-level intervention (i.e., workshops, etc.), outreach, distribution of safe sex supplies (i.e., condoms, lubricant, etc.), and capacity building to assist HIV prevention service providers to conduct HIV prevention services per federal guidelines~~		~~1,682,283~~	~~1,682,283~~		~~1,521,704~~	~~1,521,704~~	~~Centers for Disease Control and Prevention - HIV prevention grant~~	~~Funds to be used for HIV testing and risk-reduction counseling, partner counseling and referral services, group-level intervention, outreach, distribution of safe sex supplies, and capacity building to assist HIV prevention service providers to conduct HIV prevention services per federal guidelines~~	~~Funds go to appropriate contractors, including local public health units, substance abuse treatment centers, college/university student health centers, community action programs, etc., to provide HIV prevention services to high-risk populations in the state (i.e., men who have sex with men, high-risk heterosexuals, and injecting drug users)~~
Title X family planning program base funding and Title V supplement - The primary focus of the program identified above is to provide and enhance family planning services for		329,037	329,037		334,053	334,053	Title X family planning	Funds to be used for the provision of family planning medical, laboratory, and counseling services	100% for the provisions of clinical, laboratory, contraceptive supplies, and counseling family planning services to men and women

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
women and men in North Dakota. A portion of the funds identify and address alcohol, tobacco, drug use and abuse issues, and risky sexual behavior through short-term counseling and referral services. No treatment services are provided. It is estimated that 15% of family planning funding addresses risky behaviors.								Special initiative funds for one-time projects restricted to the goal workplan of that project	Special initiative funds to address: Subsidizing the cost of contraceptives for low-income clients Community education and outreach about family planning services Services to incarcerated women Enhance networks to address family and intimate partner violence
Total State Department of Health	$13,000	~~$11,489,645~~ $8,982,425	~~$11,502,645~~ $8,995,425		~~$12,217,228~~ $8,462,103	~~$12,217,228~~ $8,462,103			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
Attorney General's office									
~~Residential substance abuse treatment for state prisoners grant program - A passthrough grant for addiction treatment of state prisoners~~		~~$568,775~~	~~$568,775~~		~~$433,600~~	~~$433,600~~	~~Residential substance abuse treatment for state prisoners grant program - Corrections Program Office, United States Department of Justice~~	~~Residential substance abuse treatment grant funds are awarded to states to assist them in implementing and enhancing residential treatment activities for offenders operated by state and local correctional agencies~~	~~Funds are available to the Department of Corrections and Rehabilitation and local agencies that meet the requirements. Funds are used for the treatment unit located at the State Penitentiary. Funds are used exclusively for program operations.~~
~~Narcotics section - Includes all of the state's 12 drug enforcement agents responsible for investigations of drug crimes, dealers, and manufacturers~~	~~$1,786,136~~		~~1,786,136~~	~~$2,010,000~~		~~2,010,000~~			~~95% of the funds are used for operations. 5% of the funds are used for equipment.~~
CounterAct program - Drug prevention programs aimed at grades 4 through 6. The fund is used to train local law enforcement officers and to provide classroom materials.		60,000	60,000		60,000	60,000	Safe and drug-free schools program, United States Department of Education - Passthrough from the Department of Human Services	Funds must be used to train/certify law enforcement officers on CounterAct materials for presentation to grades 5 and 6 students	Train law enforcement and purchase materials for students - 100% program operations
~~Domestic cannabis eradication/suppression program - A federal grant used for marijuana enforcement and elimination~~		~~100,000~~	~~100,000~~		~~100,000~~	~~100,000~~	~~Domestic cannabis eradication/suppression program - Drug Enforcement Administration, United States Department of Justice~~	~~Funds must be used for law enforcement efforts in eradicating and investigating marijuana trafficking in the state.~~	~~Funds are used for purchasing equipment and supplies used in marijuana investigation and eradication efforts.~~

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
~~Midwest high-intensity drug trafficking area - Federal cooperative agreement aimed at the growing methamphetamine problem in this region~~		~~1,217,216~~	~~1,217,216~~		~~1,280,000~~	~~1,280,000~~	~~Midwest high-intensity drug trafficking area - Office of National Drug Control Policy - Office of the President~~	~~Funds must be used to measurably reduce and disrupt the importation, distribution, and clandestine manufacturing of methamphetamine in the six-state region - Iowa, Kansas, Missouri, Nebraska, North Dakota, and South Dakota~~	~~Funds are used for personnel, operating expenses, and confidential funds in methamphetamine investigation and eradication efforts.~~
~~Edward Byrne Memorial state and local law enforcement assistance formula grant program - Federal funding used at the state and local level for antidrug abuse programs~~		~~4,400,000~~	~~4,400,000~~		~~1,469,000~~	~~1,469,000~~	~~Edward Byrne Memorial state and local law enforcement assistance formula grant program~~	~~58.68% of the funds must be passed through to local jurisdictions. There are 28 legislative purpose areas for which the Byrne formula funds can be used.~~	~~Administrative funds are used to manage grant contracts to ensure compliance with federal regulations - 10% - $146,900.~~ ~~Grants funds are awarded to local units of government, state agencies, and Indian tribes for criminal justice purposes - 90% - $1,469,000.~~
Total Attorney General's office	~~$1,786,136~~	~~$6,345,991~~ $60,000	~~$8,132,127~~ $60,000		$60,000	$60,000			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
Department of Human Services									
~~Treatment services provided at the human service centers~~	~~$6,904,234~~	~~$7,947,216~~	~~$14,851,450~~	~~$7,198,986~~	~~$10,007,547~~	~~$17,206,533~~	~~Substance abuse prevention and treatment (SAPT) block grant - $8,442,126~~	~~The state shall not expend grant funds on the following:~~ ~~To provide inpatient hospital services~~ ~~To make cash payments to intended recipients of services~~ ~~To purchase or improve land; purchase, construct, or permanently improve any building or other facility; or purchase major medical equipment~~ ~~To satisfy any requirement for the expenditure of nonfederal funds~~ ~~To provide financial assistance to any entity other than a public or nonprofit private entity~~ ~~To provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs~~	~~To provide treatment of substance abuse, including alcohol and other drugs. Preference for admission into treatment services is in the following order:~~ ~~Pregnant injecting drug users~~ ~~Pregnant substance abusers~~ ~~Injecting drug users~~ ~~All other substance abusers~~

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
							~~Medical assistance - $880,889~~	~~None~~	
							~~Collections - $684,632~~	~~None~~	
~~Treatment services provided at the State Hospital~~	~~2,386,496~~	~~4,879,979~~	~~7,266,475~~	~~2,630,038~~	~~4,824,079~~	~~7,454,117~~	~~Collections from insurance - $1,289,322~~	~~None~~	~~To provide inpatient treatment of substance abuse, including alcohol and other drugs~~ ~~Program operations - $7,454,117/100%~~
							~~Payments from the Department of Corrections and Rehabilitation - $3,534,757~~	~~Needs to be spent toward the population placed by the Department of Corrections and Rehabilitation~~	
Prevention related to substance abuse		1,902,907	1,902,907		2,353,702	2,353,702	SAPT block grant - $2,353,702	Funds are limited to primary prevention activities only See additional restrictions for SAPT grant on the first page for the Department of Human Services	To develop and implement a comprehensive prevention program which includes a broad array of prevention strategies directed at individuals not identified to be in need of treatment. Implementation shall use a variety of strategies, including: Regional prevention coordination College-forward strategies Program operations - $541,583/23% Grants/contracts - $1,812,119/77%
~~Methamphetamine and other substance abuse residential treatment services~~				~~500,000~~		~~500,000~~			~~Provide residential treatment for methamphetamine and other substance users~~ ~~Grants/contracts - 100%~~
~~Program and policy related to substance abuse~~	~~137,009~~	~~1,282,130~~	~~1,419,139~~	~~184,973~~	~~731,244~~	~~916,217~~	~~SAPT block grant - $70,244~~ ~~Other funds remaining from Oxford House loan fund - $28,800~~	~~See additional restrictions for SAPT grant on the first page for the Department of Human Services~~	~~Provide technical assistance, training, and outcome management policy to treatment and prevention fields~~ ~~Program operations - 100%~~
~~Data information systems~~		~~172,991~~	~~172,991~~		~~197,977~~	~~197,977~~	~~DASIS - $197,977~~	~~Must be used to develop and implement substance abuse data management~~	~~Contract for outcome evaluation and client followup~~ ~~Grants/contracts - 100%~~
Governor's fund for safe and drug-free schools and communities - Funding is provided as grants to high-risk areas for enforcement and education: SADD statewide mentoring		857,174	857,174		~~917,394~~ 853,394 64,000	917,394	Safe and drug-free schools and communities grant	At least 10% of this amount shall be used for law enforcement education partnerships No more than 5% of this amount can be used for administrative costs	To provide drug and violence prevention programs and activities through grants to parent groups, community action/job training agencies, community-based organizations, and other entities

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
									Priority shall be given to programs and activities for: Children and youth not normally served by state or local educational agencies Populations that need special or additional resources Grants/contracts - 100%
Department of Justice underage drinking grant - Funding is used for underage drinking prevention programs.		720,000	720,000		720,000	720,000	Enforcing underage drinking laws grant - This program is funded by the Department of Justice.	Cannot be used to supplant state or local funds Funding can be suspended if: Failure to adhere to requirements or conditions placed on grant Failure to submit timely reports Filing a false certification Other good cause shown	To support and enhance state efforts, in cooperation with local jurisdictions, to enforce laws prohibiting the sale of alcoholic beverages to or the consumption of alcoholic beverages by minors Activities may include: Statewide task forces of state and local law enforcement and prosecutorial agencies Public advertising programs to educate establishments about statutory prohibitions and sanctions Innovative programs to prevent and combat underage drinking Operating expenses - $4,600/.6% Grants/contracts - $715,400/99.4%
Total Department of Human Services	~~$9,427,739~~	~~$17,762,397~~ $3,480,081	~~$27,190,136~~ $3,480,081		~~$20,471,943~~ $3,991,096	~~$30,986,940~~ $3,991,096			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
Department of Transportation									
402 highway traffic safety: ~~Funding is used for fake ID training~~ Teen court Students against drunk driving ~~and the cops in shops programs~~ College-based programs Safe community programs Alcohol Forum Conference		$220,000	$220,000		~~$270,000~~ 30,000 53,500 3,700 350,000 15,000 452,200	~~$270,000~~ 452,200	402 funding is allocated to each state from the National Highway Traffic Safety Administration and is based on a formula	402 funds must be used for projects involving highway safety issues. A portion of the funding within the North Dakota highway safety plan is dedicated to alcohol countermeasures and youth projects.	402 funds only 20%, administration 80% - Grants to local agencies primarily for youth prevention efforts

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
		175,000	175,000		~~400,000~~	~~400,000~~			Will be used for public information regarding impaired driving and to purchase video cameras for law enforcement because of a transfer of funds to highway safety and carryover dollars
410 alcohol incentive grant - ~~Funding is used for alcohol countermeasure activities and other programs discouraging drinking and driving~~ Parents LEAD Program		299,000	299,000		~~500,000~~ 80,000	~~500,000~~ 80,000	410 funding is an incentive grant available to states that meet certain criteria, such as law, programs, and data elements. The criteria for this grant will be changing in fiscal year 2006.	410 funds must be used for alcohol countermeasure projects such as saturation patrols, checkpoints, and drugged driving training	410 funds only: 8% administration; 28% public information; 48% law enforcement overtime; 1% training; 15% youth activities
Total Department of Transportation	$0	$694,000	$694,000	$0	~~$1,170,000~~ $532,200	~~$1,170,000~~ $532,200			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
Department of Public Instruction									
Title IV safe and drug-free schools and communities program - Funding for reducing alcohol, drug, and tobacco use through education and prevention activities[2]		$3,668,088	$3,668,088		$1,708,024	$1,708,024	Department of Education	For prevention activities and early intervention - Not to be used for treatment or entertainment	$3,411,322 (93%) - Local education agencies' grants; $146,724 (4%) - Technical assistance to local education agencies; $110,042 (3%) - Administration
21st century community learning centers provide funds for out-of-school programs, including academics, enhanced academic programming, arts, and recreation[2]		5,236,320	5,236,320		9,663,995	9,663,995	Department of Education	Must serve students attending school with 40% or greater free and reduced lunch, must have a community-based partner, and must occur when school is not in session	95% to local education agencies and community-based organizations; 3% for technical assistance; 2% for administration
Total Department of Public Instruction	$0	$8,904,408	$8,904,408	$0	$11,372,019	$11,372,019			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
National Guard									
State military counterdrug operations - Supports law enforcement agencies in interdiction efforts with intelligence analysis and aviation reconnaissance, along with supporting state and local coalitions and school education and prevention programs[3]		~~$2,461,000~~ $250,000	~~$2,461,000~~ $250,000		~~$2,600,000~~ $300,000	~~$2,600,000~~ $300,000	Department of Defense through the National Guard Bureau		
Total National Guard		~~$2,461,000~~ $250,000	~~$2,461,000~~ $250,000		~~$2,600,000~~ $300,000	~~$2,600,000~~ $300,000			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2003-05 Biennium Amount and Funding Source for Each Program			2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on the Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds			
North Dakota Higher Education Consortium for Substance Abuse Prevention									
Coordinates and supports the prevention efforts and programs of each campus				$150,000		$150,000			Salary
NDCORE federal and special funds					$17,000	17,000	Department of Transportation grant		For NDCORE alcohol and drug survey
Outreach coordinator					130,000	130,000	Department of Human Services passthrough federal block grant		For outreach coordination for local campuses
Total Higher Education Consortium				$150,000	$147,000	$297,000[4]			

The following is a summary of the survey responses provided by agencies as the responses relate to funding:

Agency Summary Report	2003-05 Biennium Amount and Funding Source for Each Agency			2005-07 Biennium Amount and Funding Source for Each Agency		
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds
State Department of Health	$13,000	$8,982,425	$8,995,425		$8,462,103	$8,462,103
Attorney General's office	~~1,786,136~~	60,000	60,000		60,000	60,000
~~Department of Corrections and Rehabilitation~~	~~4,712,666~~	~~7,493,002~~	~~12,205,668~~	~~16,952,066~~	~~3,910,833~~	~~20,862,899~~
Department of Human Services	~~9,427,739~~	3,480,081	3,480,081		3,991,096	3,991,096
Department of Transportation		694,000	694,000		532,200	532,200
Department of Public Instruction		8,904,408	8,904,408		11,372,019	11,372,019
~~Supreme Court~~	~~89,799~~	~~318,617~~	~~408,416~~	~~215,904~~	~~171,096~~	~~387,000~~
National Guard		250,000	250,000		300,000	300,000
Higher Education Consortium for Substance Abuse Prevention				150,000	147,000	297,000
Total all agencies	$13,000	$22,370,914	$22,383,914	$150,000	$24,864,418	$25,014,418

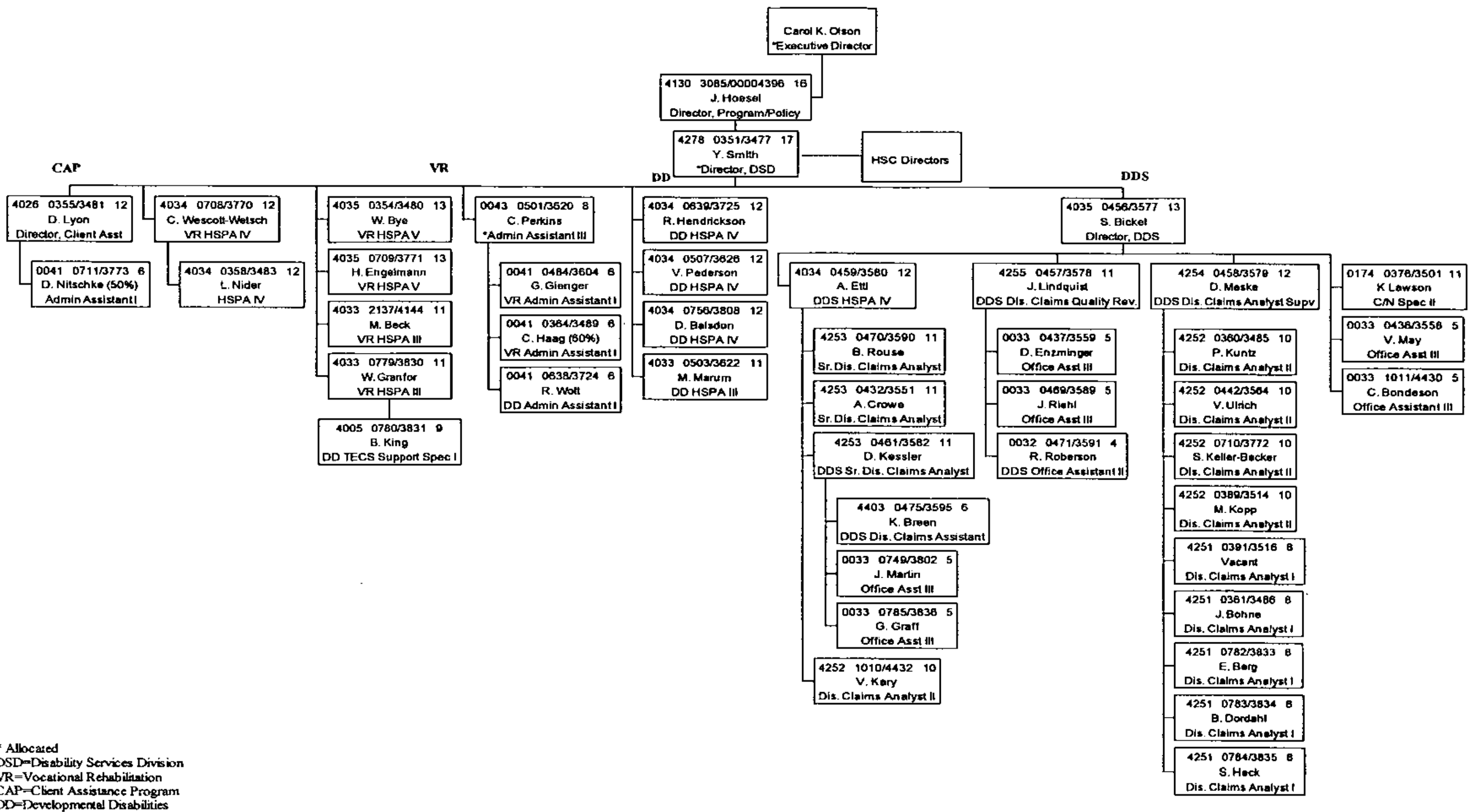
[1]Funds for administration of prevention efforts.

[2]Funds may go to SADD through local entity.

[3]Estimated.

[4]Each campus in the University System funds prevention efforts through various sources, including fines, community grants, donations, and the general fund. The amounts range from no specific budget at Valley City State University to $101,000 at the University of North Dakota..

North Dakota Department of Human Services
Disability Services Division



* Allocated
DSD=Disability Services Division
VR=Vocational Rehabilitation
CAP=Client Assistance Program
DD=Developmental Disabilities
DDS=Disability Determination Services

Revised 2/9/07

with the exception of these pages, same testimony given to Senate and House

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 11, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Yvonne Smith, Disability Services Division Director for the Department of Human Services. I am here today to provide you with an overview of the programs and services that make up the budget request for the Disability Services Division.

Programs

The Disability Services Division (DSD) contains three units: Developmental Disabilities, Vocational Rehabilitation, and Disability Determination Services. The staff of the division carry the responsibility for administrative and policy direction in regard to a range of home and community-based services for individuals with disabilities.

The Developmental Disabilities Unit is made up of 6 FTEs, who are responsible for the needs assessment, staff training, development of policy, quality assurance, compliance with federal oversight agency rules, and service monitoring functions relating to the provision of home and community-based services for individuals who have a developmental disability, as well as for children who are at risk of developmental delays. To carry out these responsibilities, the staff interact on a regular basis with the developmental disabilities case management staff at the human service centers, the community providers, the Developmental Center, federal agency representatives, school systems, universities, consumer advocates, and a variety of public and private entities who play a part in

Overview of Budget Changes

Disability Services Division

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	4,031,984	4,333,502	301,518
Operating	5,253,422	5,899,426	646,004
Grants	18,668,825	18,883,621	214,796
Total	27,954,231	29,116,549	1,162,318
General	5,283,577	6,006,390	722,813
Federal	22,551,554	23,003,159	451,605
Other	119,100	107,000	(12,100)
FTEs	41.10	41.10	-

Salaries: Increase of $301,518

- The majority of the increase in salaries is attributed to the 4% increase each year included in the Executive Budget, along with the increased cost of health insurance. The Governor's salary package accounts for a total increase of $319,969, of which $210,347 is general fund.
- The other substantial factor is the anticipated cost of "payout" for four expected retirements, in the amount of $31,000.

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Yvonne Smith, Disability Services Division Director for the Department of Human Services. I am here today to provide you with an overview of the programs and services that make up the budget request for the Disability Services Division.

Programs

The Disability Services Division (DSD) contains three units: Developmental Disabilities, Vocational Rehabilitation, and Disability Determination Services. The staff of the division carry the responsibility for administrative and policy direction in regard to a range of home and community-based services for individuals with disabilities.

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Title XIX Medicaid, three Medicaid Home and Community-based Waivers, Part C of IDEA, and general funds.

The Vocational Rehabilitation Unit (VR) is made up of 11.1 FTEs, who are responsible for the administration of Titles I, VI, and VII of the Rehabilitation Act, as amended. As such the staff is responsible for needs assessment, staff training, state plan development and outcome monitoring, development of policy, quality assurance, client advocacy through the Client Assistance Program, oversight of expenditure of federal VR funds, and compliance with federal rules. To carry out these responsibilities, the VR unit staff interacts regularly with the Vocational Rehabilitation staff at the human service centers, community businesses, schools and universities, Job Services, the State Rehabilitation Services Council, the State Independent Living Council, centers for independent living, federal oversight agencies, and other private and public entities involved in rehabilitation services. The services are funded through federal funds received through the Department of Education, Rehabilitation Services Administration, along with the required general fund match.

The Disability Determination Services Unit includes 24 FTEs who are responsible for individual eligibility determination for Social Security Disability Insurance and Supplemental Security Income statewide. The staff receives applications, gathers supporting data, and determines whether or not the individuals meet the federal criteria for enrollment in Social Security Disability Insurance or Supplemental Security Income. The DDS services are funded solely through federal funds received from the Social Security Administration.

Customer Base

Developmental Disabilities -- SFY 2006

- 4,814 individuals received developmental disabilities case management services through the human service centers.
- 1,854 families received family support program services, including family subsidy, infant development, and family support.
- 2,102 individuals received residential and/or day services.
- 10,296 Right Track screenings were completed for infants and toddlers birth to three years of age at risk for a developmental delay.

Note: The funding for the case management services is contained in the human service center budgets. The community-based services for individuals and families are budgeted within the Long Term Care section of the budget. Right Track Services are budgeted in the operating line of the DSD budget.

Vocational Rehabilitation – FFY 2006

- 6,894 individuals received employment services through VR.
- 6,222 individuals received independent living services.
- 3,002 businesses were in contact with VR in regard to employment issues.
- 1,045 individuals were served through the Older Blind Program.

Disability Determination Services Unit – FFY 2006

- 4,310 eligibility determinations were made for SSI/SSDI.

Major Trends and Issues

Consumer Choice:

- During this biennium, the Developmental Disabilities Unit developed two "self-directed supports" waivers that allow families to manage their own services, based on a plan developed with case management. DSD contracts with a fiscal agent to handle the necessary employer-related tasks, including responsibilities such as payroll taxes, so that each family does not have to independently assume those responsibilities.

Complex Challenges Presented by Consumers:

- Young adults who are transitioning from the foster care system into the adult system require structured living arrangements. For many of these individuals, the cognitive deficits are not major issues, but behavioral and psychiatric problems create the need for structured intervention and crisis response beyond what has been traditionally provided.

- With the continued emphasis on serving people with the most serious disabilities, consumers receiving services through Vocational Rehabilitation are increasingly in need of more intensive evaluation and training/intervention. Consumers are exhibiting multiple functional limitations and diagnoses, which increase the complexity of service needs resulting in greater cost.

- The population of the Developmental Center continues to trend downward, with the community providers providing services for all but the most behaviorally or medically challenging individuals. The

opposition to community placement voiced by some guardians in the past has been substantially reduced.

Growth in Need for Service:

- The need for corporate guardianship at the community level continues to rise. During the current biennium, Catholic Charities, the agency that holds the contract for corporate guardianship services, has experienced a waiting list, and also has put a considerable amount of their private resources into the guardianship program to cover the costs of petitioning. This budget request would alleviate these concerns for the upcoming biennium.

- Caseload growth continues in the number of young children with developmental disabilities needing support, which has put pressure on the family support budget.

- The Vocational Rehabilitation Unit has commissioned a study in regard to the prevalence of disabilities within various demographic sectors, and the impact of rehabilitation on the overall economy. This study will assist in planning for future service delivery.

Increase in Federal Accountability Requirements:

- Both the Rehabilitation Services Administration and the Office of Special Education are placing great emphasis on achievement of state plan outcomes and adherence to federal outcome guidelines, with a very stringent interpretation of success. Failure to meet these expectations can result in sanctions, including plans of correction and possible loss of funds.

- The Social Security Administration sets specific goals and timelines for staff production, and monitors progress monthly.

- The Center for Medicare and Medicaid Services (CMS) has become more prescriptive in waiver guidelines, approvals and monitoring. This has resulted in the need to implement more stringent reporting requirements at the service delivery level.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	4,031,984	301,518	4,333,502	-	4,333,502
Operating	5,253,422	646,004	5,899,426	14,506	5,913,932
Capital Assets	-	-	-	-	-
Grants	18,668,825	214,796	18,883,621	1,000,000	19,883,621
Total	27,954,231	1,162,318	29,116,549	1,014,506	30,131,055
General	5,283,577	722,813	6,006,390	1,014,506	7,020,896
Federal	22,551,554	451,605	23,003,159	-	23,003,159
Other	119,100	(12,100)	107,000	-	107,000
FTEs	41.10	-	41.10	-	41.10

Budget Changes from Current Budget to Executive Budget:

Salaries: Increase of $301,518

- The majority of the increase in salaries is attributed to the 4% increase each year included in the Executive Budget, along with the increased cost of health insurance. The Governor's salary package

accounts for a total increase of $319,969, of which $210,347 is general fund.

- The other substantial factor is the anticipated cost of "payout" for four expected retirements, in the amount of $31,000.
- The increase is offset by a $42,868 decrease in temporary salaries, associated fringe benefits, and overtime in the DDS Unit, based on expected utilization.

Operating: Increase of $646,004

- Travel: Increased by $25,817
  - $36,500 required for vocational rehabilitation counselors to complete academic requirements imposed by federal rule. Since there are no approved curricula in state, counselors must travel to out-of-state universities for required on-campus coursework and to expedite the length of time to complete the required coursework.
  - This increase is partly offset by decreases in other staff travel.

- Professional Supplies and Materials: Increased by $47,643
  - $13,250 books and materials for classes for VR counselor coursework.
  - $10,000 educational material for Part C Early Intervention.
  - $23,000 public education information for vocational rehabilitation, in order to meet state plan outcomes.

- Office Space Rental Costs: Increased by $72,374
  - Budgeting for the full biennium in the new space, with increased square footage requirements by DDS, as well as a general increase in the rental cost per square foot.

- Professional Development: Increase of $52,678

- $38,000 in tuition and fees paid for VR Counselor academic requirements. The responsibility for these costs has been gradually transferred to the states, as grants through RSA to the educational institutions have been decreased.
- $13,000 increase in DDS for the required federal conferences.

- Operating Fees and Services: Increase of $434,442
  - Corporate Guardianship increase of $484,000 to account for the increased demand and increased cost of providing this service.
  - These increases were offset by decreases in several areas, including a reduction in contracting time in DDS.

- Fees and Professional Services: Increase of $141,480
  - $13,000 in Part C funds were shifted into fees and services to reflect the training and consultation needs of the staff and providers.
  - $131,480 increase in fees for consulting physicians for DDS.

- The increases in operating costs in some categories were offset in part by reductions in other areas:
  - Printing: Reduced by ($36,000) in Part C, due in large part to the availability of materials on-line, and by ($6,000) in DDS due to the electronic record.
  - Medical Dental Optical category ($18,100) was eliminated in the Older Blind Services, since the funds are no longer needed for this purpose, but are used in the grants line item.
  - Equipment, postage, and office supplies have all seen a decrease.

Grants: Increase of $214,796

- $414,000 increase in VR Basic Support Grant, based on federal increase as required by law.
- $50,000 increase in Supported Employment, all in federal funds.
- ($16,600) decrease in Part C grants.
- ($248,000) decrease in IPAT due to federal grant decrease.

Funding Changes

- Corporate Guardianship is funded entirely with general funds. Costs are increased by $527,000, to account for caseload growth, petitioning costs, and inflation.
- The contract with Minot State University to provide staff training for DD Providers is increased by $14,700, funded entirely with general funds. This contract with the university has not been adjusted since the late 1980's.

Senate Changes:

- $14,506 general fund dollars were added to the operating line item to increase the inflationary adjustment for providers to 4%.
- $500,000 general fund dollars were added in the grants line item to support assistive technology services for the elderly and disabled provided through the Interagency Program for Assistive Technology (IPAT).
- $500,000 general fund dollars were added in the grants line item to support the efforts of Independent Living Centers to improve statewide service coverage.

In summary, the DSD budget request is reflective of maintaining quality services to address an increasingly complex array of consumers needs including more severe disabilities and multiple diagnoses. This heightens the importance of coordinating the services among various disciplines and

providers in order to assure that the needs are properly addressed. Overall, service delivery remains essentially unchanged, with the increases in costs predicated upon a growing caseload, heightened federal requirements, and general inflation in the cost of goods and services.

Chairman Pollert, thank you for the opportunity to appear before your Committee today. If you have any questions, I will be happy to respond.

Disability Services

Detail of Budget Account Code 532000 - Professional Supplies & Materials

Professional Supplies & Materials	Amount	General	Federal/Other
Part C resource materials and educational supplies	79,400	0	79,400
Miscellaneous resource materials	1,568	268	1,300
VR resource and promotional information	25,600	5,469	20,131
Materials for VR counselor education program	12,745	2,723	10,022
Miscellaneous educational supplies	900	149	751
Periodicals and subscriptions	1,450	116	1,334
Total Professional Supplies & Materials Budget Account Code	121,663	8,725	112,938

Disability Services

Detail of Budget Account Code 611000 - Professional Development

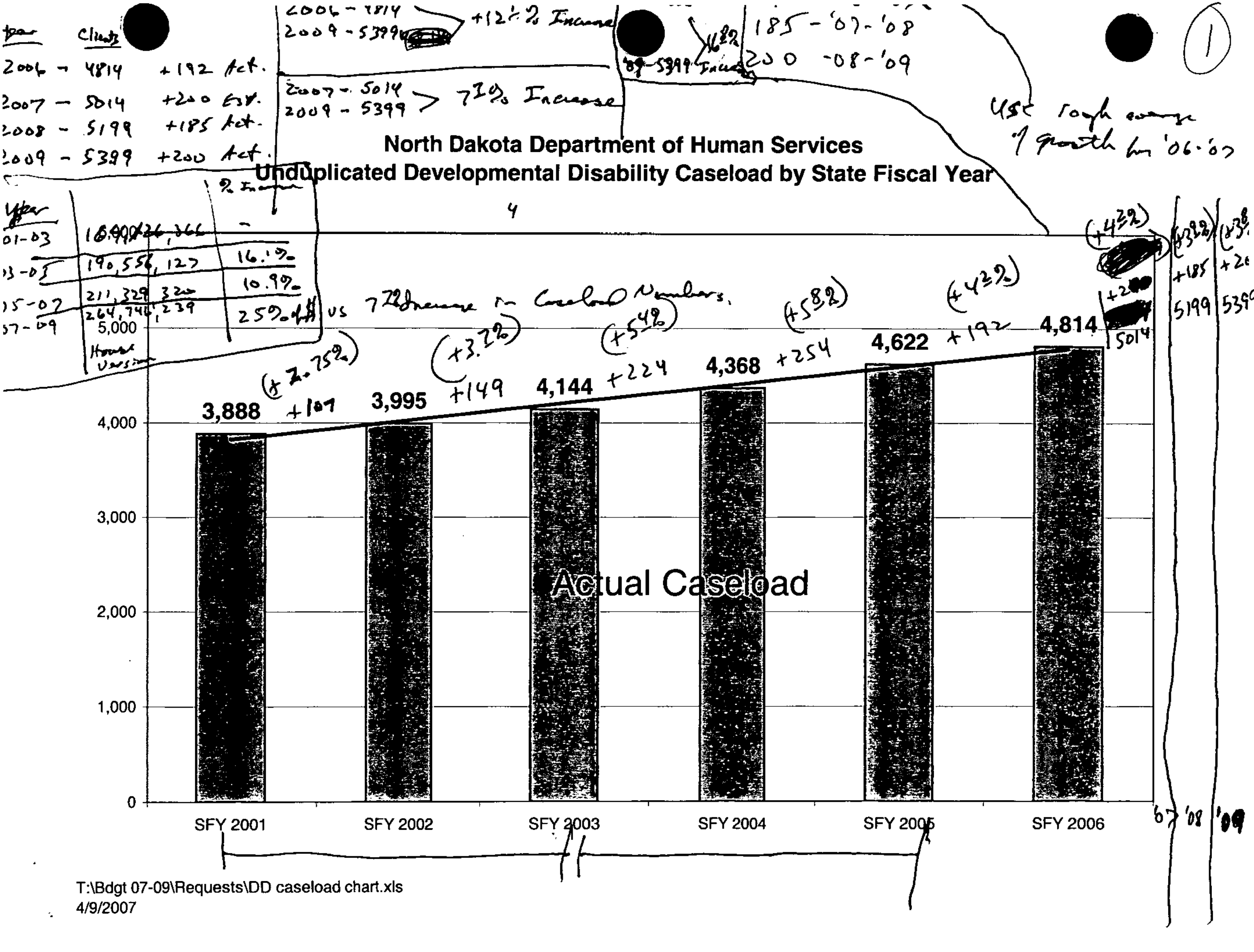
Professional Development	Amount	General	Federal/Other
Conference Expenses	12,300	2,769	9,531
Dues & Memberships	28,845	7,468	21,377
Professional Development	38,831	5,709	33,122
Honorariums	13,300	130	13,170
Tuition Fees	78,200	14,341	63,859
Total Professional Development Budget Account Code	171,476	30,417	141,059

Disability Services

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General	Federal/Other
Underwriting conferences for VR and DD programs	46,000	2,744	43,256
Fiscal agent for self-directed services	405,440	200,796	204,644
Guardianship contract	1,517,692	1,517,692	0
Part C contracts for data analysis, conferences, mentoring & TA	354,618	0	354,618
Part C contracts for Right Track services	1,700,000	0	1,700,000
Other Miscellaneous Fees & Services	13,749	3,071	10,678
Total Operating Fees & Services Budget Account Code	4,037,499	1,724,303	2,313,196

Disability Services Division						
Grants Schedule -- 2007-2009 Budget Request						
		TOTAL		GENERAL		FEDERAL/OTHER
Developmental Disabilities Grants						
DD Training Contract	$	166,767	$	86,933	$	79,834
Section 11 Funds	$	200,000	$	200,000	$	-
Direct Client Services						
Transition Services	$	400,000	$	85,200	$	314,800
Basic Support Grants	$	13,429,556	$	2,564,171	$	10,865,385
Independent Living	$	1,094,539	$	286,381	$	808,158
Older Blind	$	295,735	$	29,574	$	266,161
Extended Services	$	129,173	$	129,173	$	-
Supported Employment	$	450,000	$	-	$	450,000
Disability Determination Services	$	1,300,000	$	-	$	1,300,000
Early Intervention Services						
Parents As Trainers and Technical Asstce	$	449,636	$	-	$	449,636
Interagency Program for Assistive Technology	$	681,215	$	-	$	681,215
Other Grants						
Randolph Sheppard	$	97,000	$	-	$	97,000
ADA	$	40,000	$	-	$	40,000
SSA	$	150,000	$	-	$	150,000
TOTAL Grants	$	18,883,621	$	3,381,432	$	15,502,189


North Dakota Department of Human Services
Unduplicated Developmental Disability Caseload by State Fiscal Year
Actual Caseload
0
1,000
2,000
3,000
4,000
5,000
3,888
3,995
4,144
4,368
4,622
4,814
SFY 2001
SFY 2002
SFY 2003
SFY 2004
SFY 2005
SFY 2006
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4/9/2007

Developmental Disability Grant Budget
Biennial Budget Comparison

	2001-2003 Appropriation	Changes	2003-2005 Appropriation	Changes	2005-2007 Appropriation	Changes *	2007-2009 Budget To House
General	53,705,370	8,146,838	61,852,208	12,649,953	74,502,161	25,038,239	99,540,400
Federal	110,193,996	17,764,739	127,958,735	7,893,016	135,851,751	39,328,413	175,180,164
Special	227,000	518,184	745,184	230,224	975,408	(949,733)	25,675
Total	164,126,366	26,429,761	190,556,127	20,773,193	211,329,320	63,416,919	274,746,239
% Increase		16.10%		10.90%		30.01%	

*** Changes between 2005-2007 and 2007-2009 consist of the following:**

Cost Increase	11,611,921 **
Caseload Increase	22,313,072 **
FMAP	(1,216)
$0.060 Increase	10,689,403
4% / 4%	14,845,729
Severely Fragile	832,871
Behaviorally Challenged	555,247
Personal Care Allowance	71,280
DC Tansition Funding	2,498,612
	63,416,919

** The cost and caseload increases include approx. $3.5 million for the Infant Development programs previously provided at four HSCs.

264,746,239
-100,542,021 ICF/MR
- 1,586,772 Family Subsidy
162,617,446
8,333,333 Out by House
154,284,113 After House
-126,725,172 '05-'07
27,558,941
÷4428
= 6,223 Total $ Bed per Biennium increase.
$3,112 per year per Bed increase.

ICF/MR
.575 GF.
1,597,222 BA

264,746,239
4428 clients
= 59762 per Biennium
81.87 per day

25% Increase vs '05-'07

25% Increase

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4/17/07
Conf Committee (1)

Developmental Disability Grants - Selected Services

This population group is unique as they receive services which span their lifetime, and therefore the state-wide caseload will continue to increase.

Day Supports

Only most current months are used for analysis, in order to capture the high school graduations in the 2nd year of the 05-07 biennium

Persons receiving by month are "unduplicated" counts, therefore if billings are not received, or are suspended and then paid in the next month along with the curent billing, the person is only counted once. Therefore the low months as highlighted are excluded in the calculation.

Month	Excluded	Included
July-06		928
August-06	882	
September-06		941
October-06		939
November-06		910
December-06		946
January-07		940
February-07	866	
March-07		937
		6541

Monthly Avg (7 months)	934			
Known growth remaining in 2005-2007	25			List of individuals slated to require services before 6-30-07. (Six of 31 persons slated for ISLA, as noted below, are already receiving day support services.)
Projected ending caseload on June 30, 2007	959			
Plus growth yr 1 *	22			
Monthly Average (yr 1)	981	X 12	11,772	
Plus growth yr 2 *	22			
Monthly Average (yr 2)	1003	X 12	12,036	
			23,808	/ 24 months = **992** 07-09 monthly avg

* Information from DPI

Budget based on 964

ISLA

Only most current months are used for analysis, in order to capture the high school graduations in the 2nd year of the 05-07 biennium

July-06	701					
August-06	695					
September-06	700					
October-06	709					
November-06	698					
December-06	708					
January-07	702					
February-07	694					
March-07	700					
	6307					
Monthly Avg (9 months)	701					
Known growth remaining in 2005-2007	31		List of individuals slated to enter ISLA before 6-30-07			
Projected ending caseload on June 30, 2007	732					
Plus growth yr 1 *	22					
Monthly Average (yr 1)	754	X 12	9,048			
Plus growth yr 2 *	22					
Monthly Average (yr 2)	776	X 12	9,312			
			18,360	/ 24 months	=	**765** 07-09 monthly avg

* Information from DPI

Budget based on 767

MSLA

July-06	142						Month excluded as 16 add'l beds were licensed in Sept.
August-06	144						Month excluded as 16 add'l beds were licensed in Sept.
September-06		160					
October-06		163					
November-06		151					
December-06		168					
January-07		166					
February-07		169					
March-07		167					
		1144					
Monthly Avg (7 months)		163					
Plus growth yr 1		8					4 beds in Minot and Mandan
Monthly Average (yr 1)		171	X 12	2,052			
Plus growth yr 2		0					
Monthly Average (yr 2)		171	X 12	2,052			
				4,104	/ 24 months	=	**171** 07-09 monthly avg

Budget based on 181

Developmental Disability Audit Settlements

The Developmental Disability (DD) provider rates are based upon 95% occupancy. Therefore if a facility's occupancy rate exceeds 95%, that facility will most likely owe funds to the Department during the audit settlement process.

<u>Audit Settlements Received</u>

SFY 2005	2,964,107
SFY 2006	2,214,200
August 2006 thru January 2007	266,616

The audit settlements received by the Department decrease both the current general and federal DD grant expenditures. Therefore the unit rates used in building the budget are "net" of audit settlements.

North Dakota Department of Human Services
Medical Services Division
Long-Tem Care Continuum

Developmental Disabilities (DD) Grants
SB 2012

Overview of Services for People with Developmental Disabilities

Adult Education Transition Services (AETS)

Refers to services provided to students 18 - 21 years of age who are eligible for developmental disabilities case management services and can benefit from residential and/or day services provided in the developmental disabilities system while they are still in school. This is a joint initiative between the Department of Public Instruction and the Department of Human Services. Services include Medicaid HCBS waiver residential and day services (day supports; extended services).

Congregate Care

Specialized group residential facility which provides programming for elderly individuals with mental retardation which will assist in the maintenance of the individual's current level of functioning. The health and medical conditions of the individuals are stable and they do not require continued nursing or medical care.

Day Supports

A day program to assist individuals in acquiring, retaining, and improving skills necessary to successfully reside in a community setting. Services may include assistance with acquisition, retention, or improvement in self-help, socialization, and adaptive skills; provision of social, recreational, and therapeutic activities to maintain physical, recreational, personal care, and community integration skills; and development of non-job task-oriented prevocational skills such as compliance, attendance, task completion, problem solving, and safety; and supervision for health and safety.

Extended Services

Supports provided for individuals employed in the community. Supports are provided as needed for each individual by a job coach. Initial job placement and

stabilization and training is provided through the Supported Employment Program and Extended Services is the long term follow up.

Family Subsidy

A program that reimburses a family for excess expenses related to their child's disability. Family Subsidy offers support to enable a family to keep their child in their home when lack of financial support would make it very difficult for the family to keep the child at home. The child may be eligible for Family Subsidy through age twenty-one.

Family Support Services

Family centered services which are provided for an eligible client in order for the client to remain in an appropriate home environment. Family Support Services provides: (a) short-term Respite Care when a specialized trained care giver is needed in order to meet the individual's needs. Respite Care is provided when the parents/primary care givers are absent, and can be delivered in the family home or in another location; (b) In-Home Support provides a specialized trained care giver to work with the parents/family when additional help is needed to meet the individual's needs; (c) Family Care Option is out-of-home support which is provided in a licensed family home.

Intermediate Care Facility for the Mentally Retarded (ICF/MR)

Group residential facility licensed as a certified health care facility for individuals with mental retardation and related conditions. A responsible direct care staff is on duty and awake on a 24-hour basis when clients are present. Each client receives a continuous active treatment program which includes training, health services and related services that help him/her function with as much self determination and independence as possible.

Infant Development

A home-based, family-focused service that provides information, support and training for families to assist them in meeting their child's needs. A child may be eligible for Infant Development up to age three.

Individualized Supported Living Arrangement (ISLA)

Residential service which provides support to individuals living in a home owned or leased by the individual. Services may include training and assistance in personal care, budgeting, shopping, laundry, etc. Levels and amounts of support may vary depending on the individual's needs. The individual is responsible to pay for room and board.

Minimally Supervised Living Arrangement (MSLA)

Community waiver group home or community complex setting which provides training in community integration, and social, leisure, and daily living skills.

Specialized Placement

Refers to a residence for people who are diagnosed as both mentally retarded and mentally ill and whose individualized programs address residential, psychosocial and psychiatric development prior to entry into less restrictive settings. Services are provided at one 5-bed and one 6-bed group home operated by Pride, Inc. in Bismarck.

Supported Living Arrangement (SLA)

Residential service which provides support to individuals living in their own home or apartment setting. Services may include instruction in budgeting, shopping, laundry, etc. Support is provided on an intermittent basis and is generally less than 20 hours per month. Individuals receiving SLA services generally need less support and assistance than individuals receiving ISLA.

Title XIX County Waivered Services

Refers to select services offered through the Aged & Disabled waiver service network to persons with developmental disabilities and included in the MR/DD Medicaid waiver. Services include homemaker; adult day care; adult family foster care; respite care for adult foster care provider; and county case management.

Transitional Community Living Facility (TCLF)

Community waiver group home which provides training for individuals in community integration, social, leisure, and daily living skills in a group environment.

Self-Directed Supports

The purpose of the program is to provide assistance for families with a member who requires long-term supports and services, or to individuals who require long-term supports and services, so that the individual may remain in the family residence or in their own home. Eligibility is limited to those individuals who require long-term supports at a level typically provided in an institution.

North Dakota Department of Human Services
Developmental Disability Grant Scenarios

	Comparison of Add'l Funds Needed		
	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $0.60 / $0.60**	Add'l Funds Needed
General	$99,540,400	$101,427,627	**$1,887,227**
Federal / Other	$175,205,839	$178,509,861	$3,304,022
Total	$274,746,239	$279,937,488	$5,191,249

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $0.80 / $0.80**	Add'l Funds Needed
General	$99,540,400	$103,339,558	**$3,799,158**
Federal / Other	$175,205,839	$181,858,403	$6,652,564
Total	$274,746,239	$285,197,961	$10,451,722

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $1.00 / $1.00**	Add'l Funds Needed
General	$99,540,400	$105,251,914	**$5,711,514**
Federal / Other	$175,205,839	$185,206,515	$10,000,676
Total	$274,746,239	$290,458,429	$15,712,190

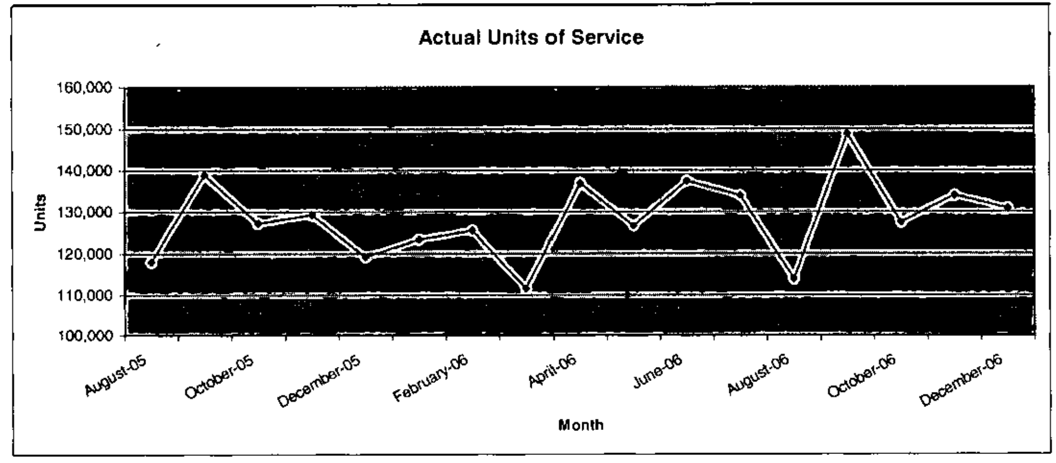
	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $1.20 / $1.20**	Add'l Funds Needed
General	$99,540,400	$107,163,513	**$7,623,113**
Federal / Other	$175,205,839	$188,555,379	$13,349,540
Total	$274,746,239	$295,718,892	$20,972,653

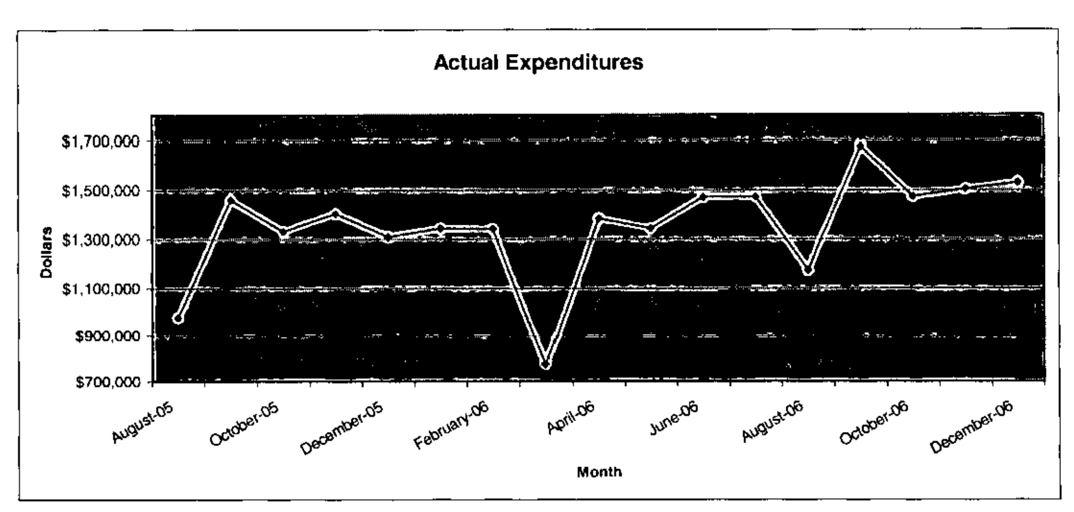
	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $1.50 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$105,314,404	**$5,774,004**
Federal / Other	$175,205,839	$185,317,063	$10,111,224
Total	$274,746,239	$290,631,467	$15,885,228

North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Day Supports

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	945	$1,034.72	118,050	$8.28	$977,806
September-05	909	1,606.95	138,958	10.51	1,460,714
October-05	904	1,471.92	127,239	10.46	1,330,617
November-05	904	1,553.11	129,325	10.86	1,404,015
December-05	932	1,404.09	119,261	10.97	1,308,613
January-06	897	1,497.68	123,357	10.89	1,343,419
February-06	906	1,479.35	125,529	10.68	1,340,294
March-06	873	888.90	111,601	6.95	776,006
April-06	860	1,609.76	136,925	10.11	1,384,396
May-06	918	1,463.44	126,629	10.61	1,343,436
June-06	927	1,587.28	137,486	10.70	1,471,408
July-06	928	1,586.12	133,957	10.99	1,471,915
August-06	882	1,331.85	113,912	10.31	1,174,688
September-06	941	1,780.38	148,828	11.26	1,675,338
October-06	939	1,569.78	127,455	11.57	1,474,021
November-06	910	1,653.82	133,962	11.23	1,504,980
December-06	946	1,617.67	130,871	11.69	1,530,316
Monthly Averages	**913**	**$1,478.64**	**128,432**	**$10.47**	**$1,351,293**

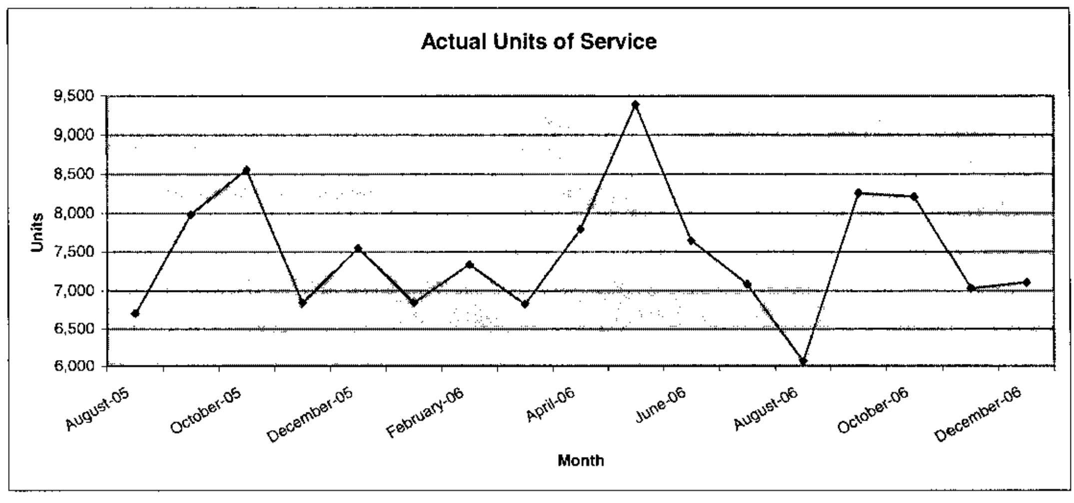


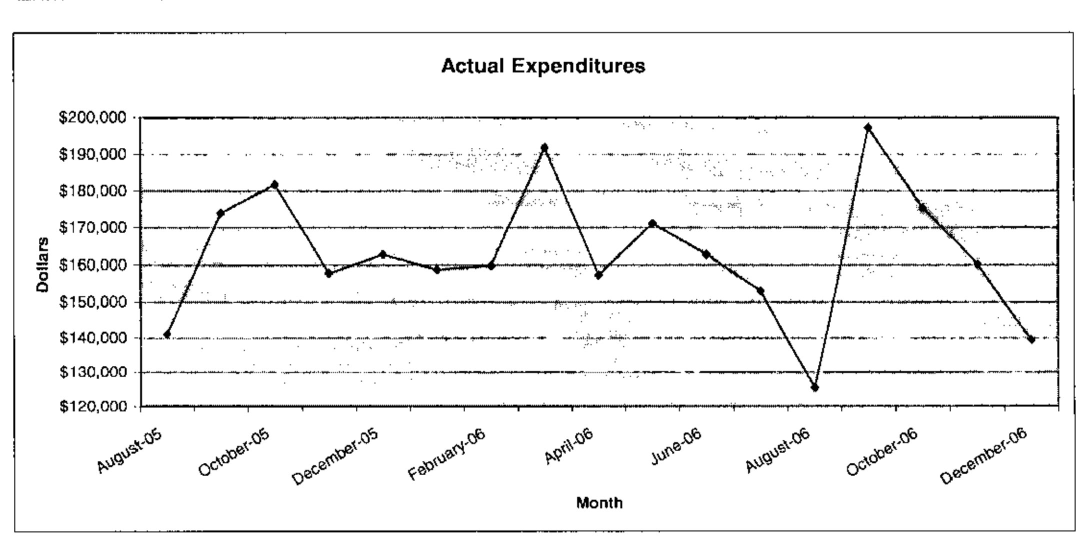


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Extended Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	262	$538.53	6,707	$21.04	$141,094
September-05	280	621.57	7,988	21.79	174,039
October-05	291	624.57	8,561	21.23	181,750
November-05	270	584.06	6,842	23.05	157,695
December-05	297	548.01	7,550	21.56	162,759
January-06	270	587.77	6,847	23.18	158,697
February-06	284	562.62	7,337	21.78	159,783
March-06	272	705.34	6,825	28.11	191,852
April-06	264	595.78	7,798	20.17	157,285
May-06	286	598.28	9,389	18.22	171,109
June-06	286	569.25	7,649	21.28	162,806
July-06	269	568.73	7,086	21.59	152,988
August-06	227	552.82	6,073	20.66	125,491
September-06	264	747.24	8,261	23.88	197,271
October-06	289	607.12	8,213	21.36	175,458
November-06	280	571.89	7,030	22.78	160,128
December-06	290	480.82	7,105	19.63	139,439
Monthly Averages	**275**	**$592.02**	**7,486**	**$21.84**	**$162,920**

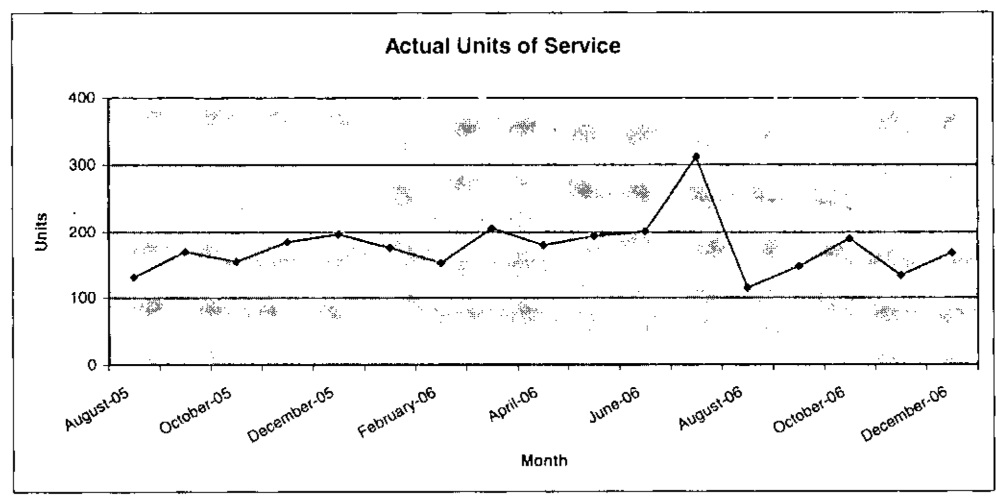


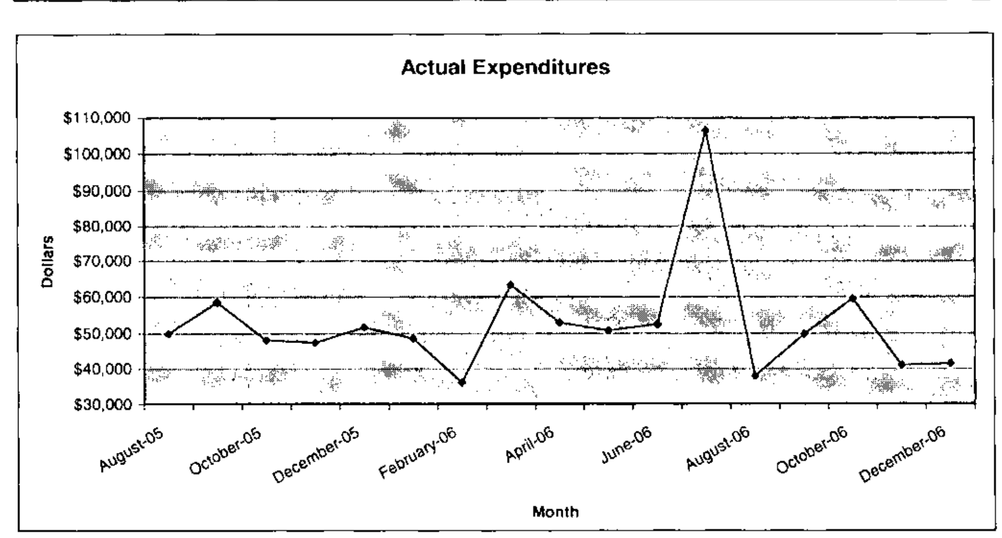


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Family Subsidy

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	115	$434.69	131	$381.60	$49,989
September-05	142	$411.99	170	$344.13	58,502
October-05	139	$346.45	155	$310.68	48,156
November-05	147	$322.92	185	$256.59	47,469
December-05	153	$337.77	197	$262.33	51,679
January-06	145	$335.51	176	$276.41	48,649
February-06	125	$289.13	153	$236.22	36,141
March-06	169	$374.38	206	$307.14	63,270
April-06	145	$364.81	180	$293.87	52,897
May-06	157	$323.25	194	$261.60	50,750
June-06	148	$354.53	201	$261.04	52,470
July-06	228	$467.29	312	$341.48	106,543
August-06	102	$373.13	115	$330.95	38,059
September-06	124	$401.21	148	$336.15	49,750
October-06	145	$410.04	190	$312.93	59,456
November-06	109	$377.36	134	$306.96	41,132
December-06	123	$337.60	169	$245.71	41,525
Monthly Averages	**142**	**$368.36**	**177**	**$297.99**	**$52,732**

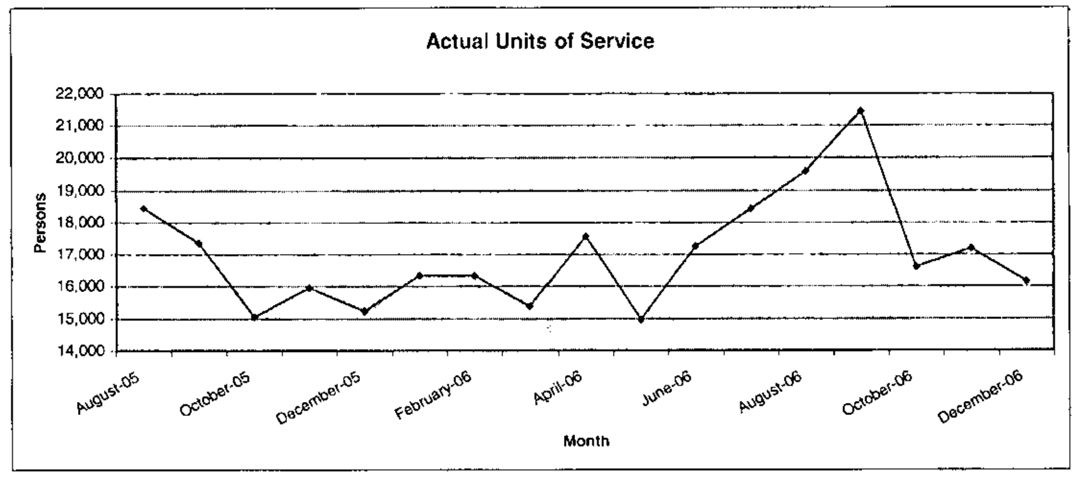


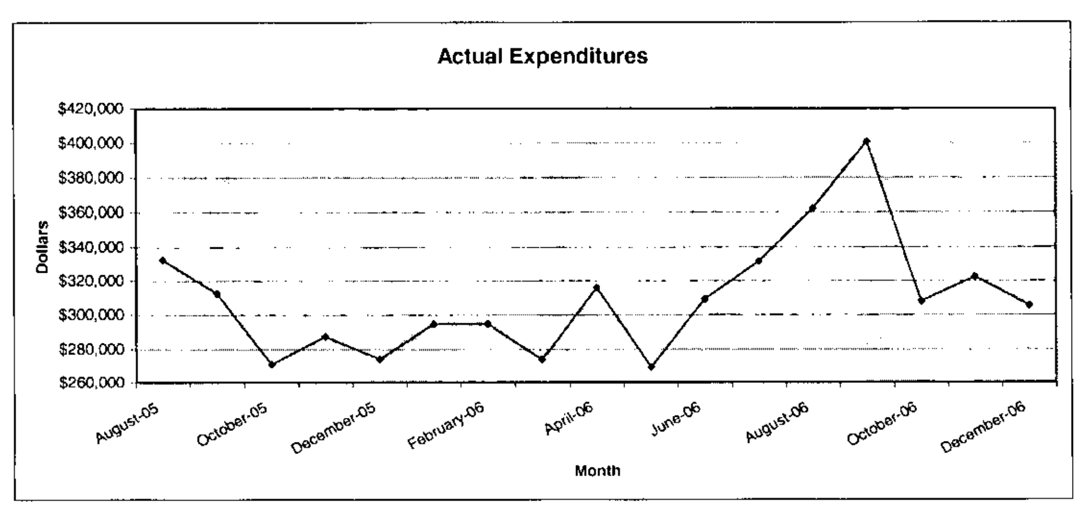


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Family Support Services - In Home Support

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	432	$769.85	18,467	$18.01	$332,577
September-05	428	730.18	17,359	$18.00	312,518
October-05	430	630.91	15,050	$18.03	271,292
November-05	441	652.15	15,958	$18.02	287,596
December-05	444	617.68	15,237	$18.00	274,248
January-06	440	669.78	16,339	$18.04	294,704
February-06	436	675.93	16,328	$18.05	294,706
March-06	450	609.15	15,387	$17.81	274,117
April-06	448	705.46	17,574	$17.98	316,047
May-06	439	613.82	14,975	$17.99	269,467
June-06	455	679.67	17,252	$17.93	309,249
July-06	431	769.39	18,442	$17.98	331,609
August-06	440	823.15	19,588	$18.49	362,188
September-06	445	900.73	21,451	$18.69	400,823
October-06	449	685.74	16,607	$18.54	307,899
November-06	446	722.88	17,191	$18.75	322,403
December-06	440	694.13	16,152	$18.91	305,415
Monthly Averages	**441**	**$702.98**	**17,021**	**$18.19**	**$309,815**

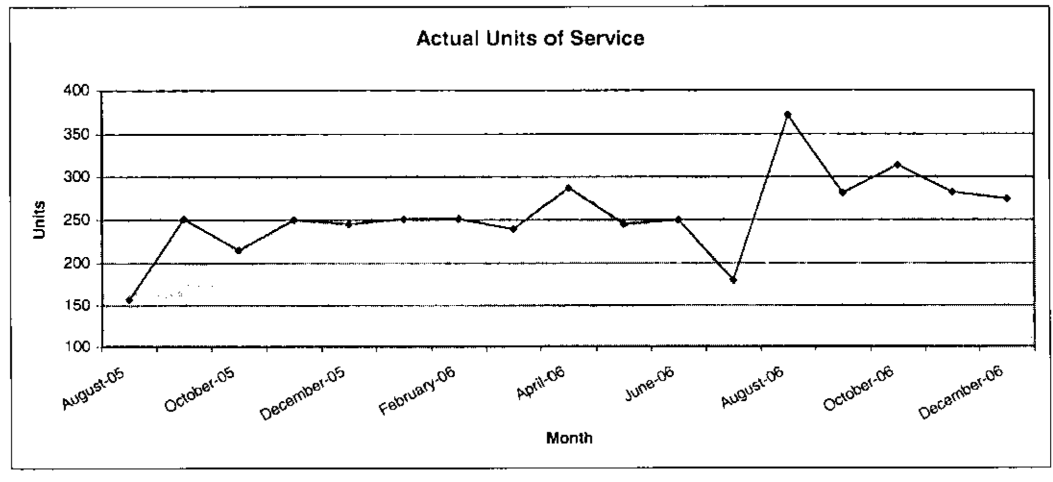


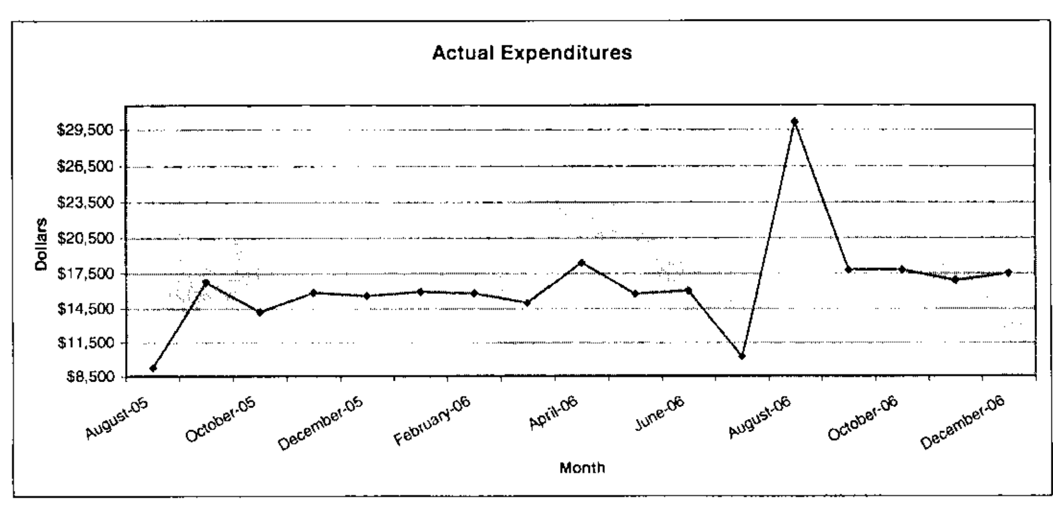


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Family Support Services - Family Care Option

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	6	$1,547.67	157	$59.15	$9,286
September-05	9	1,864.22	251	66.84	16,778
October-05	8	1,778.88	215	66.19	14,231
November-05	9	1,764.89	250	63.54	15,884
December-05	9	1,735.44	245	63.75	15,619
January-06	9	1,772.89	251	63.57	15,956
February-06	9	1,759.11	251	63.08	15,832
March-06	10	1,501.60	239	62.83	15,016
April-06	10	1,842.30	287	64.19	18,423
May-06	9	1,752.89	245	64.39	15,776
June-06	9	1,782.89	250	64.18	16,046
July-06	6	1,708.83	180	56.96	10,253
August-06	10	3,014.80	372	81.04	30,148
September-06	10	1,779.60	281	63.33	17,796
October-06	11	1,618.36	314	56.69	17,802
November-06	9	1,879.33	282	59.98	16,914
December-06	10	1,751.70	274	63.93	17,517
Monthly Averages	**9**	**$1,815.02**	**256**	**$63.74**	**$16,428**

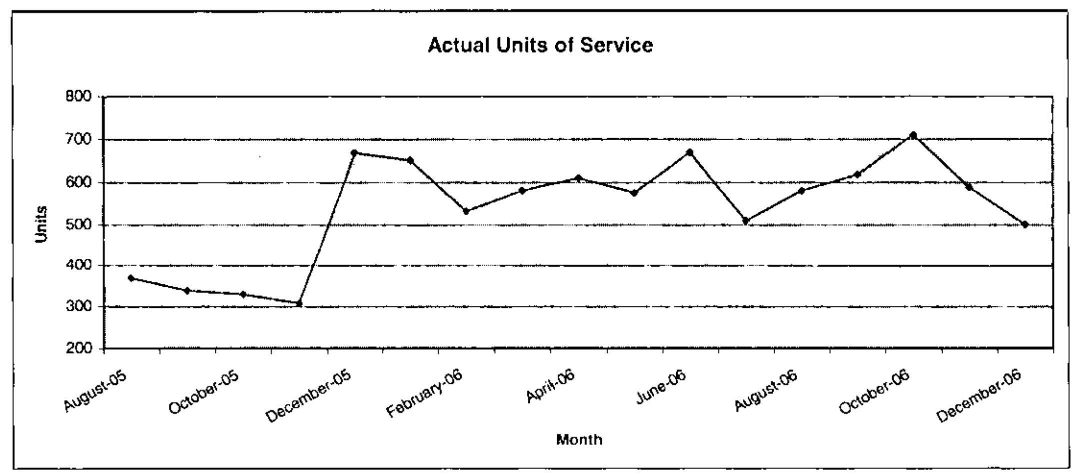


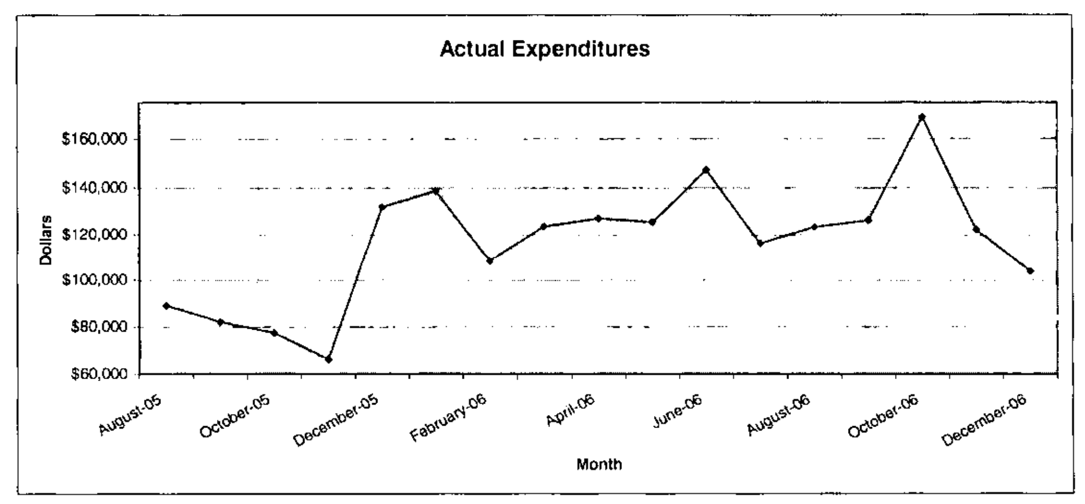


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Family Support Services - Family Care Option 3

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	11	$8,097.64	369	$241.39	$89,074
September-05	11	7,475.55	339	242.57	82,231
October-05	11	7,050.64	330	235.02	77,557
November-05	10	6,647.90	308	215.84	66,479
December-05	15	8,795.27	669	197.20	131,929
January-06	20	6,938.00	652	212.82	138,760
February-06	18	6,033.89	533	203.77	108,610
March-06	20	6,178.30	581	212.68	123,566
April-06	20	6,356.40	611	208.07	127,128
May-06	19	6,604.21	576	217.85	125,480
June-06	20	7,373.30	670	220.10	147,466
July-06	17	6,837.71	510	227.92	116,241
August-06	18	6,856.67	581	212.43	123,420
September-06	17	7,426.12	619	203.95	126,244
October-06	20	8,445.40	710	237.90	168,908
November-06	18	6,794.22	589	207.63	122,296
December-06	17	6,126.88	501	207.90	104,157
Monthly Averages	**17**	**$7,061.06**	**538**	**$217.94**	**$116,444**

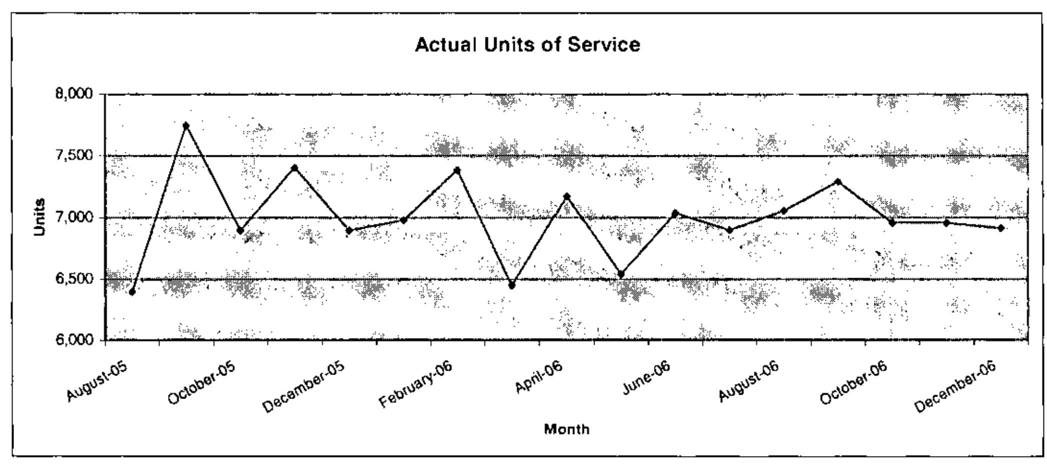


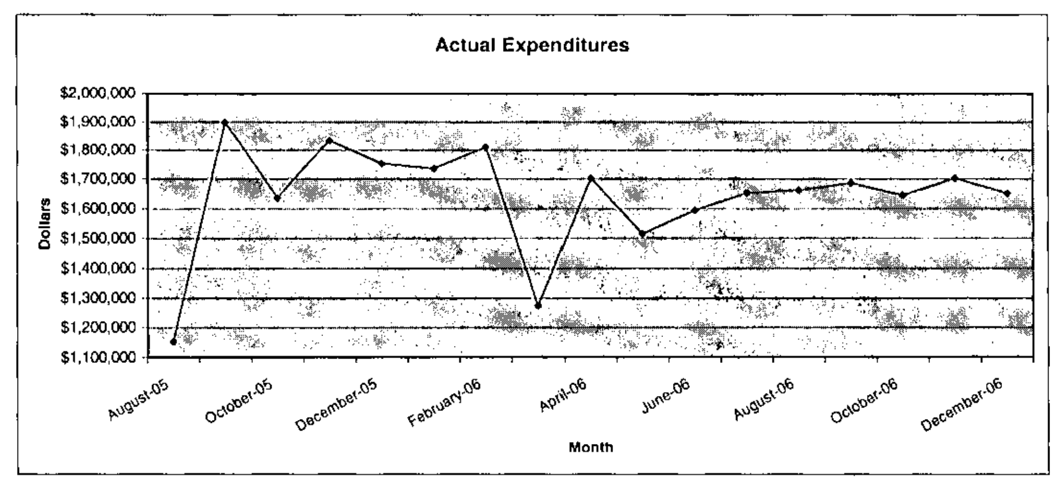


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - ICF/MR - Adult

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	209	$5,520.09	6,398	$180.32	$1,153,698
September-05	230	$8,256.17	7,753	$244.93	1,898,919
October-05	232	$7,052.23	6,896	$237.26	1,636,118
November-05	231	7,939.49	7,405	247.67	1,834,023
December-05	227	7,723.84	6,897	254.21	1,753,312
January-06	232	7,477.69	6,978	248.61	1,734,823
February-06	238	7,611.79	7,384	245.34	1,811,605
March-06	233	5,466.81	6,451	197.45	1,273,766
April-06	234	7,274.06	7,172	237.33	1,702,130
May-06	230	6,583.90	6,543	231.44	1,514,296
June-06	229	6,959.63	7,037	226.48	1,593,756
July-06	230	7,181.94	6,897	239.50	1,651,846
August-06	229	7,256.67	7,056	235.51	1,661,777
September-06	232	7,268.09	7,288	231.37	1,686,197
October-06	230	7,144.92	6,957	236.21	1,643,331
November-06	232	7,339.43	6,957	244.75	1,702,747
December-06	229	7,207.70	6,914	238.73	1,650,564
Monthly Averages	**230**	**$7,133.20**	**6,999**	**$233.95**	**$1,641,348**

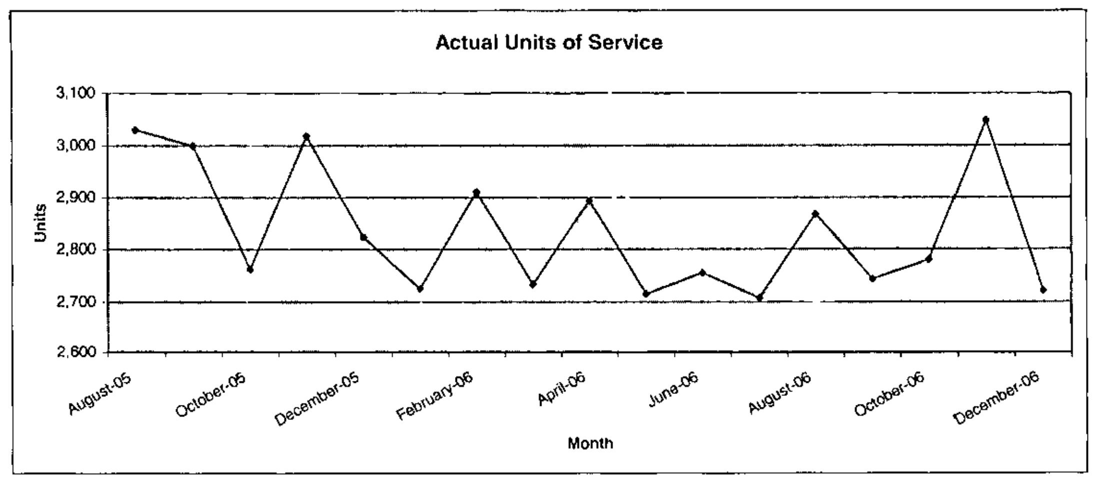


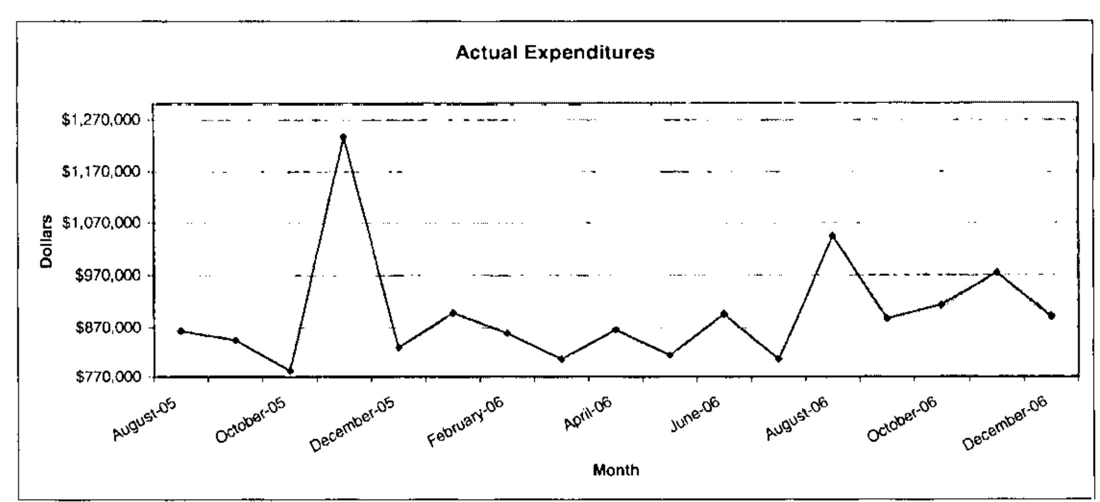


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - ICF/MR - Children

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	99	$8,727.02	3,030	$285.14	$863,975
September-05	99	8,545.00	3,000	281.99	845,955
October-05	95	8,242.12	2,763	283.39	783,001
November-05	101	12,252.44	3,018	410.04	1,237,496
December-05	99	8,393.22	2,823	294.34	830,929
January-06	100	8,994.34	2,726	329.95	899,434
February-06	100	8,597.39	2,911	295.34	859,739
March-06	99	8,154.41	2,734	295.28	807,287
April-06	94	9,217.96	2,894	299.41	866,488
May-06	95	8,585.81	2,716	300.31	815,652
June-06	97	9,248.33	2,756	325.50	897,088
July-06	93	8,677.98	2,708	298.03	807,052
August-06	96	10,880.52	2,868	364.20	1,044,530
September-06	94	9,449.12	2,744	323.69	888,217
October-06	93	9,831.09	2,780	328.88	914,291
November-06	98	9,947.03	3,048	319.82	974,809
December-06	99	9,009.43	2,722	327.68	891,934
Monthly Averages	**97**	**$9,220.78**	**2,838**	**$315.47**	**$895,757**

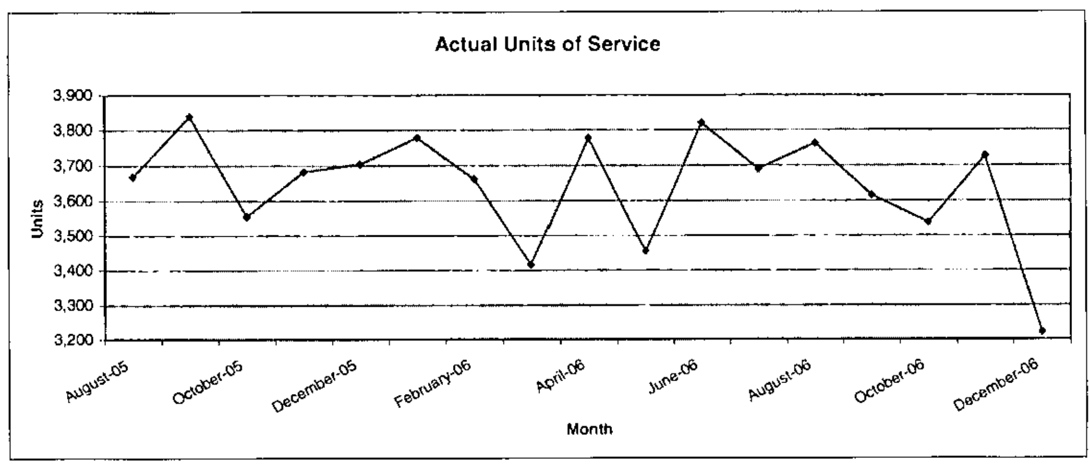


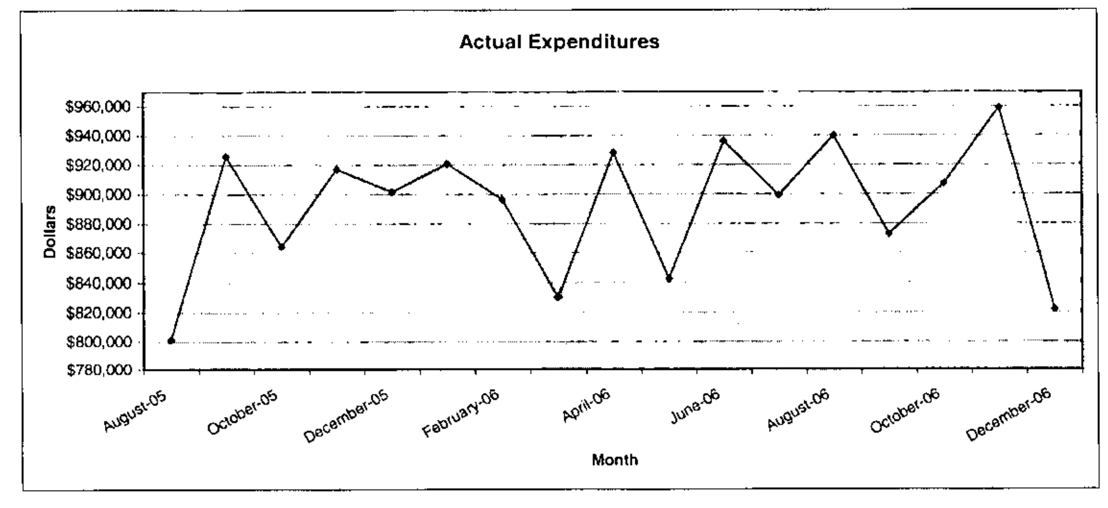


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - ICF/MR - Physically Handicapped

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	124	$6,464.95	3,669	$218.49	$801,654
September-05	121	7,650.71	3,839	241.14	925,736
October-05	121	7,143.32	3,556	243.07	864,342
November-05	121	7,579.56	3,684	248.95	917,127
December-05	120	7,513.49	3,705	243.35	901,619
January-06	120	7,672.16	3,778	243.69	920,659
February-06	119	7,532.08	3,662	244.76	896,317
March-06	120	6,919.56	3,416	243.08	830,347
April-06	121	7,670.98	3,777	245.75	928,188
May-06	116	7,262.15	3,454	243.89	842,409
June-06	119	7,866.41	3,819	245.12	936,103
July-06	120	7,492.37	3,691	243.59	899,083
August-06	123	7,641.50	3,763	249.78	939,904
September-06	120	7,273.51	3,616	241.38	872,821
October-06	120	7,559.72	3,538	256.41	907,166
November-06	121	7,923.61	3,727	257.25	958,757
December-06	110	7,471.25	3,222	255.07	821,837
Monthly Averages	**120**	**$7,449.25**	**3,642**	**$244.99**	**$892,004**

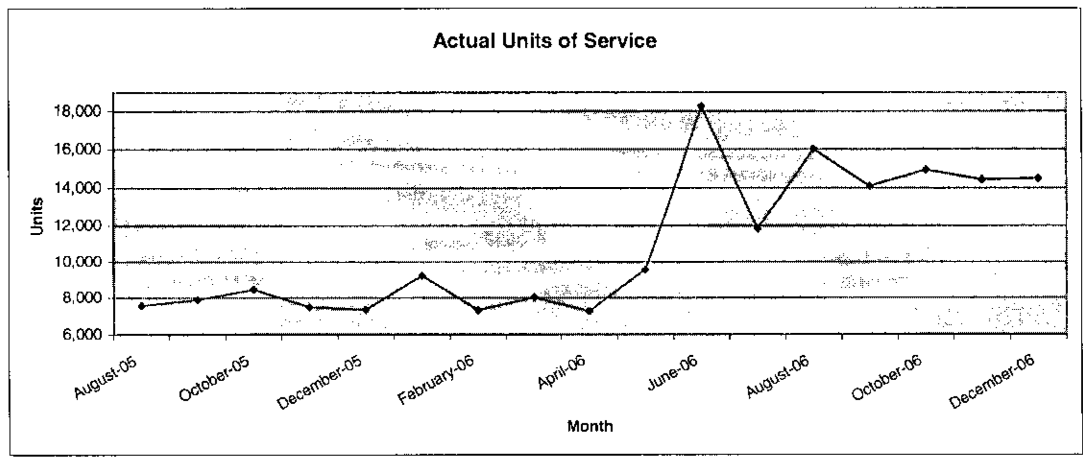


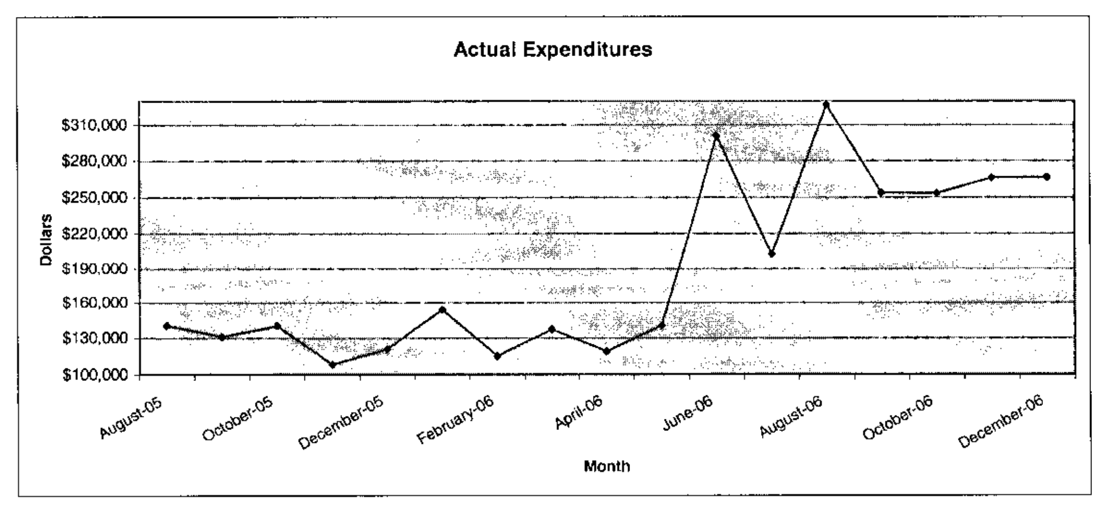


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Infant Development

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	376	$373.54	7,566	$18.56	$140,452
September-05	365	359.06	7,904	16.58	131,056
October-05	375	373.49	8,452	16.57	140,058
November-05	375	288.90	7,505	14.44	108,338
December-05	355	340.21	7,359	16.41	120,773
January-06	405	379.66	9,217	16.68	153,763
February-06	353	326.46	7,335	15.71	115,240
March-06	391	351.13	8,022	17.11	137,293
April-06	314	378.60	7,271	16.35	118,880
May-06	474	295.90	9,577	14.65	140,257
June-06	777	387.25	18,259	16.48	300,895
July-06	615	329.45	11,842	17.11	202,614
August-06	767	425.96	16,009	20.41	326,714
September-06	652	389.39	14,095	18.01	253,885
October-06	734	345.14	14,942	16.95	253,331
November-06	647	411.32	14,455	18.41	266,122
December-06	687	388.06	14,492	18.40	266,596
Monthly Averages	**510**	**$361.38**	**10,841**	**$16.99**	**$186,839**

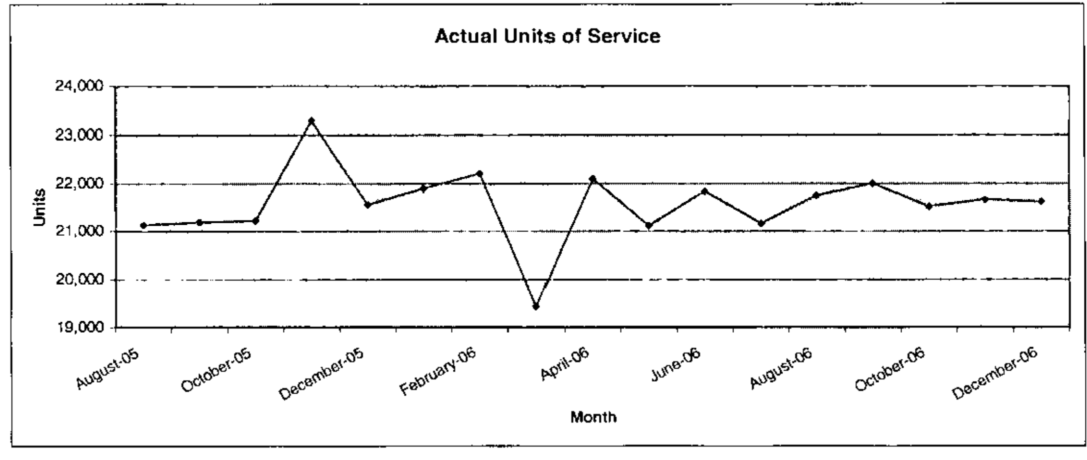


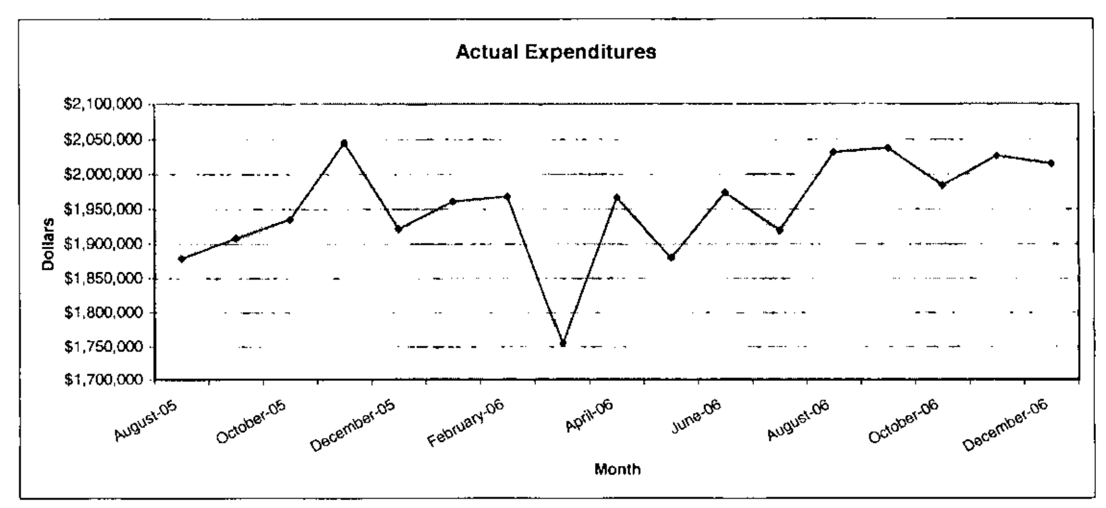


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Individualized Supported Living Arrangements

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	676	$2,779.66	21,138	$88.89	$1,879,051
September-05	665	2,869.84	21,192	90.06	1,908,446
October-05	684	2,829.45	21,227	91.17	1,935,342
November-05	705	2,900.79	23,296	87.79	2,045,058
December-05	706	2,721.91	21,559	89.14	1,921,670
January-06	703	2,789.03	21,898	89.54	1,960,691
February-06	703	2,799.59	22,210	88.61	1,968,111
March-06	695	2,525.24	19,446	90.25	1,755,045
April-06	698	2,817.62	22,098	89.00	1,966,699
May-06	700	2,684.73	21,121	88.98	1,879,313
June-06	702	2,810.83	21,835	90.37	1,973,200
July-06	701	2,737.95	21,166	90.68	1,919,305
August-06	695	2,923.05	21,750	93.40	2,031,518
September-06	700	2,910.93	22,003	92.61	2,037,649
October-06	709	2,798.27	21,521	92.19	1,983,972
November-06	698	2,903.32	21,666	93.53	2,026,516
December-06	708	2,845.83	21,620	93.19	2,014,845
Monthly Averages	**697**	**$2,802.83**	**21,573**	**$90.55**	**$1,953,319**

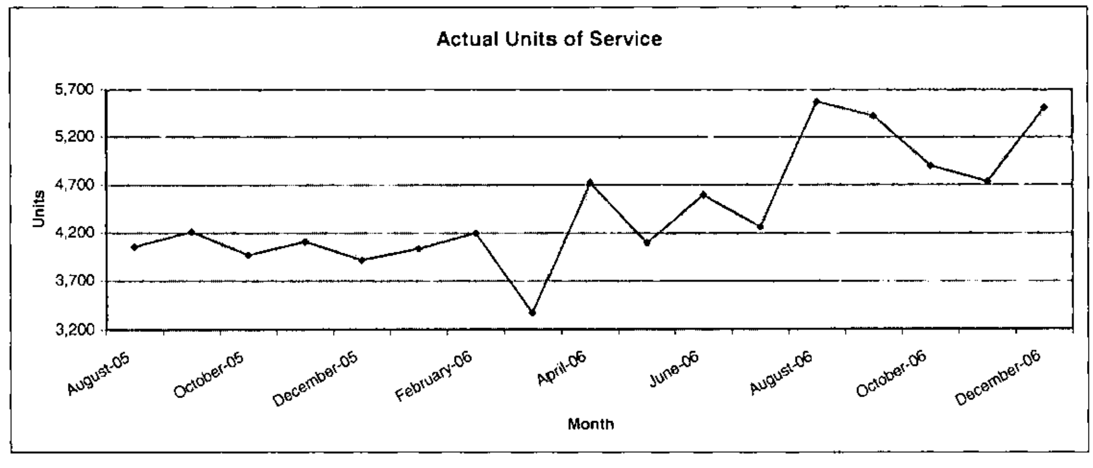


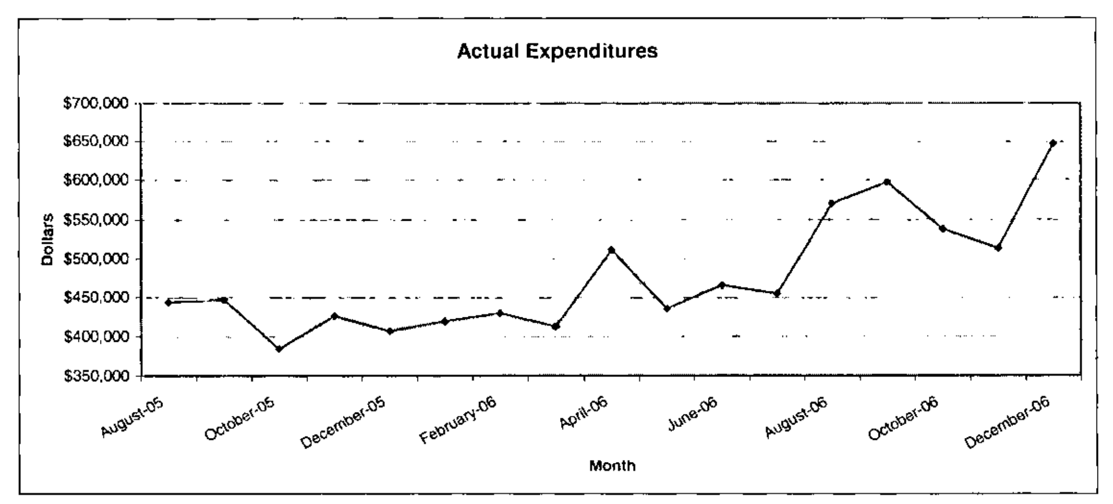


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Minimally Supervised Living Arrangement

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	132	$3,359.94	4,059	$109.27	$443,512
September-05	134	3,335.48	4,216	106.01	446,954
October-05	134	2,873.35	3,973	96.91	385,029
November-05	133	3,201.86	4,111	103.59	425,848
December-05	133	3,060.01	3,918	103.87	406,981
January-06	130	3,224.81	4,040	103.77	419,225
February-06	132	3,254.45	4,200	102.28	429,588
March-06	121	3,412.50	3,369	122.56	412,913
April-06	142	3,603.25	4,723	108.33	511,662
May-06	137	3,177.75	4,097	106.26	435,352
June-06	144	3,238.87	4,596	101.48	466,397
July-06	142	3,206.06	4,267	106.69	455,261
August-06	144	3,960.18	5,574	102.31	570,266
September-06	160	3,730.53	5,424	110.05	596,885
October-06	163	3,300.59	4,897	109.86	537,996
November-06	151	3,402.08	4,731	108.58	513,714
December-06	168	3,850.65	5,510	117.41	646,909
Monthly Averages	**141**	**$3,364.26**	**4,453**	**$107.01**	**$476,735**

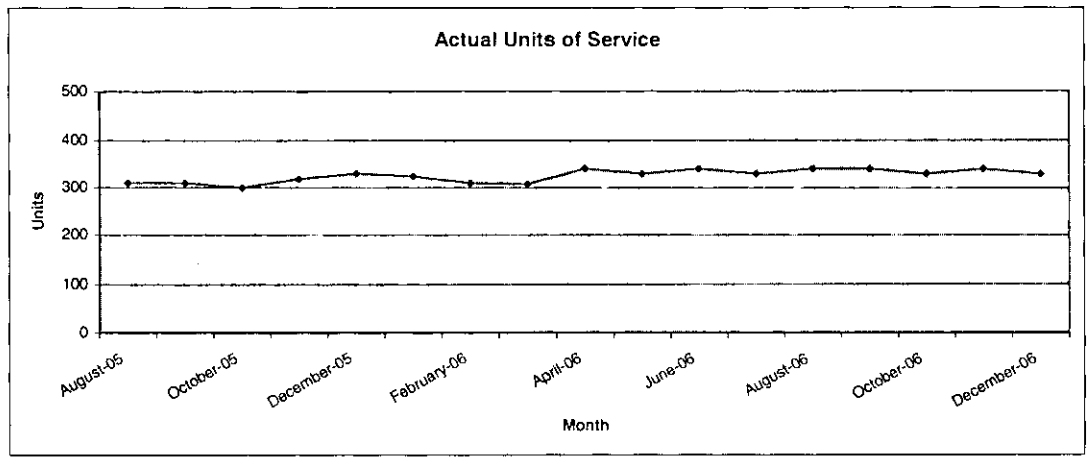


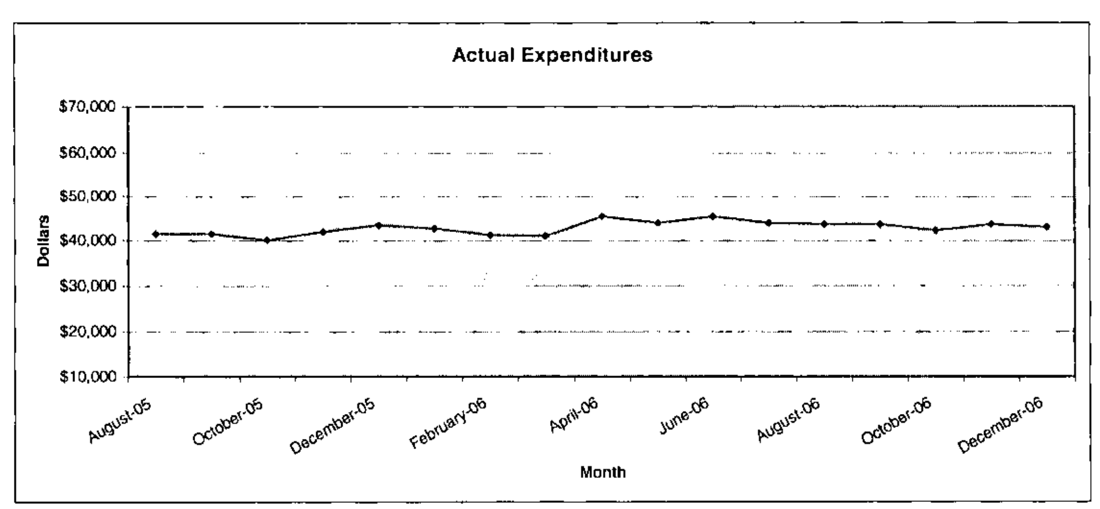


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Specialized Placement

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	10	$4,150.30	310	$133.88	$41,503
September-05	10	4,150.20	310	133.88	41,502
October-05	10	4,016.40	300	133.88	40,164
November-05	12	3,497.75	318	131.99	41,973
December-05	11	3,956.09	330	131.87	43,517
January-06	11	3,883.55	324	131.85	42,719
February-06	10	4,123.30	310	133.01	41,233
March-06	11	3,732.64	308	133.31	41,059
April-06	11	4,133.55	341	133.34	45,469
May-06	11	3,999.91	330	133.33	43,999
June-06	11	4,133.55	341	133.34	45,469
July-06	11	3,999.91	330	133.33	43,999
August-06	11	3,972.82	341	128.16	43,701
September-06	11	3,972.91	341	128.16	43,702
October-06	11	3,844.45	330	128.15	42,289
November-06	11	3,972.91	341	128.16	43,702
December-06	11	3,917.82	330	130.59	43,096
Monthly Averages	**11**	**$3,968.12**	**326**	**$131.78**	**$42,888**

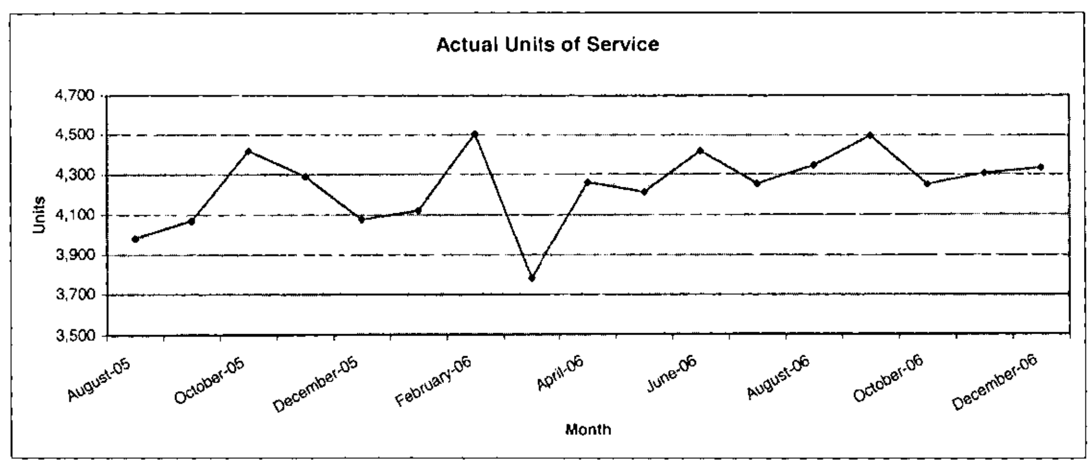


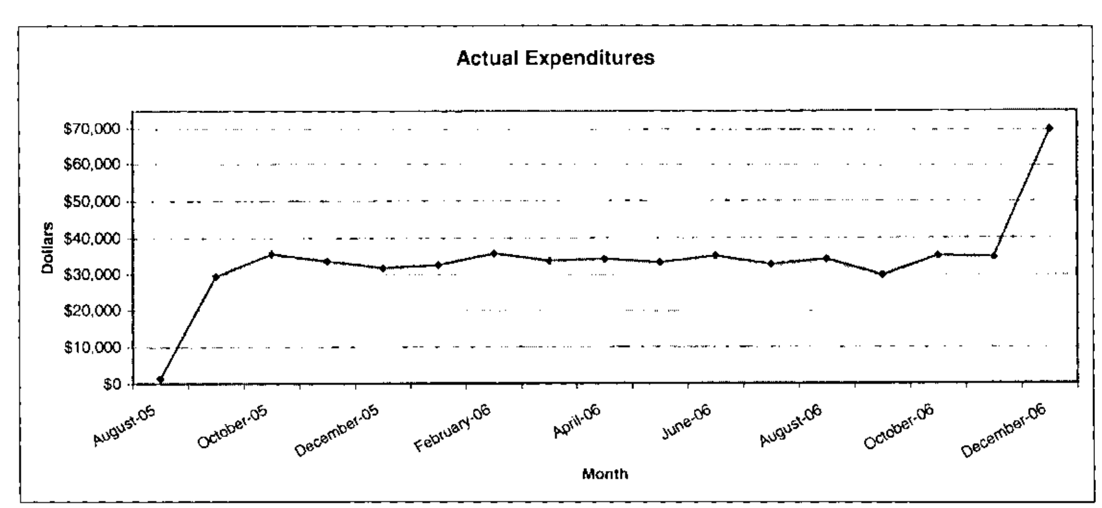


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Supported Living Arrangement

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	127	$11.92	3,982	$0.38	$1,514
September-05	133	221.90	4,072	7.25	29,513
October-05	134	265.98	4,418	8.07	35,641
November-05	139	242.76	4,291	7.86	33,743
December-05	148	215.56	4,078	7.82	31,903
January-06	133	245.68	4,122	7.93	32,675
February-06	137	261.22	4,504	7.95	35,787
March-06	135	250.48	3,783	8.94	33,815
April-06	137	250.39	4,260	8.05	34,304
May-06	137	243.43	4,212	7.92	33,350
June-06	139	252.53	4,418	7.94	35,101
July-06	139	235.95	4,252	7.71	32,797
August-06	138	248.16	4,345	7.88	34,246
September-06	141	212.54	4,498	6.66	29,968
October-06	141	249.45	4,249	8.28	35,172
November-06	138	252.74	4,307	8.10	34,878
December-06	141	497.18	4,334	16.18	70,103
Monthly Averages	**137**	**$244.58**	**4,243**	**$7.94**	**$33,795**

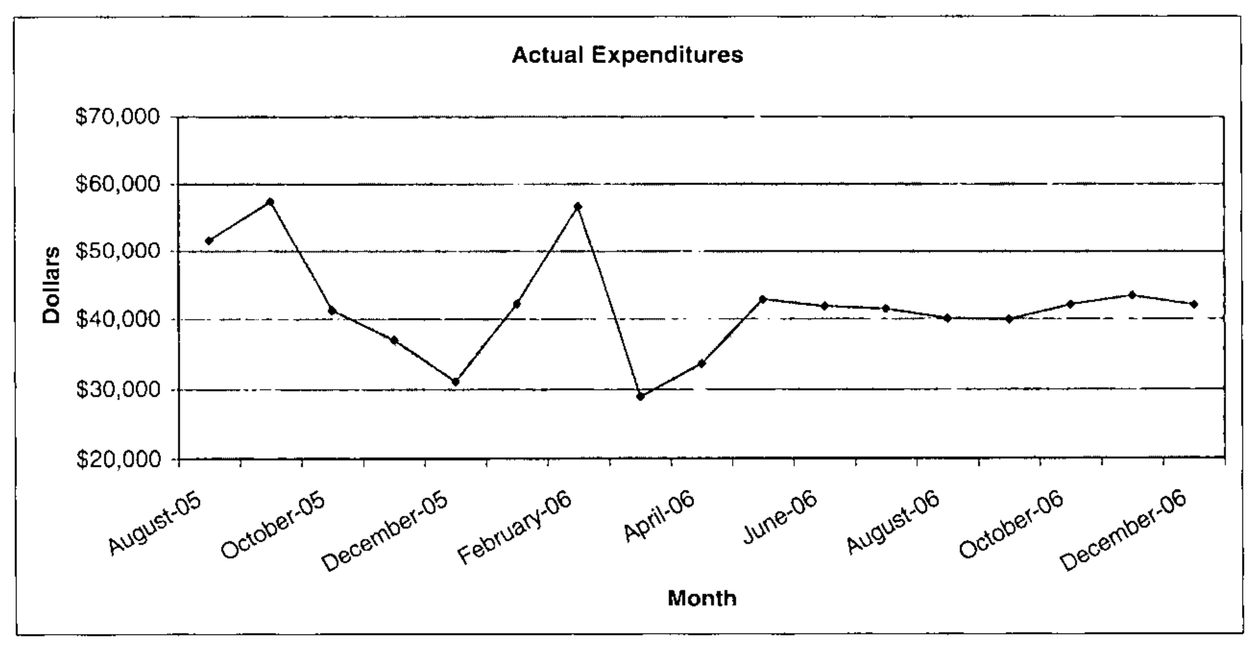




North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Title XIX County Waivered Services

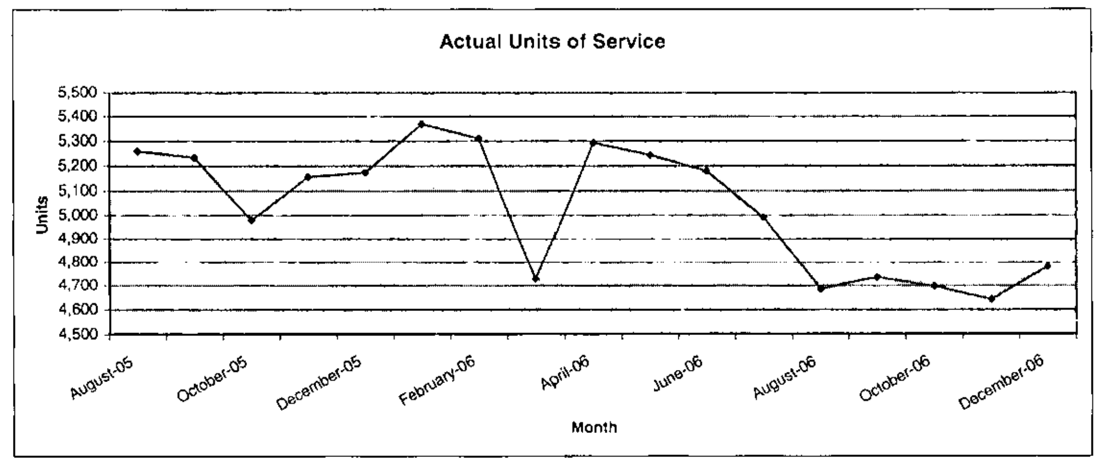
Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05					$51,689
September-05					57,476
October-05					41,265
November-05					37,033
December-05					31,136
January-06					42,183
February-06					56,740
March-06					28,955
April-06					33,637
May-06					42,804
June-06					41,820
July-06					41,456
August-06					40,091
September-06					39,932
October-06					42,027
November-06					43,368
December-06					42,007
Monthly Averages					**$41,978**

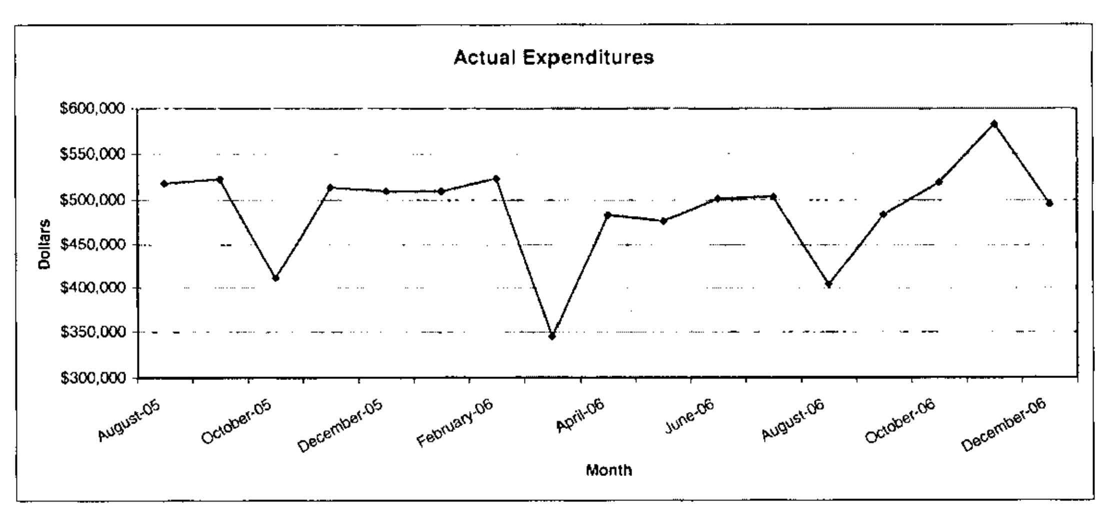


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Transitional Community Living Facilities

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	171	$3,031.38	5,260	$98.55	$518,366
September-05	173	3,021.87	5,235	99.86	522,783
October-05	167	2,463.31	4,980	82.60	411,372
November-05	167	3,076.04	5,156	99.63	513,699
December-05	184	2,770.91	5,174	98.54	509,848
January-06	171	2,979.55	5,370	94.88	509,503
February-06	170	3,079.12	5,310	98.58	523,451
March-06	171	2,018.14	4,729	72.98	345,102
April-06	173	2,795.34	5,293	91.36	483,593
May-06	172	2,771.28	5,244	90.90	476,660
June-06	168	2,984.30	5,180	96.79	501,362
July-06	167	3,015.16	4,992	100.87	503,532
August-06	152	2,660.21	4,687	86.27	404,352
September-06	152	3,185.25	4,737	102.21	484,158
October-06	155	3,349.55	4,698	110.51	519,181
November-06	152	3,831.15	4,643	125.42	582,335
December-06	154	3,217.04	4,782	103.60	495,424
Monthly Averages	**166**	**$2,955.86**	**5,028**	**$97.27**	**$488,513**

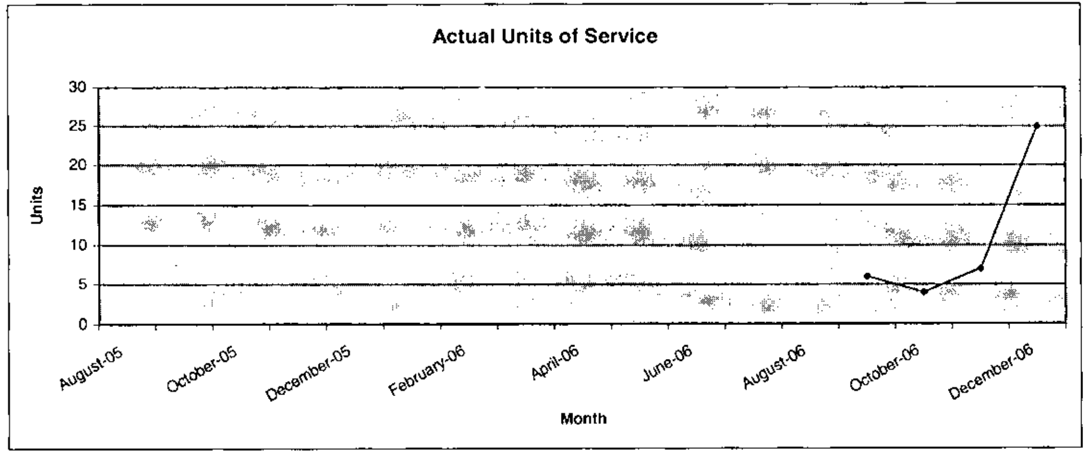


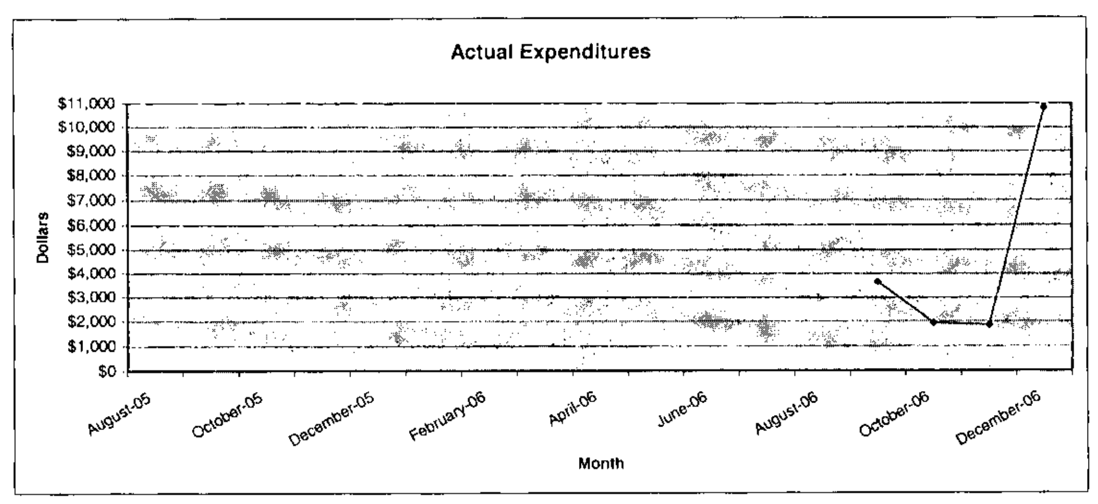


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Self-Directed Supports - Families

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05					
September-05					
October-05					
November-05					
December-05					
January-06					
February-06					
March-06					
April-06					
May-06					
June-06					
July-06					
August-06					
September-06	1	3,658.00	6	609.67	3,658
October-06	3	646.67	4	485.00	1,940
November-06	6	308.17	7	264.14	1,849
December-06	8	1,352.75	25	432.88	10,822
Monthly Averages	**5**	**$1,491.40**	**11**	**$447.92**	**$4,567**





North Dakota Department of Human Services
Developmental Disability Grant Scenarios

4% / 4%			
	Comparison of Add'l Funds Needed		
	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $0.60 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$99,540,400	**$0**
Federal / Other	$175,205,839	$175,205,839	$0
Total	$274,746,239	$274,746,239	$0

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $0.80 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$100,835,243	**$1,294,843**
Federal / Other	$175,205,839	$177,474,130	$2,268,291
Total	$274,746,239	$278,309,373	$3,563,134

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $1.00 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$102,130,086	**$2,589,686**
Federal / Other	$175,205,839	$179,742,422	$4,536,583
Total	$274,746,239	$281,872,508	$7,126,269

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**4% / 4% Inflationary Increase & $1.50 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$105,314,414	**$5,774,014**
Federal / Other	$175,205,839	$185,317,054	$10,111,215
Total	$274,746,239	$290,631,468	$15,885,229

5% / 5%			
	Comparison of Add'l Funds Needed		
	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**5% / 5% Inflationary Increase & $0.60**	Add'l Funds Needed
General	$99,540,400	$100,940,828	**$1,400,428**
Federal / Other	$175,205,839	$177,664,776	$2,458,937
Total	$274,746,239	$278,605,604	$3,859,365

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**5% / 5% Inflationary Increase & $0.80 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$102,230,069	**$2,689,669**
Federal / Other	$175,205,839	$179,922,897	$4,717,058
Total	$274,746,239	$282,152,966	$7,406,727

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**5% / 5% Inflationary Increase & $1.00 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$103,519,415	**$3,979,015**
Federal / Other	$175,205,839	$182,180,905	$6,975,066
Total	$274,746,239	$285,700,320	$10,954,081

	2007-2009 Budget to House - 4% / 4% & $0.60 (7/1/07)	**5% / 5% Inflationary Increase & $1.50 (7/1/07)**	Add'l Funds Needed
General	$99,540,400	$106,742,659	**$7,202,259**
Federal / Other	$175,205,839	$187,826,046	$12,620,207
Total	$274,746,239	$294,568,705	$19,822,466

Developmental Disability Grant Budget
Biennial Budget Comparison

	2001-2003 Appropriation	Changes	2003-2005 Appropriation	Changes	2005-2007 Appropriation	Changes *	2007-2009 Budget To House
General	53,705,370	8,146,838	61,852,208	12,649,953	74,502,161	25,038,239	99,540,400
Federal	110,193,996	17,764,739	127,958,735	7,893,016	135,851,751	39,328,413	175,180,164
Special	227,000	518,184	745,184	230,224	975,408	(949,733)	25,675
Total	164,126,366	26,429,761	190,556,127	20,773,193	211,329,320	63,416,919	274,746,239
% Increase		16.10%		10.90%		30.01%	

*** Changes between 2005-2007 and 2007-2009 consist of the following:**

Cost Increase	11,611,921	**
Caseload Increase	22,313,072	**
FMAP	(1,216)	
$0.060 Increase	10,689,403	
4% / 4%	14,845,729	
Severely Fragile	832,871	
Behaviorally Challenged	555,247	
Personal Care Allowance	71,280	
DC Tansition Funding	2,498,612	
	63,416,919	

** The cost and caseload increases include approx. $3.5 million for the Infant Development programs previously provided at four HSCs.

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Testimony
SB 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 10, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Tom Wallner, Executive Director of the North Dakota State Council on Developmental Disabilities. My testimony today pertains to the DD Council's budget request.

PROGRAMS

The DD Council administers the federal Developmental Disabilities Act Basic State Grant allocated to North Dakota. The Council directs that funding toward projects and activities that advocate policies and support programs which promote choice, independence, productivity and inclusion for North Dakotans with developmental disabilities.

TRENDS

For the 2007-09 biennium, the Council intends to continue to award grants to state and local agencies and primarily to private, nonprofit organizations. Activities under these grants will need to address at least one of four areas of emphasis identified as priorities in the Council's federally approved five-year plan. These priority areas are: Education and Early Intervention; Employment; Community Supports and Quality Assurance. More specifically, grant-funded activities under these priority areas are intended to assist persons with DD to:

- have access to services available in the community including formal and informal community supports that affect their quality of life;
- get and keep employment consistent with interests, abilities and needs;
- reach their educational and developmental potential; and
- have the information, skills, opportunities and supports needed to live free of abuse, neglect, exploitation and violation of their human and legal rights.

Under its federally approved five-year plan for 2007-2011, the Council is responsible for tracking and annually reporting performance data on 26 performance outcome measures to the federal Administration on DD. Among other performance outcome data, the Council reported the following accomplishments for FY 2005 and 2006:

- 42 adults with DD obtained jobs of their choice through Council efforts.
- 24 buildings or other public accommodations became accessible.
- 168 people were trained in inclusive education.
- 33 parents were trained regarding their child's educational rights.
- 289 public policymakers were educated about disability issues by disability advocates.
- 291 individuals with DD received formal and informal community supports through Council efforts.

OVERVIEW OF BUDGET CHANGES			
Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries/Benefits	$145,543	$175,866	$30,323
Operating	51,405	49,825	(1,580)
Grants	816,288	763,517	(52,771)
Total	$1,013,236	$989,208	($24,028)
General	0	0	0
Federal	1,013,236	989,208	(24,028)
Other	0	0	0
FTE's	1.40	1.40	0.00

- The DD Council's requested budget remains 100 percent federal funds.
- FTE's remain unchanged at 1.4. Under the Governor's budget, no changes are proposed to activities supported by the Developmental Disabilities Council. The Council's proposed 2007-09 budget maintains funding for a full-time director and part-time secretary and includes operating costs associated with maintaining the 19 appointed member Council. The greatest share of the Council's proposed budget continues to be allocated to the grants line item.
- $11,653 of the salary increase is attributed to the Governor's recommended salary package. The remaining $18,670 of the increase in the salary item is a combination of sustaining current salary for the 1.4 FTE and anticipated annual and sick leave lump sum payouts for the 1.4 FTE expected to retire in the upcoming biennium.

- Budgeting operating costs to be more in line with actual spending anticipated resulted in a slight decrease of $1,580.
- The requested grants item is decreased by $52,771 as a result of expected decreases to federal funding allotments and less unspent federal funding projected to be carried over from the current biennium for expenditure in the next biennium.

This concludes my testimony on the DD Council's 2007-09 budget request. At this time I can try to answer questions from the committee.

Testimony
SB 2012 – Department of Human Services
House Appropriations Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Committee, Human Resources Division, I am Tom Wallner, Executive Director of the North Dakota State Council on Developmental Disabilities. My testimony today pertains to the DD Council's budget request.

PROGRAMS

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TRENDS

For the 2007-09 biennium, the Council intends to continue to award grants to state and local agencies and primarily to private, nonprofit organizations. Activities under these grants will need to address at least one of four areas of emphasis identified as priorities in the Council's federally approved five-year plan. These priority areas are: Education and Early Intervention; Employment; Community Supports and Quality Assurance. More specifically, grant-funded activities under these priority areas are intended to assist persons with DD to:

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- get and keep employment consistent with interests, abilities and needs;
- reach their educational and developmental potential; and
- have the information, skills, opportunities and supports needed to live free of abuse, neglect, exploitation and violation of their human and legal rights.

Under its federally approved five-year plan for 2007-2011, the Council is responsible for tracking and annually reporting performance data on 26 performance outcome measures to the federal Administration on DD. Among other performance outcome data, the Council reported the following accomplishments for FY 2005 and 2006:

- 42 adults with DD obtained jobs of their choice through Council efforts.
- 24 buildings or other public accommodations became accessible.
- 168 people were trained in inclusive education.
- 33 parents were trained regarding their child's educational rights.
- 289 public policymakers were educated about disability issues by disability advocates.
- 291 individuals with DD received formal and informal community supports through Council efforts.

OVERVIEW OF BUDGET CHANGES					
Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries/Benefits	$145,543	$30,323	$175,866	$0	$175,866
Operating	51,405	(1,580)	49,825	0	49,825
Grants	816,288	(52,771)	763,517	0	763,517
Total	$1,013,236	($24,028)	$989,208	$0	$989,208
General	0	0	0	0	0
Federal	1,013,236	(24,028)	989,208	0	989,208
Other	0	0	0	0	0
FTE's	1.40	0.00	1.40	0.00	1.40

- The DD Council's requested budget remains 100 percent federal funds.
- FTE's remain unchanged at 1.4. Under the Governor's budget, no changes are proposed to activities supported by the Developmental Disabilities Council. The Council's proposed 2007-09 budget maintains funding for a full-time director and part-time secretary and includes operating costs associated with maintaining the 19 appointed member Council. The greatest share of the Council's proposed budget continues to be allocated to the grants line item.

BUDGET CHANGE FROM CURRENT BUDGET TO EXECUTIVE BUDGET

- $11,653 of the salary increase is attributed to the Governor's recommended salary package. The remaining $18,670 of the increase in the salary item is a combination of sustaining current salary for the 1.4 FTE and anticipated annual and sick leave lump sum payouts for the 1.4 FTE expected to retire in the upcoming biennium.
- Budgeting operating costs to be more in line with actual spending anticipated resulted in a slight decrease of $1,580.

- The requested grants item is decreased by $52,771 as a result of expected decreases to federal funding allotments and less unspent federal funding projected to be carried over from the current biennium for expenditure in the next biennium.

SENATE CHANGES

The Senate made no changes to the executive budget request for the DD Council.

This concludes my testimony on the DD Council's 2007-09 budget request. At this time I can try to answer questions from the committee.

N.D. STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
PROFILE ON FISCAL YEAR 2006 PROJECTS
10-10-05

1. Provider: University of North Dakota, Grand Forks, ND Contract No: 660-06236
   Project: Family to Family Network
   Type: 5th year Amount: $50,000
   Emphasis Area: Education/Early Intervention
   Contact Person: Sue Offutt Phone: 777-6084
   Project Period: 10-1-05 to 9-30-06
   Summary: Under this project, the ND Family to Family Network will continue to provide emotional and informational support to families with children having all kinds of disabilities and special healthcare needs.

2. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No: 660-06245
   Project: Leisure Activities for Young Children
   Type: 1st year Amount: $40,294
   Emphasis Area: Education/Early Intervention
   Contact Person: Dr. Bryce Fifield Phone: 858-3580
   Project Period: 10-1-05 to 9-30-06
   Summary: This projects assists children with disabilities age birth to five, families and service providers in substate Region II to build natural supports within inclusive recreation activities to reduce the isolation experienced by many families.

3. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No: 660-06234
   Project: NDACF Conference
   Type: N/A Amount: $7,722
   Emphasis Area: Community Support
   Contact Person: Mary Mercer Phone: 858-3260
   Project Period: 10-1-05 to 6-30-06
   Summary: This funding partially supports the 20th Annual Conference of the North Dakota Association of Community Facilities (NDACF) scheduled for May 3-5, 2006 in Bismarck, and subsidizes a consumer participation component to that conference.

4. Provider: ND Center for Persons with Disabilites, Minot, ND Contract No: 660-06235
   Project: Disability Justice Initiative
   Type: 4th year Amount: $20,001
   Emphasis Area: Community Support
   Contact Person: Dr. Bryce Fifield Phone: 858-3580
   Project Period: 10-1-05 to 9-30-06
   Summary: Under this project, a systems change curriculum will be developed to improve interaction between North Dakota's criminal justice/law enforcement system and citizens with disabilities.

5. Provider: Head Injury Association of ND, Valley City, ND Contract No: N/A
   Project: Brain Injury Conference
   Type: N/A Amount: $4,479
   Emphasis Area: Community Support
   Contact Person: Mary Simonson Phone: 845-1124
   Project Period: 10-1-05 to 12-31-06
   Summary: This funding will be used to support consumer participation at the statewide Brain Injury Conference scheduled for September 7 and 8, 2006 in Fargo.

6. Provider: Burleigh-Morton Red Cross, Bismarck, ND Contract No: 660-06243
   Project: Disaster Training
   Type: 1st Year Amount: $21,484
   Emphasis Area: Community Support
   Contact Person: Sheri Haugen Phone: 223-6700
   Project Period: 10-1-05 to 9-30-06
   Summary: Emergency agencies and service providers in Bismarck-Mandan and 15 counties in southwestern North Dakota will receive training on how to meet the special needs of persons with DD living in the community during disaster and emergency situations.

7. Provider: Arc of Bismarck Contract No: 660-06238
   Project: Partners in Policymaking
   Type: 13th Year Amount: $49,524
   Emphasis Area: Quality Assurance
   Contact Person: Joyce Smith Phone: 222-1854
   Project Period: 10-1-05 to 9-30-06
   Summary: Partners in Policymaking is a self-advocacy model used by more than 40 states which provides leadership training for consumers with developmental disabilities, parents and family members to become knowledgeable about DD issues and to further their competency in becoming effective advocates for themselves. In FY 2006, the program is expected to train 25 people.

8. Provider: ND Disabilities Advocacy Consortium, Bismarck, ND Contract No: 660-06237
   Project: Advocacy Consortium
   Type: 6th Year Amount: $72,875
   Emphasis Area: Quality Assurance
   Contact Person: Jim Moench Phone: 223-0347
   Project Period: 10-1-05 to 9-30-06
   Summary: This grant supports continued development and maintenance of a statewide Disability Advocacy Consortium in North Dakota which will inform and educate policymakers on disabilities issues.

9. Provider: Listen, Inc., Grand Forks, ND Contract No: 660-06239
   Project: Self-Advocacy Solution
   Type: 3rd year Amount: $29,902
   Emphasis Area: Quality Assurance
   Contact Person: Carla Tice Phone: 780-8496
   Project Period: 10-1-05 to 9-30-06
   Summary: This project assists local self-advocacy groups in eastern North Dakota to become more effective in achieving systems change. The project will continue to identify and address consumer self-advocacy training needs.

10. Provider: ND Protection & Advocacy Project, Bismarck, ND Contract No: 660-05710
    Project: Turtle Mountain Advocacy
    Type: N/A (start-up only) Amount: $16,198
    Emphasis Area: Quality Assurance
    Contact Person: Teresa Larsen Phone: 328-2950
    Project Period: 10-1-04 to 3-31-06
    Summary: This project will employ a fulltime disabilities advocate with an office located on the Turtle Mountain Indian Reservation.

11. Provider: Rehab Services, Inc., Minot, ND Contract No: 660-05724
Project: Inclusion Project
Type: 3rd Year Amount: $42,376
Emphasis Area: Employment
Contact Person: Marla Kulig Phone: 839-4240
Project Period: 1-1-05 to 12-31-05
Summary: This project assists people with DD to achieve employment of their choice and creates and improves inclusion opportunities away from work in the community for those persons.

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N.D. STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
PROFILE ON FISCAL YEAR 2007 PROJECTS
10-16-06

1. Provider: University of North Dakota, Grand Forks, ND Contract No: 660-06497
   Project: Family to Family Network
   Type: 6th year Amount: $50,000
   Emphasis Area: Education/Early Intervention
   Contact Person: Pat Conway Phone: 777-2359
   Project Period: 10-1-06 to 9-30-07
   Summary: Under this project, the ND Family to Family Network will continue to provide emotional and informational support to families with children having all kinds of disabilities and special healthcare needs.

2. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No: 660-06500
   Project: Leisure Activities for Young Children
   Type: 2nd year Amount: $40,124
   Emphasis Area: Education/Early Intervention
   Contact Person: JoLynn Webster Phone: 858-3206
   Project Period: 10-1-06 to 9-30-07
   Summary: This project assists children with disabilities age birth to seven, families and service providers in substate Region II to build natural supports within inclusive recreation activities to reduce the isolation experienced by many families.

3. Provider: Pathfinder Services of ND, Minot, ND Contract No: 660-06507
   Project: Annual Conference
   Type: N/A Amount: $5,000
   Emphasis Area: Education/Early Intervention
   Contact Person: Jim Carter Phone: 837-7500
   Project Period: 1-1-07 to 4-30-07
   Summary: This funding will support attendance by parents of children with disabilities at the 2007 Pathfinder annual conference.

4. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No: 660-06503
   Project: NDACF Conference
   Type: N/A Amount: $7,722
   Emphasis Area: Community Support
   Contact Person: Mary Mercer Phone: 858-3260
   Project Period: 10-1-06 to 6-30-07
   Summary: This funding partially supports the 21st Annual Conference of the North Dakota Association of Community Facilities (NDACF) scheduled for May 2-4, 2007 in Bismarck, and subsidizes a consumer participation component for that conference.

5. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No: 660-06505
   Project: Disability Justice Initiative
   Type: 5th year Amount: $20,001
   Emphasis Area: Community Support
   Contact Person: Kari Arrayan Phone: 858-3048
   Project Period: 10-1-05 to 9-30-06
   Summary: Under this project, a systems change curriculum will be developed to improve interaction between North Dakota's criminal justice/law enforcement system and citizens with disabilities. This collaboration project involves the 3 DD Act programs in North Dakota.

6. Provider: Burleigh-Morton Red Cross, Bismarck, ND Contract No: 660-06502
Project: Disaster Training
Type: 2nd Year Amount: $18,569
Emphasis Area: Community Support
Contact Person: Sheri Haugen Phone: 223-6700
Project Period: 10-1-06 to 9-30-07
Summary: Emergency agencies and service providers in Bismarck-Mandan and 15 counties in southwestern North Dakota will receive training on how to meet the special needs of persons with DD living in the community during disaster and emergency situations.

7. Provider: ND Center for Persons with Disabilities, Minot, ND Contract No. 660-06508
Project: Disaster Preparedness Planning
Type: 1st Year Amount: $19,958
Emphasis Area: Community Support
Contact Person: Rich Berg Phone: 858-4349
Project Period: 10-1-06 to 9-30-07
Summary: This collaboration project involving the 3 DD Act programs in North Dakota will assure that disaster preparedness planning includes provisions for persons with disabilities, their families and service providers.

8. Provider: ND Disabilities Advocacy Consortium, Bismarck, ND Contract No: N/A
Project: Disability Issues Conference
Type: N/A Amount: $2,000
Emphasis Area: Community Support
Contact Person: Jim Moench Phone: 223-0347
Project Period: 10-1-06 to 9-30-07
Summary: This funding will support attendance by persons with disabilities and their family members at the annual Disabilities Issues Conference.

9. Provider: Arc of Bismarck Contract No: 660-06501
Project: Partners in Policymaking
Type: 14th Year Amount: $61,439
Emphasis Area: Quality Assurance
Contact Person: Joyce Smith Phone: 258-4979
Project Period: 10-1-06 to 9-30-07
Summary: Partners in Policymaking is a self-advocacy model used by more than 40 states which provides leadership training for consumers with developmental disabilities, parents and family members to become knowledgeable about DD issues and to further their competency in becoming effective advocates for themselves. In FY 2007, the program is expected to train 25 people.

10. Provider: ND Disabilities Advocacy Consortium, Bismarck, ND Contract No: 660-06504
Project: Advocacy Consortium
Type: 7th Year Amount: $75,075
Emphasis Area: Quality Assurance
Contact Person: Jim Moench Phone: 223-0347
Project Period: 10-1-06 to 9-30-07
Summary: This grant supports continued development and maintenance of a statewide Disability Advocacy Consortium in North Dakota which will inform and educate policymakers on disabilities issues.

11. Provider: Listen, Inc., Grand Forks, ND Contract No: 660-06506
Project: Self-Advocacy Solution
Type: 4th year Amount: $34,932
Emphasis Area: Quality Assurance
Contact Person: Carla Tice Phone: 780-8496
Project Period: 10-1-06 to 9-30-07
Summary: This project assists local self-advocacy groups across North Dakota to become more effective in achieving systems change. The project will continue to identify and address consumer self-advocacy training needs.

12. Provider: ND Center for Persons with Disabilties, Minot, ND Contract No: 660-06509
Project: Public Perceptions Mythbuster
Type: 1st Year Amount: $14,971
Emphasis Area: Quality Assurance
Contact Person: Dr. Bryce Fifield Phone: 858-3493
Project Period: 10-1-06 to 9-30-07
Summary: This collaboration project involving the 3 DD Act programs in North Dakota is designed to improve quality of life for persons with DD by overcoming negative public attitudes toward them.

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Council Members

Diana Zietz, Chair	Dickinson
Mary Simonson, Vice Chair	Valley City
M. Bryce Fifield, Ph.D.	Minot
Cindy Taylor	Fargo
Darcy Andahl	Bismarck
Jane Haerter	West Fargo
Terry Woelber	Bismarck
Jeremy W. McIntyre	Fargo
Betsy Dalrymple	Bismarck
Bob Rutten	Bismarck
Carol Olson	Bismarck
Barb Steiner	Bismarck
Alex Schweitzer	Jamestown
Mike Schwab	Bismarck
Shirley Brennan	Minot
Juanita Clark	Williston
Bruce Stein	Hankinson
Richard Hickok	Williston
Tammy Stuart	Fargo

Contact Person:

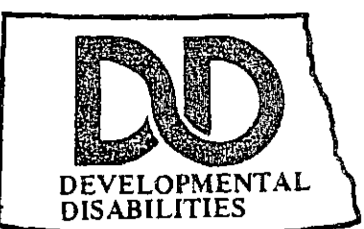
Tom Wallner, Executive Director
ND State Council on Developmental Disabilities
c/o ND Department of Human Services
600 East Boulevard
Bismarck, ND 58505
Phone: (701) 328-8953
Fax: (701) 328-8969
Email: sowalt@nd.gov

11/2006

State Council on Developmental Disabilities
N.D. Department of Human Services
600 East Boulevard
Bismarck, ND 58505-0250
OFFICIAL MAIL
STATE OF ND

RETURN SERVICE REQUESTED

NORTH DAKOTA STATE COUNCIL ON DEVELOPMENTAL DISABILITIES



ND Department of Human Services
State Capitol
600 East Boulevard
Bismarck, North Dakota 58505

Phone: (701) 328-8953
Fax: (701) 328-8969
Website:
tp://ndcpd.misu.nodak.edu/uapdis/home.
.ml

Mission – The Council advocates for policy changes that promote choice, independence, productivity and inclusion for all North Dakotans with developmental disabilities. The Council supports projects and activities that maximize opportunities in these areas for consumers and families.

Objectives – To achieve this mission, the Council has the following objectives:

- Assist and facilitate employment opportunities for persons with D.D.
- Facilitate community integration and inclusion of persons with D.D.
- Promote prevention of disabilities and minimization of their impact.
- Facilitate empowerment of persons with D.D. and their families to access needed services and supports.

Definition of Developmental Disability -

A developmental disability is a severe, chronic disability which:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the age of 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more areas of major life activity (self-care, receptive and expressive language, learning, mobility, self-direction, independent living and self-sufficiency);
- Reflects the need for a combination and sequence of special inter-disciplinary or generic care, treatment or other services which are of lifelong or extended duration and are individually planned and coordinated.

Examples of Developmental Disabilities – Mental retardation, mental illness, epilepsy, cerebral palsy, autism, spina bifida, deafness, blindness, traumatic brain injury and severe physical handicaps.

State Council on Developmental Disabilities (SCDD) Membership –

- Consists of 19 members appointed by the Governor. Terms of appointment range from 2-6 years (application forms may be requested from the SCDD). Membership applications are to be submitted directly to the Governor's Office for consideration as vacancies occur;
  At least 60 percent of the members are persons with developmental disabilities or the parents, guardians or immediate relatives of such persons;
- Includes state agency representation (State Developmental Center, Job Service, Human Services, Health Department and Public Instruction);
- Includes representation from North Dakota's University Center for Excellence in D.D., Protection and Advocacy Project, and community D.D. service providers.

SCDD Functions – Generally, the SCDD serves in a planning and advisory capacity to state policymakers and agencies such as the Department of Human Services relative to programs and services for persons with developmental disabilities. Statutory functions of the SCDD are identified in Chapter 25-01-01.1 of the North Dakota Century Code.

Federal Developmental Disabilities Act (P.L. 106-402) – The SCDD also administers the federal Developmental Disabilities Basic State Grant Program under P.L. 106-402 in North Dakota. This program:

- Requires the creation and maintenance of a state council (SCDD);
- Requires the SCDD to prepare and submit for federal approval a five-year state plan with annual updates;
- Provides an annual federal allocation of approximately $450,000 to $460,000 to support state council operations, planning and project activity;
- Requires that Council planning and project activities promote self-determination, independence, productivity, and inclusion for persons with developmental disabilities;
- Requires that a minimum of 70% of the state's annual allocation be expended for project activities in Council-selected areas of emphasis: Quality Assurance; Community Supports, Employment; and Education and Early Intervention.

Grant Applications

Private, nonprofit organizations, licensed DD service providers, state and local government agencies and other entities are eligible to apply for grant funding from the Council to support projects addressing the Council's areas of emphasis. Grant requests must be submitted on Form SFN 1196, SCDD Application for Financial Assistance. Under the Council's annual grant approval cycle, applications must be received, usually by a July 31 deadline. Grant projects approved are implemented during the ensuing federal fiscal year (October 1 to September 30). To a limited extent, the Council may also consider grant requests submitted outside of this regular cycle. Such requests must comply with state contracting and procurement requirements. Inquiries on further grant application requirements should be directed to the Council.

(9)

HIGHLIGHTED TESTIMONY - PROTECTION AND ADVOCACY PROJECT
SENATE BILL 2012 (2007) - CHILDREN'S AND TBI WAIVERS

SENATE APPROPRIATIONS COMMITTEE
Honorable Ray Holmberg, Chairman

January 9, 2007

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Bruce Murry, a lawyer with the North Dakota Protection and Advocacy Project (P&A).

Please amend SB 2012 to fund the waiver for children's extraordinary health care needs. SB 2012 should also increase funding for home and community based services for people with brain injury.

The 2005 Legislative Assembly passed SB 2395 calling for a Medicaid waiver to serve children with extraordinary health care needs. SB 2395 passed the Senate unanimously. You will recall that SB 2395 had three goals. It sought to keep children at home with parents, to help parents avoid unemployment or divorce to secure care for their children, and to minimize long term impairments to children from extraordinary health care needs. The waiver is written and ready to submit, but is unfunded.

The current Medicaid Waiver for people with traumatic brain injury is under-funded. Brain injury services in North Dakota remain geographically isolated from population centers. This is especially so for American Indians. Services are fragmented and difficult to navigate. Public awareness of unmet needs and existing services is low. Qualified Service Provider (QSP) reimbursement rates are not adequate to bring providers to the field and keep them. P&A assisted survivors of brain injury who live in nursing facilities to be closer to communities of their choice. However, less restrictive, more affordable services could appropriately serve them.

Please refer these waivers to the Human Services Subcommittee of Appropriations for its special attention. Survivors, consumers and families would like to testify at that time.

Thank you very much for your time and consideration.

#6

SENATE APPROPRIATIONS
JANUARY 9, 2007
SENATE BILL 2012
BUDGET FOR THE DEPARTMENT OF HUMAN SERVICES

Chairman Holmberg and members of the Senate Appropriations Committee, I am Teresa Larsen, Executive Director for the Protection & Advocacy Project. My brief testimony today is specific to the Developmental Center and the transition of residents to community placements.

In 2005 when the Legislature passed HB 1012, it included section 16 which had 3 requirements: 1) development of a plan to transfer appropriate individuals from the Developmental Center to community settings; 2) transfer of people to the community was to begin during the 2005-2007 biennium; 3) the Department of Human Services was to report to the Legislative Council on the plan and on the anticipated number of individuals that will be transferred during the 2005-2007 biennium.

The superintendent of the Developmental Center convened and chaired the task force which had the mission of developing the plan in response to the mandate from HB 1012. Task force members included DHS staff, service providers, disabilities advocates and a family member.

The task force was effective. It worked hard and was successful in coming to consensus on a plan. At the time of its completion, there were 137 individuals with developmental disabilities residing at the Developmental Center and 6 at the State Hospital. The goals for Developmental Center de-population, as reported to the Legislative Council on May 31, 2006, included a maximum resident population of **127 by July 1, 2007**; **97 by July 1, 2009**; and **67 by July 1, 2011**.

Additional action steps, as included in the report to the Legislative Council, provided for:

- every individual with developmental disabilities at the Developmental Center and State Hospital to have a placement plan.
- community capacity to be addressed by putting the following into place:

- a statewide crisis prevention & response system based on a "zero reject" model;
- crisis intervention services (crisis beds, out-of-home crisis residential services, in-home technical assistance, follow-along services after out-of-home crisis residential services placement, & training for community professional & direct care staff);
- capability and capacity for the community to serve the young adults with developmental disabilities who are aging out of settings (e.g. foster homes); and
- consultation services for behavioral plan development & oversight, sexual health issues, and psychiatric & psychological services.

- changes in funding and staffing that addressed:
  - independent supported living arrangements (ISLA's);
  - increased funding for ISLA's; and
  - recruitment & retention of service provider staff.

DHS agreed to develop an optional adjustment request (OAR) for the 2007-2009 biennium to cover the costs of transitioning residents from the Developmental Center to the community and for enhanced community supports. This was completed and submitted to the Governor as **OAR #4**. I would suggest the DHS staff can provide details on the funding for OAR #4. Funding for this OAR is not included in the Governor's recommended budget. Continuing costs for 127 residents at the Developmental Center is included in the budget.

The Governor did include a 60¢/hour increase for provider staff. While this is helpful, funding is needed for the remaining identified needs for community capacity in order to implement the plan. I ask that you to take a serious look at the task force's plan and recommendations along with the necessary funding for transition to community placements.

Thank you for your time and consideration. I am willing to address any questions you might have for me.

Contact information: tlarsen@nd.gov; phone: 328-2950

PROTECTION & ADVOCACY PROJECT

2005 – 2007 BIENNIUM as of 12/31/06

(75% of the biennium)

3.7.07

	BUDGETED			$ and % SPENT						BALANCE	
	FEDERAL	**STATE**	**TOTAL**	**FEDERAL**	**%**	**STATE**	**%**	**TOTAL**	**%**	**TOTAL**	**%**
Salaries/benefits	2,057,758	619,630	2,677,388	1,489,825	72	469,011	76	1,958,836	73	718,552	27
Operating*	851,128	192,463	1,043,591	408,804	48	127,203	66	536,007	51	507,584	49
TOTAL	2,908,886	812,093	3,720,979	1,898,629	65	596,214	73	2,494,843	67	1,226,136	33

All projected unspent funds from the 2005-2007 biennium are budgeted into the 2007-2009 biennium budget.

PROTECTION & ADVOCACY PROJECT
SPEND DOWN OF THE 2005-2007 BIENNIUM (through 12/06)
CHANGES FOR THE 2007-2009 BIENNIUM

3.7.07

	05-07 BIENNIUM				**07-09 BIENNIUM**	
	BUDGETED	**SPENT**	**%**	**NOTES**	**BUDGETED**	
SALARIES/BENEFITS	**2,677,388**	**1,958,836**	**73**		**3,065,426**	**+ 388,038; salary/benefits increases; 2 additional FTE's; (41,959) for temp's**
Travel	200,250	138,796	69	Board, staff, advisory councils	197,478	(2,772); + increasing fuel prices
Supplies - IT	5,049	4,111	81	Software	5,828	+ 779
Prof. materials	38,000	12,628	33	Westlaw, database, law reporters	27,530	(10,470); database + 6,000
Misc. supplies	5,000	1,407	28		4,750	(250)
Office supplies	12,550	11,882	95		14,100	+ 1,550
Postage	13,100	8,963	68		12,050	(1,050); projected rate increases
Printing	45,500	11,348	25	IJP project printing in 07-09	35,050	Includes IJP project
IT equip < $5K	21,110	14,596	69	6 computers to purchase	31,332	+ 10,222
Other equp < $5K	9,712	64	1		0	(9,712)
Office equip/furn	10,000	4,349	43		10,775	+ 775; includes equip/furniture for new FTE's
Insurance	5,783	5,627	97	Risk management, property insur.	6,041	+ 258
Leases	167,531	126,989	76		182,680	+ 15,149 office lease increases
Repairs	9,150	6,336	69		11,125	+ 1,975; janitorial; copy mach. service contracts
IT - data process	50,390	32,779	65		68,880	+ 18,490; network changes + desk top support
IT - communic	38,500	33,797	88	IVN meetings; conf. calls vs. travel	35,519	(2,981); VoIP - decrease office to office costs
IT - cont. serv's	3,350	3,347	100	Desk top support, MS Exchange	0	(3,350); moved to IT data processing
Prof development	31,066	30,679	99	Conf. reg., national dues	32,880	+ 1,814;
Oper. fees/serv's	144,550	47,503	33		111,744	(32,806); + legal research contract increase
Fees - prof serv's	213,000	20,806	10	P&A attny's; reserve for contract	203,500	(9,500); contract legal; interpreters; consultants
Grants	20,000	20,000	100		0	(20,000) SCDD/MSU justice project completed
TOTAL OPERATING	**1,043,591**	**536,007**	**51**		**991,262**	**(52,329)**
TOTAL BUDGET	**3,720,979**	**2,494,843**	**67**		**4,056,688**	**+ 335,709**

PROTECTION & ADVOCACY PROJECT
SB 2014
TURTLE MOUNTAIN OFFICE PROFILE

P&A hired a full-time, permanent Disabilities Advocate to start in the new Belcourt office in July of 2005. Previous to that time, the Advocate from P&A's Devils Lake office provided outreach to the Turtle Mountain reservation approximately one day every two weeks. The new office was the result of people with disabilities and family members, who live on the reservation, asking for more advocacy services. This was combined with the fact that Turtle Mountain, while the smallest reservation geographically, is the largest in population (approximately 8,300 individuals).

In the last 18 months, P&A has provided the following services to individuals on the Turtle Mountain reservation:

- **Information & referral** to **85** individuals with disabilities, family members, public & private service providers

- **Advocacy representation** on behalf of **16** individuals with disabilities

- **Training** to **66** professionals, paraprofessionals, & individuals with disabilities (topics: P&A services, rights & responsibilities)

- **Over 2,300 outreach contacts** through health fairs and outreach activities, including a presentation at the 10th Annual Turtle Mountain Domestic Violence Conference with 80+ participants (see attached newspaper article)

CASE SUMMARY #1

Sarah is a young woman who was committed to the North Dakota State Hospital (NDSH). She had experienced multiple hospitalizations for mental health treatment. Her goal was to return home where she would receive the necessary support services to remain in the community. P&A worked with her, and her family, to identify possible resources available to support community placement. Concerns were expressed, both by Sarah and treating professionals, that the appropriate array of services would not be available in the specific community to which Sarah wanted to return.

P&A identified alternative services options, in a community near where Sarah wanted to live, that provided more on site support. The services were consistent with the treating professionals' recommendations and were also satisfactory to Sarah. The nearby location would allow Sarah to have significant contact and involvement with her family. She was discharged to this setting and services were implemented. At the time of case closure, Sarah was happy with her services and was doing very well in the community.

CASE SUMMARY #2

Johnny, a 10 year old boy, was receiving special education at a school on the reservation. P&A was contacted because the school had identified that Johnny "required" placement in a residential setting.

The process by which this decision was made was not consistent with the applicable regulations (Individuals with Disabilities Education Act) which required that the decision be made by an appropriately constituted Individual Education Plan (IEP) Team. There was also concern that a residential placement would separate Johnny from the rest of his family. Johnny had previously been placed in residential care and contacts verified that he did well. Johnny did not need residential placement.

P&A found that services were being provided in the home and professionals providing the services assessed the home environment as positive and supportive of Johnny. The professionals also expressed concern that separation from family would be detrimental to Johnny's emotional well being.

In addition, P&A's research, interviews and record reviews determined that components of Johnny's existing IEP had not been implemented. This included the failure of the school to hire and train a para-educator that was to work directly with the student and the failure of the team to develop and implement appropriate positive behavioral supports. P&A met with educational personnel and identified the concerns. P&A also identified that the residential placement would have been more expensive for the school district. In discussions with the school and as a participant in the team meeting, P&A secured the commitment of the school to hire and train the para-educator and also to access necessary consults to develop an appropriate positive behavioral program. The result of P&A's involvement was that Johnny received appropriate educational services in the local school and continued to live with his family.

CASE SUMMARY #3

Joe is 3½ years old and lives on the reservation with his parents. His primary diagnosis is cerebral palsy and, accordingly, his doctor prescribed a supine stander (otherwise known as a standing frame) to facilitate Joe's neuro-developmental and orthopedic needs. Payment for the supine stander was denied by Medicaid. The doctor referred the client's family to P&A.

P&A provided legal representation and filed an appeal on behalf of Joe. P&A commenced negotiations with Medicaid's legal counsel. The negotiation process brought to light a number of concerns. As a result, the supine stander was found to be medically necessary and the preauthorization request was approved. Not only did Joe receive the needed standing device, the case resulted in significant change in Medicaid policy. Upon a showing of medical necessity, Medicaid will now pay for standing frames for consumers who are need of such equipment.

Rhonda Belgarde, TM Protection & Advocacy with Donna Bill and Jim Jacobson of the North Dakota Protection & Advocacy Project at the recent DV conference

Protection And Advocacy's Role In Domestic Violence

By Susan Boucher
Times Reporter

BELCOURT – Donna Bill and Jim Jacobson of North Dakota Protection and Advocacy Project were among the presenters at the 10th Annual Turtle Mountain Domestic Violence Conference held recently at the Turtle Mountain Community College.

Bill is the Protection and Advocacy worker based in the Belcourt office located at the Queen of Peace Bed and Breakfast. The satellite office has been located in Belcourt for over a year.

Bill and Jacobson presented on what specifically the Protection and Advocacy Project (P&A) role is in domestic violence. P&A is a "federal and state funded disabilities rights protection agency," which has the "authority to address complaints regarding the rights of people with disabilities."

Jacobson gave the example of Special Education advocacy. In this capacity, P&A would help the parents understand the law regarding the students' rights, and help the parent access services for their child. P&A has the "authority to investigate – or cause to be investigated – reports of abuse, neglect, and/or exploitation of people with disabilities." Jacobson added that investigations done by P&A are primarily regarding institutions.

P&A "provides information and referral services, advocacy for individuals with disabilities in specific priority areas, provides legal representation on select cases in specific priority areas, provides training and technical assistance in regard to specific disability rights issues, and provides systems and

See page 3A: ***ROLE***

ROLL
continued from 1A

Legislative advocacy." While P&A cannot lobby, they track bills and educate legislators and voters.

P&A's role in domestic violence is spelled out in the North Dakota Century Code; "NDCC 25-01.3-01(16) defines 'Protective Services' as 'Actions to assist persons with developmental disabilities or mental illnesses who are unable to manage their own resources or to protect themselves from abuse, neglect, exploitation.'"

The ND Century Code also defines how P&A receives a report, "NDCC 25-01.3-01(17) defines 'report' as 'A verbal or written communication, including and [an] anonymous communication, alleging the abuse of a person with a developmental disability or mental illness.' NDCC 25-01.3-10(2) states: 'Unless ordered by a court of competent jurisdiction, the name of an individual who in good faith makes a report or complaint may not be disclosed...'"

Regarding the actual report itself, "NDCC 25-01.3-03 states, 'Reporting of abuse, neglect, and exploitation...' those who must report are "every medical, mental health, developmental disabilities, or educational professional, law enforcement officer, or caretaker (NDCC25-01.3-01[14]) – having knowledge of or reasonable cause to suspect."

"All reports of alleged abuse, neglect, or exploitation are assessed and the level of risk is determined" by three categories. "Emergency - current and immediate threat to health and safety - may require law enforcement or emergency medical services. Imminent Danger - impeding risk of harm - intervention is assessed based on the specifics of each report. Non-emergency - no emergency or imminent danger indicated - may be a need to ensure physical and emotional well being." Most of the reports received by P&A fall into the Imminent Danger or Non-emergency categories.

The questions that are asked to "determine the 'next steps" are, "Is there potential for increased risk in contacting the alleged victim or alleged perpetrator, What can be arranged for alternative living and care/support for the alleged victim if needed, and What systems and services may be available but are not being accessed that may address the needs/concerns identified in the report."

To "determine disability and assess vulnerability" the P&A must "identify if the alleged victim has a qualifying disability; developmental disability, mental illness, or substantial mental or physical disability according to the Americans with Disabilities Act. People may be vulnerable due to poor communication skills, being dependant on others for help, being isolated from family and friends, or having poor social skills."

The purpose and outcome goals for P&A are to "ensure safety and well being, not only immediately, but for the long term as well. Focus in on improving the situation, not blaming or 'finger pointing'" and is "based on a 'least intrusive' philosophy of intervention. P&A's commitment is to a person's right to decision making and honoring expressed wishes."

Scenarios that P&A Protective Services might encounter are "neglect and exploitation (incapacity to make medical decisions), neglect and abuse (mistreatment by a caregiver), exploitation (misuse of assets or entitlements), and abuse (restraining and isolation of person with a disability by guardian or family member)."

Bill and Jacobson noted that P&A can help by being a "part of the existing system of services and agencies that respond to the concern of domestic violence. P&A needs to learn about the services in the community and learn from the people who are providing those services. The agency also needs to develop effective relationships with other agencies providing services so P&A's efforts compliment existing services."

At the conclusion of Bill and Jacobson's presentation, the Turtle Mountain Domestic Task Force presented them with a quilt in appreciation.

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SENATE APPROPRIATIONS COMMITTEE
January 10, 2007

Senate Bill 2012
Department of Human Services Budget

Chairman Holmberg and Members of the Committee, my name is Corinne Hofmann. I am Director of Policy and Operations for the Protection and Advocacy Project [P&A]. I would like to comment briefly regarding the need for Mental Health Services in North Dakota.

You have heard testimony that the demand for mental health services at the Human Service Centers and State Hospital has grown and become more complex. This is consistent with what our agency has observed.

It is critical that the Department be given the resources to develop and maintain a continuum of services that ensures individuals receive appropriate care in the least restrictive environment. We ask you to fund additional crisis beds, transitional living beds, short term residential beds, and long term residential beds. In addition we ask you fund requested increases in FTE's. We are very concerned that individuals end up in inpatient care due to a lack of sufficient community resources and services.

North Dakota's population is aging and thus, there is a growing population of older individuals with mental illness. Medical conditions such as Dementia or Alzheimer's can also have significant emotional and behavioral components. The Department is aware of these issues but needs resources to address them. The current system is not designed or equipped to meet the need. The Department will need resources to assess, plan, and develop appropriate residential and service options and ensure adequate and appropriate training is provided to staff.

This concludes my comments and I would be happy to answer any questions the committee might have. Thank you.

TESTIMONY – PROTECTION AND ADVOCACY PROJECT
SENATE BILL 2012 (2007)

SENATE APPROPRIATIONS COMMITTEE
HUMAN SERVICES SUBCOMMITTEE

Honorable Tom Fischer, Subcommittee Chairman
January 23, 2007

Chairman Fischer, and members of the Human Services Subcommittee, I am Bruce Murry, a lawyer with the North Dakota Protection and Advocacy Project (P&A). P&A wishes to offer comments on the Governor's proposed budget for the North Dakota Department of Human Services (DHS).

LONG TERM CARE SERVICES

The qualified service provider (QSP) system is a strength unique to North Dakota's long-term care system. QSP services are informal, with the training requirements on the provider limited to the scope of service she or he will provide. Citizens can help citizens with just a few independent living tasks. However, they must pay both the employer and employee shares of Social Security taxes, receive no benefits, and lose all of their own transportation costs. With these and other costs, private QSPs often take home less than $5.00 an hour.

Current funding is also squeezing professional agency QSPs out of the system. Services to people with acquired or traumatic brain injury (TBI) illustrate this phenomenon. Everyone on the TBI or Aged and Disabled Medicaid Waivers qualifies for nursing facility care. Near Fargo P&A is aware of residents of nursing facilities with TBI who could live in less restrictive environments. Residential (group home) and transitional (apartment) TBI services respectively cost about 25% and 45% less than nursing facilities. However, TBI QSPs provide services that are more specialized. TBI services are comparable in scope to services for people with developmental disabilities or dementia. Providers in Fargo explored

TBI services retained architects for facility plans. However, the reimbursement rates are not adequate to proceed in the Fargo market. The state is now reporting the slots in the TBI waiver saved for a Fargo program as underutilized. DHS misapplies this information as evidence to justify cutting the TBI waiver. The problem would only spiral down another level. Instead, please restore the Fargo slots to the TBI waiver, and fund TBI QSPs at 85% (residential) and 55% (transitional) of nursing facility rates.

QSPs under the Aged and Disabled waiver have dropped from the system in remarkable numbers. Agency QSPs cannot hire and retain enough employees for the work we've asked them to do. Nursing facilities express interest in being QSPs in small towns, but cannot afford to enter the business. Please fund the optional adjustment request (OAR) DHS proposed to the Governor to provide equity increases for the QSP system. With the verified growth in our population of the age of 85, our only real alternative as a state is to build more nursing facilities and a lot more of them.

Once QSPs attain equity, all Medicaid providers need to receive inflationary increases commensurate with their increased, real world labor, energy, and capital costs. This needs to include the counties, who administer or "case manage" much of this system.

DEVELOPMENTAL DISABILITY SERVICES

In 2005 when the Legislature passed HB 1012, it included Section 16. Section 16 required planning, transfers to the community, and a report to the Legislative Council. The superintendent of the Developmental Center convened and chaired the task force to respond to this mandate. Task force included DHS staff, service providers, disabilities advocates and a family member.

The task force was effective. It worked hard and was successful in coming to consensus on a plan. At the time of its completion, there were 137 individuals with developmental disabilities residing at the

Developmental Center and six at the State Hospital. The goals for Developmental Center de-population, as reported to the Legislative Council on May 31, 2006, included a maximum resident population of **127 by July 1, 2007**; **97 by July 1, 2009**; and **67 by July 1, 2011**.

The Task Force recommended funding and staffing changes as follow:

- increased funding for ISLA's; and
- recruitment & retention of service provider staff.

DHS submitted **OAR #4** to the Governor toward this end. Please ask the DHS staff to provide details on the funding for OAR #4. Funding for this OAR is not included in the Governor's recommended budget. Continuing costs for 127 residents at the Developmental Center is included in the budget.

The Governor did include a 60¢/hour increase for provider staff. While this is helpful, funding is needed to address the remaining identified needs for community capacity in order to implement the plan. Please take a serious look at the task force's plan and recommendations along with the necessary funding for transition to community placements.

MENTAL HEALTH SERVICES

The demand for mental health services at the Human Service Centers and State Hospital has grown and become more complex. This is consistent with what our agency has observed.

DHS needs additional resources to develop and maintain a continuum of services that ensures individuals receive appropriate care in the least restrictive environment. We ask you to fund additional crisis beds, transitional living beds, short-term residential beds, and long term residential beds. In addition, we ask you fund requested increases in FTE's. We are very concerned that individuals end up in inpatient care due to a lack of sufficient community resources and services, or are incarcerated. The Warden of the James River Correctional Center has commented on the overlap of prisoners and mental health diagnoses

(26%). The Youth Correctional Center has told P&A that over 1/3 of the children at that facility have mental illnesses.

North Dakota's population is aging and thus, there is a growing population of older individuals with mental illness. Medical conditions such as Dementia or Alzheimer's can also have significant emotional and behavioral components. DHS is aware of these issues but needs resources to address them. The current system is not designed or equipped to meet the need. DHS will need resources to assess, plan, and develop appropriate residential and service options and ensure adequate and appropriate training is provided to staff.

CHILDREN'S SERVICES

Please amend SB 2012 to fund the waiver for children's extraordinary health care needs. The 2005 Legislative Assembly overwhelmingly passed SB 2395 calling for a Medicaid waiver to serve children with extraordinary health care needs. SB 2395 passed the Senate unanimously. You will recall that SB 2395 had three goals. It sought to keep children at home with parents, to help parents avoid unemployment or divorce to secure care for their children, and to minimize long-term impairments to children from extraordinary health care needs. The waiver is written and ready to submit, but is unfunded. DHS will not implement the waiver without funding.

DHS applied for a competitive waiver to Medicaid for children's mental health services. CMS denied funding for the waiver. Please consider establishing a state program to accomplish the goals of the waiver, funded only by the amount set aside for the state share of the waiver. Services provided at various residential treatment centers for children with psychiatric needs are crucial. However, children wait out of state because these facilities are full. Please consider a state funded program of community services to supplement the facility services, and allow quicker discharges.

SB 2012
Appropriations for the Department of Human Services
House Appropriations/Human Resources Division
February 28, 2007

Chairman Pollert and members of the Human Resources Subcommittee, I am Bruce Murry, a Staff Attorney with the Protection & Advocacy Project (P&A). I am pleased to provide you with a summary of my agency's comments on the Department's budget.

I. SURVIVORS OF BRAIN INJURY - HOME AND COMMUNITY BASED SERVICES

The qualified service provider (QSP) system is a strength unique to North Dakota's long-term care system. The current SB 2012 would rename QSPs as Home Service Providers, to make the term more relevant to the public. QSP/HSP services are informal. The training requirements for the provider are limited to the scope of service she or he will provide. Citizens can help citizens with just a few independent living tasks. However, sole proprietors or contractors must pay both the employer and employee shares of Social Security taxes. They receive no benefits. They lose all of their own transportation costs. With these and other costs, private QSPs often take home less than $5.00 an hour.

Current funding is also squeezing professional QSP agencies from of the system. Services to people with acquired or traumatic brain injury (TBI) illustrate this phenomenon. Everyone on the TBI or the Aged and Disabled Medicaid Waivers could screen for nursing facility care. Near Fargo, P&A is aware of residents of nursing facilities with TBI who could live in less restrictive environments. Residential (group home) and transitional (apartment) TBI services respectively cost about 25% and 45% less than nursing facilities. However, TBI QSPs provide services that are more specialized. TBI services are comparable in scope to services for people with developmental disabilities or dementia. Providers in Fargo explored TBI services and even retained architects for facility plans. However, the reimbursement rates are not adequate to proceed in the Fargo market. The State is now reporting the slots in the TBI waiver, saved for a Fargo program, as underutilized. This information does not justify cutting the TBI waiver. The problem would only spiral down another level. Instead, it is prudent to restore the Fargo slots to the TBI waiver and fund TBI QSPs at an average of about 85% (residential) and 60% (transitional) of nursing facility rates.

II. ELDERLY AND YOUNGER ADULTS WITH DISABILITIES – HOME AND COMMUNITY BASED SERVICES.

A. QSPs

QSPs under the Aged and Disabled waiver have dropped from the system in remarkable numbers. Agency QSPs cannot hire and retain enough employees for the work we've asked them to do. Nursing facilities express interest in being QSPs in small towns but cannot afford to enter the business. Please maintain and build upon the Senate's improvements to the QSP system. With the verified growth in our population of people 85 and older, our only real alternative as a state is to build even more nursing facilities.

The current system relies on QSPs remaining independent contractors. It might be prudent to consider language to clarify your intent. Increased appropriations should not change the independent contractor relationship between the Department and QSPs. It may also be prudent to consider language to clarify that agency QSPs cannot bill more than the costs Medicaid will allow, and funding averages of $4.50 per quarter hour would not change this. The Department may have other information to offer on this issue.

Once QSPs attain equity, all Medicaid providers need to receive inflationary increases commensurate with their increased, real world labor, energy, and capital costs. This needs to include the counties, who administer or "case manage" much of this system.

B. SPED

See Attachment.

C. Assistive Technology - IPAT

P&A encourages maintaining or building upon Senate funding for the unique and cost effective services provided by the Interagency Program for Assistive Technology (IPAT). IPAT offers a "try before you buy" loan library to save consumers, schools, and the State money. IPAT evaluations help students learn more independently, adults remain home longer, and farmers and veterans return to work. They provide education and training opportunities for teachers, parents, students, employers, employees, social workers, and medical professionals.

III. INSTITUTIONAL SERVICES

North Dakotans, including P&A, expect services in the least restrictive environment that is feasible. Although it may go without saying, the Legislative Assembly also needs to include adequate funding for nursing and basic care facilities. Consumers and P&A continue to expect high quality care from these facilities. P&A will continue to support and cooperate with the Long Term Care Ombudsman program when our responsibilities interact.

P&A proposes the industry consider providing all institutional services in single rooms in coming years. The stress of sharing a room with a person not of your choosing tends to bring out people's worst sides. We wonder if the cost of addressing that stress, through staffing,

medication, and declining consumer health might balance the costs of single rooms. Single room requirements might be especially applicable to new construction and remodeling.

III. MENTAL HEALTH

You have heard testimony that the demand for mental health services at the Human Service Centers and State Hospital has grown and become more complex. This is consistent with what our agency has observed.

It is critical to give the Department the resources to develop and maintain a continuum of services that ensures individuals receive appropriate care in the least restrictive environment. We ask you to fund additional crisis beds, transitional living beds, short-term residential beds, and long term residential beds. In addition, we ask you fund requested increases in FTE's. We are very concerned that individuals end up in inpatient care, or even incarcerated, due to a lack of sufficient community resources and services.

North Dakota's population is aging and thus, there is a growing population of older individuals with mental illness. Medical conditions such as Dementia or Alzheimer's can also have significant emotional and behavioral components. The Department is aware of these issues but needs resources to address them. The current system is not designed or equipped to meet the need. The Department will need resources to assess, plan, and develop appropriate residential and service options and ensure adequate and appropriate training is provided to staff.

The State Hospital has been very willing to refer people with potential disability-rights issues to P&A. This has strengthened the abilities of both the Department and P&A to serve people in the least restrictive environment.

IV. DEVELOPMENTAL DISABILITIES

A. Provider Salaries

P&A asks that you take a serious look at additional funding to respond to the providers' request of $1.50/hour increase. The Department's OAR sheet shows this to cost almost $10 million in General Funds. Since the Governor included a 60¢/hour increase in his recommended budget, the amount is already partially covered. This may still seem like a lot of money. It is. But the work provider staff performs with people with developmental disabilities is more than admirable. It is essential. It takes skill, patience, dedication, integrity, a sense of humor, knowledge, responsibility and, in some cases, physical strength. It is hard work. The high turn-over rate currently experienced by providers is, perhaps, costing more than would a healthy pay increase. The costs of high turnover to consumers, in stress, consequences of discouraged behavior, and happiness are unknown, but real.

B. **Developmental Center Transition**

In 2005 when the Legislature passed HB 1012, it included section 16 which had 3 requirements: 1) development of a plan to transfer appropriate individuals from the Developmental Center to community settings; 2) transfer of people to the community was to begin during the 2005-2007 biennium; 3) DHS was to report to the Legislative Council on the plan and on the anticipated number of individuals that will be transferred during the 2005-2007 biennium. The superintendent of the Developmental Center convened and chaired the task force, which had the mission of developing the plan. Task force members included DHS staff, service providers, disabilities advocates and a family member.

The task force was effective. It worked hard and was successful in coming to consensus on a plan. At the time of its completion, there were 137 individuals with developmental disabilities residing at the Developmental Center and 6 at the State Hospital. The goals for Developmental Center de-population, as reported to the Legislative Council on May 31, 2006, included a maximum resident population of **127 by July 1, 2007**; **97 by July 1, 2009**; and **67 by July 1, 2011.**

Additional action steps were developed to provide for: 1) placement plans for residents at the Developmental Center and the State Hospital; 2) enhancement of community capacity; 3) changes in funding and staffing that addressed independent supported living arrangements (ISLAs), increased funding for ISLAs, and recruitment & retention of service provider staff.

DHS agreed to develop an optional adjustment request (OAR) for the 2007-2009 biennium to cover the costs of transitioning residents from the Developmental Center to the community and for enhanced community supports. The Department saw merit in this and submitted OAR #4 to the Governor, who left this issue for consumers and policy makers to pursue. Continuing costs for 127 residents at the Developmental Center is included in the budget. The Senate did partially fund the transition plan in the amount of $2,498,612 ($900,000 of which is General Funds).

The Olmstead decision, from the U.S. Supreme Court, tells us that people who have been identified as being ready for community living have a right to do so. In North Dakota's service system, fixed overhead costs will remain at the Developmental Center during transition. Community providers will need enhancements and increased capacity to serve some people in the community, even if it is ultimately more cost effective. Financial support is therefore paramount in succeeding.

Thank you for your time and consideration. I stand ready and happy to answer any questions.

Good morning Chairman Pollert and committee members. My name is Christina McComish. I am 19 and I currently live independently in an apartment in Bismarck. I am a Junior attending Century High School.

My parents and I will be forever grateful for all the help that Protection and Advocacy gave us. Last year my prior school district tried to once again send me to a 24 – 7 residential institution in South Dakota. I was informed that I had less than 2 weeks to pack my bags. We contacted Protection and Advocacy. They were able to help keep me from being forced to leave my parents, my home, my community and my neighbors.

Without their intervention, my education would once again be counting 10 nuts and bolts and putting them in bags for resale. I would now be having someone plan out my entire life for me, without my input.

How do I know that this would have been my future? I was at this institution already for 4 years, from age 10 and it was an absolute nightmare for my entire family to live through. P & A helped me return home in 2002.

I am now 19 and living by myself. I pay my own bills, buy my own groceries, use the CAT bus system, clean my own apartment, do laundry and cook my meals, all while attending high school full time. My classes include Geometry, English and History. I also decide what I will do on my free time.

I strongly encourage you to fund this necessary agency. Thanks to them, I now have my life back and am looking forward to college. P & A has helped many others improve or retain their lives. They help people of all ages. Luckily I was one of the people that they helped last year. With funding they can continue to help others.

Please help insure that Protection and Advocacy has the needed funding to help others as they have helped me.

Thank you very much for your time.

SB 2012 – Dept. of Human Services Budget

Senate Appropriations Committee
Chairman – Ray Holmberg
January 9, 2007

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Mike Schwab. I am the Executive Director for The Arc of Bismarck. I am representing The Arc of Bismarck and The Arc of Cass County today.

We felt that it was important to discuss an area of concern with all of you today. As you recall, last session SB 2395 became existing law. There were 3 parts to that bill. One area of SB 2395, directed the Department to apply and implement a waiver to cover children with extraordinary medical needs.

The Arc of Bismarck was part of the working group that helped to draft the waiver. To our knowledge the waiver was completed and submitted, right before the session started.

The Department of Human Services did not include funding for this waiver in their budget. The Department did however submit an OAR to cover the costs of implementing the waiver. This OAR was not included by, the Governor in his base budget either.

What does this mean? Currently, there is no funding budgeted to implement the waiver for children with extraordinary medical needs in the state. During the Interim and to-date, families have contacted our offices inquiring about the status of the waiver. I know that some families have taken it upon themselves to contact Legislators. Some of you may have heard from them already. It is a concern of families, as well as advocacy organizations that no funding was budgeted to implement the waiver. If funding isn't allocated, how is the waiver supposed to get implemented?

Is the Department of Human Services supposed to find funding to implement waivers within their already established budgets? If the Department needs funding to implement a waiver, is it wrong to assume that they should have included funding for the waiver in their budget?

SB 2395 is existing law and needs funding to be allocated in order for it to be fully implemented, we are asking you to take a look at allocating the proper funding to implement the waiver.

The benefits and systemic impact for families of children with extraordinary medical needs throughout the state would be tremendous. I personally know that families would appreciate your support and commitment.

I would like to thank you for your time and attention today.

Respectfully Submitted,

Mike Schwab
The Arc of Bismarck
The Arc of Cass County

Tuesday, January 23, 2007

SENATORS FISCHER, KILZER, GRINDBERG, KRAUTER AND MATHERN:

Re: Proposed Amendment to SB 2012

One of The Arc of North Dakota's main legislative goals this session is to increase the personal allowance residents of intermediate care facilities are allowed to keep for their personal use from the current figure of $50 per month established in 2001 to $60 per month.

This seems like a small increase, but it would be one that is extremely meaningful for the individuals involved. It is estimated this would cost approximately $1 million.

The amendment to SB 2012 to accomplish this is set out below. We respectfully request that you adopt this amendment. Thank you.

Jack McDonald

PROPOSED AMENDMENT TO SB 2012

SECTION ____. APPROPRIATION - PERSONAL CARE ALLOWANCE FOR NURSING FACILITY AND INTERMEDIATE CARE FACILITY FOR PERSONS WITH MENTAL RETARDATION. There is appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of $341,000.00, or so much of the sum as may be necessary, and from special funds derived from federal funds, the sum of $658,700.00, or so much of the sum as may be necessary, to the department of human services for the purpose of increasing the personal care allowance for nursing home and intermediate care facilities for persons with mental retardation by $10 per month, from $50 to $60 per month, for the period beginning July 1, 2007, and ending June 30, 2009.

#9

SB 2012 – Dept. of Human Services Budget

Senate Appropriations Subcommittee
Chairman – Sen. Fischer
January 23, 2007

Chairman Fischer and members of the Senate Appropriations Subcommittee, my name is Mike Schwab, Executive Director for The Arc of Bismarck. I am representing The Arc of Bismarck and The Arc of Cass County and our constituents.

I am here today to discuss some continuing issues and challenges that the State faces regarding the structure, financing and delivery of disability services and supports in North Dakota. The State implements 2 main methods of providing services and supports to people with various disabilities. Institutional services and supports being one method and home and community-based services and supports being the other method.

Institutional services and supports continue to get funded at a much higher rate than home and community-based services and supports. I know you have all heard this before, but it is the truth. There is an institutional funding bias that exists in our state and overall this biennium home and community-based services and supports could take another step backwards. While institutional settings receive the funding that they need to operate a full continuum of care, home and community-based services and supports receive a little funding here and a little funding there. This continues to be a challenge, because HCBS providers are suppose to operate a full continuum of care without receiving adequate resources to do so. This results in a service delivery system that is fragmented. There is high turnover for both employees and consumers. All areas of home and community-based services need to be adequately funded in order for the service delivery system to function as a whole, similar to institutional settings.

You are probably asking yourself, where is the money supposed to come from? How do we maintain "cost control", while providing the best services and supports possible to the public? The answer isn't an easy one. We could however, continue to do what we have always done, or could we do something different? Other states have shown cost savings in closing their Developmental Center(s), and aggressively closing nursing homes or

sections of nursing homes that are having a hard time maintaining occupancy levels and maintaining financial stability. Is it realistic to assume that some of our small town nursing homes are going to have to close at some point in time because the population is moving to urban settings? Yes, at some point in time, we are going to have to make that tough decision. What are we waiting for? It is amazing how far the dollar stretches and how many more individuals are served through home and community-based services and supports compared to institutional settings.

In the area of nursing homes, we need to aggressively look at strategies that support balancing long-term care – shift the location of where long-term care is provided and where the funding goes - from institutions to home and community settings. Some strategies to consider may include planned closure incentives, layaway incentives, bed buyouts, or forming a "resident relocation team". In my opinion, the nursing home beds that we have in place now are not going to be the "beds" we want or need in 15-20 years from now.

Regarding the Developmental Center - during the Interim, a Team was formed and a plan was created to transfer developmental center residents to the community, with timelines spreading out until 2011. Funding to implement this plan was not included in the Departments budget, but they did however submit an OAR. This OAR was not included by, the Governor in his base budget either. We are asking you to appropriate the required funding to implement the work plan that was established during the Interim. As many of you know, The Arc of ND filed a lawsuit back in 1982 that called for immediate decline in the number of Developmental Center residents back into the community. A court appointed monitor was assigned to oversee the de-institutionalization of residents from Grafton. From 1983-1995, there was a 15% decline in residents per year at the Center. In 1995, the court appointed monitor was no longer assigned to oversight. Since 1995, there has been essentially no change in the average daily institutional population at the Center. Is this due to the fact that there was no longer a court appointed monitor? Please see the attachment A titled "ND Developmental Center at Grafton" to see what I am talking about. The Arc's are in support of closing the Developmental Center and would love to see you make a strong commitment in making that happen. Since 1970 a total of 130 institutions have been closed. There are currently 8 states that do not operate a Developmental Center and there are others that are currently in the

process of closing Developmental Center(s) in their state. For the state, this could fall under the implementation of the Olmstead Decision as well.

The following is a list of principal priorities for ND in the area of disability services and supports. Keep in mind that each area needs to be adequately funded in order for the home and community-based service delivery system to work as a whole!

(1) Assure that the state priority will be growth of the Federal Home and Community-Based Services Waiver. Home and Community-Based Waiver spending should surpass the state's institutional spending. This is a trend nationally.

(2) Increase funding for ISLA residential placements. This is more times than not, less costly and a less restrictive service option for some people with high-level support needs. The cost to provide services continues to exceed revenues for some providers. Let's fund more than just enough to cover the reported waiting list, so we don't have to develop another waiting list. There is a reported waiting list of 58 individuals. Funding was slightly increased to cover 22 people per year this biennium. More funding is needed!

(3) Substantially increase wages for community direct support staff working with children and adults with disabilities so that it is equal to the State's institutional wages. Please see attachment B to see what community-direct support staff wages are in North Dakota, compared to the federal poverty level. Institutional wages continue to be estimated $3.00 higher than HCBS workers.

(4) Restore Section 11 funding for SLA residential services. State cost $350,000.

(5) Reduce or Cap Medical services co-payments, co-payment exemptions, and service limits to the amount that became effective on January 1, 2004.

(6) Increase the Personal Allowance from $50.00 to $60.00 per month. This includes residents in institutional settings as well HCBS.
State: $341,300 Federal: 658,700 Total: $1,000,000

(7) Family Support - Provide funding to implement a Medicaid Waiver for Children with Extraordinary Medical Needs. Please refer to the Department of Human Services fiscal note regarding the projected costs of implementing the waiver.

(8) Family Support – Support establishing a Medicaid Buy-In for children with disabilities. This option became available to states with the passing of the Deficit Reduction Act of 2005. SB 2326 has been introduced regarding this provision and outlines the costs associated with implementing the Medicaid Buy-In in ND. It is estimated that over 700 children (families) could take advantage of this option.

(9) Support balancing the long-term care continuum. Home and community-based funding should surpass institutional funding!

In conclusion, we need to develop a strong home and community-based service delivery system that can adequately address the growing need for services. The State needs to be aggressive in the implementation of the Olmstead Decision. We need to change our thinking when it comes to institutional funding and services. The idea that you can mass-produce, care, compassion, employment opportunities, privacy, independence and a sense of belonging in an institutional setting is fundamentally unsound. Research has shown that the best way to accomplish this is through aggressively promoting home and community-based services and supports. We are asking for you to make that commitment.

I would like to thank you for your time and attention today. I would be happy to try and entertain any questions that you may have.

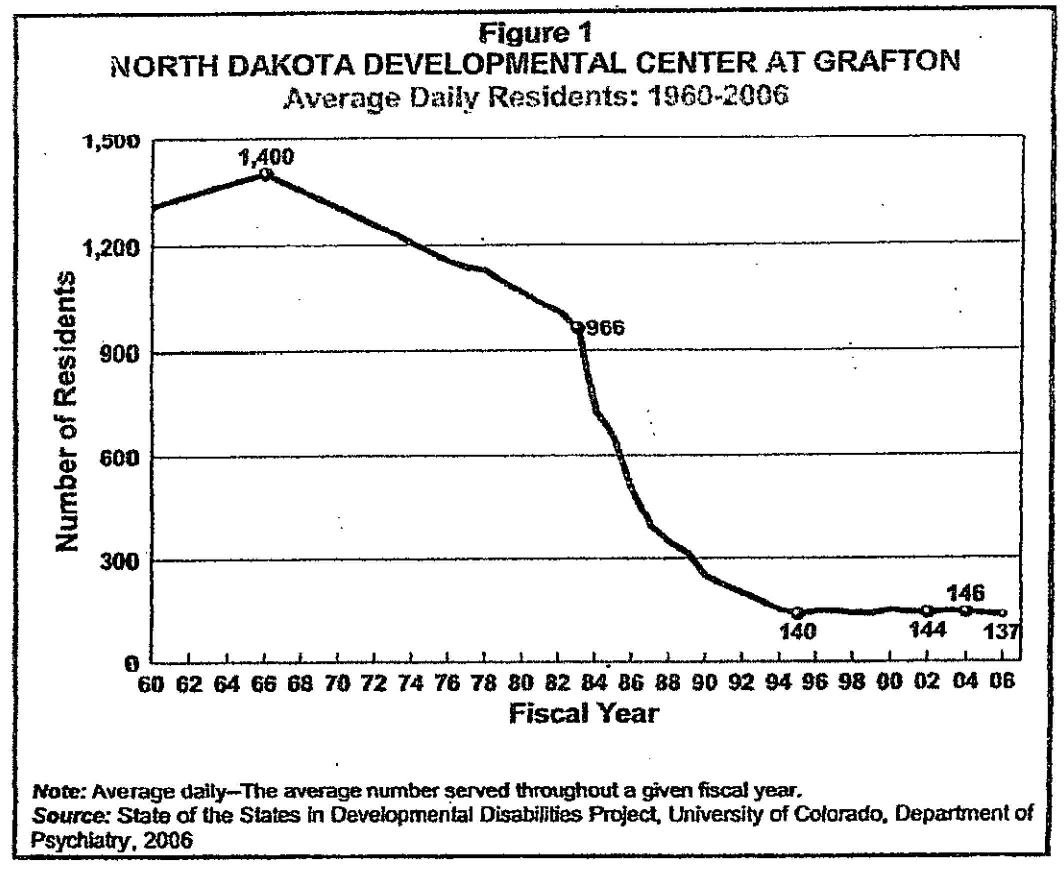
Respectfully Submitted,

Michael D. Schwab
The Arc of Bismarck
The Arc of Cass County

Note: Supporting documents and some statistical information was provided from a Report that was done for The Arc of North Dakota by Dr. David Braddock title:

- Developmental Disabilities in ND: 2007 "A report of the structure, financing, and quality assurance of residential and community services"
    - Dr. David Braddock
    - Richard Hemp, M.A.
    - Department of Psychiatry – University of Colorado – January 8, 2007

The Arc of North Dakota contracted with the University of Colorado to complete this Report. If you would like additional information or a complete copy of the Report, I would be more than happy to get you a copy or visit with you about the Report.



Note: Average daily--The average number served throughout a given fiscal year.
Source: State of the States in Developmental Disabilities Project, University of Colorado, Department of Psychiatry, 2006

agreement in *Association for Retarded Citizens of North Dakota v. Olson* (1982), the rate of institutional decline in North Dakota accelerated to 15% per year. San Haven closed in 1987. The number of average daily residents at San Haven and Grafton declined from 966 average daily residents in 1983 to 140 in 1995.

During the past 11 years, after a 15% annual decline during 1983-95, there has been essentially no change in the average daily institutional population at the North Dakota Developmental Center at Grafton. The resident population increased from 140 in 1995 to 146 persons in 2004, and declined slightly to 137 for the fiscal year ending June 30, 2006. Mark Kolling, Department of Human Services (personal communication, December 12, 2006) indicated that the Developmental Center census was 130 on December 1, 2006.

Public and Private 16+ Institutions

Figure 2 illustrates the total number of individuals residing each year in nursing facilities, the North Dakota Developmental Center (public 16+), and in privately operated 16+ settings consisting of the Anne Carlsen Center ICF/MR facility for children and

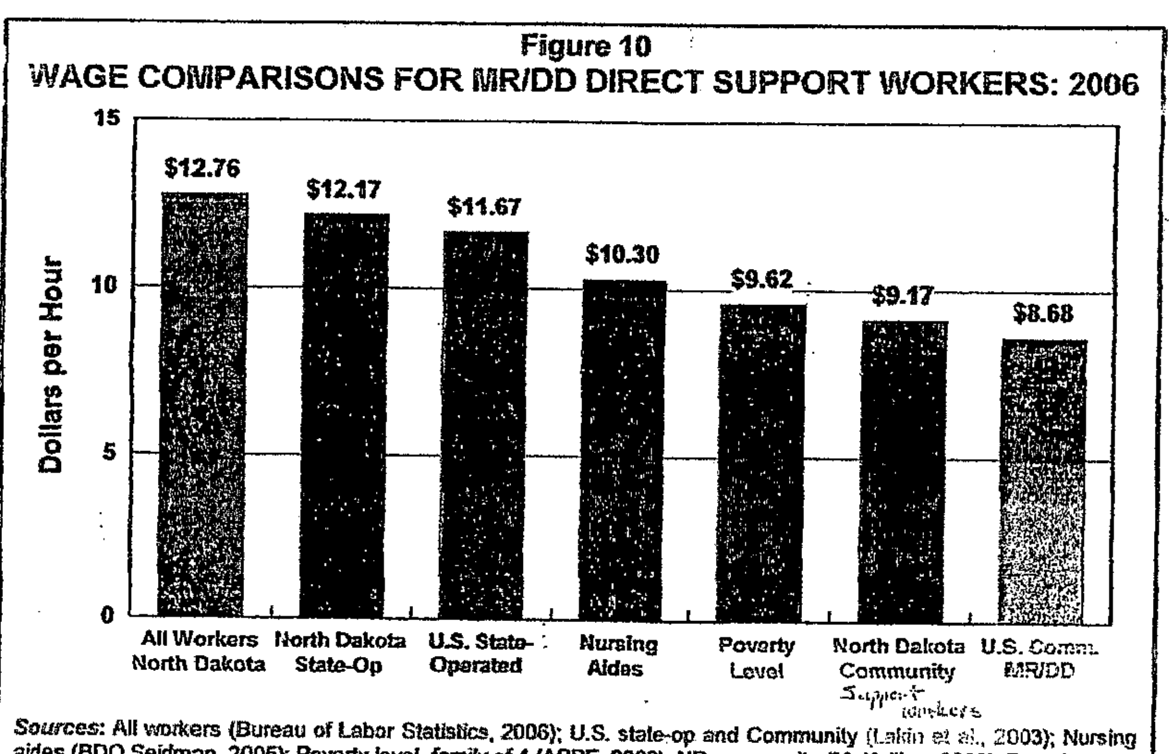
rely on direct support staff for consistent nurturing and friendship, disruption of these relationships because of employee turnover can have detrimental psychological effects.

Reduced compensation and benefits of community residential staff compared to those provided for state institution personnel continues to be a national issue. Vassiliou & Ferrara (1997) surveyed 610 staff from 20 residential and community services agencies in North Dakota to identify factors related to staff longevity and turnover. Their recommendations included providing special recognition for staff, being realistic about both the benefits and drawbacks of hiring college and university students, proposing peer mentoring for new staff, and realistic job previews.

Current Direct Support Wages in North Dakota

Despite a number of wage increases for direct support staff in North Dakota, wages in 2006 are still below the poverty level for a family of four. ***Figure 10*** displays the 2006 federal poverty level, on an hourly basis, for a family of four with one wage earner (ASPE, 2006), the average wage for all U.S. workers in 2002 (Bureau of Labor Statistics, 2006), nursing aides' average wage in 2002 (BDO Seidman, 2005), and the U.S. average state-operated institution staff wage and community facility wage (Lakin,

Figure 10
WAGE COMPARISONS FOR MR/DD DIRECT SUPPORT WORKERS: 2006



Sources: All workers (Bureau of Labor Statistics, 2006); U.S. state-op and Community (Lakin et al., 2003); Nursing aides (BDO Seidman, 2005); Poverty level, family of 4 (ASPE, 2006); ND community (M. Kolling, 2006). Data for 2006 for ND community, poverty level, and North Dakota state-op; all other data for 2002.

February 28, 2007

TO: HOUSE HUMAN RESOURCES DIVISION

FROM: Dianne Sheppard, Executive Director
The Arc, Upper Valley/The Arc of North Dakota
2500 DeMers Avenue
Grand Forks, ND 58201
701-772-6191
dsheppard@arcuv.com

RE: **ENGORSSED SB 2012 - Increasing the Personal Allowance**

REPRESENTATIVE POLLERT AND COMMITTEE MEMBERS:

My name is Dianne Sheppard. I am Executive Director for The Arc, Upper Valley in Grand Forks and an official spokesperson for The Arc of North Dakota. I ask that you support increasing the personal allowance for people living in Intermediate Care Facilities/MR (ICFs/MR) to $60 per month rather than the $55 currently in the bill.

Individuals living in ICFs/MR contribute their monthly income, mostly federal Supplemental Security Income (SSI), minus a small personal allowance, for room and board.

Raising the personal needs allowance to $60 per month is reasonable and meaningful for the individuals involved.

Thank you for your consideration. I will be happy to respond to any questions you may have.

The Arc is an advocacy organization. The Arc advocates for the rights and full participation of all children and adults with intellectual and developmental disabilities. Together with our network of members and affiliated chapters, we improve systems of supports and services; connect families, inspire communities and influence disability policy.

February 28, 2007

TO: HOUSE HUMAN RESOURCES DIVISION

FROM: Dianne Sheppard, Executive Director
The Arc, Upper Valley/The Arc of North Dakota
2500 DeMers Avenue
Grand Forks, ND 58201
701-772-6191
dsheppard@arcuv.com

RE: **DD Community Provider Wage and Benefit Increase**

REPRESENTATIVE POLLERT AND COMMITTEE MEMBERS:

My name is Dianne Sheppard. I am Executive Director for The Arc, Upper Valley in Grand Forks and an official spokesperson for The Arc of North Dakota. I ask that you support a wage increase of $1.50 per hour for all DD Community Provider staff and a 3% increase in benefits.

Achieving adequate wage and benefit levels for DD Community Provider staff working with children and adults with developmental disabilities is a critical issue. Higher staff wages are associated with reduced employment turnover and increased quality of services.

In 2006, North Dakota's DD Providers benefited from legislatively sanctioned hourly increases and reached an average statewide wage of $9.17, with additional fringe benefits at 33% of salary. However, the average wage still lags the North Dakota Developmental Center wage by an estimated $3.00 per hour. The community wage remains 5% below the U.S. poverty wage in 2006 for a family of four.

DD Community Provider staff deserves the $1.50 per hour increase and a 3% increase in benefits. Our constituents benefit from a stable workforce, which in turn, increases the quality of services they receive.

Thank you for your consideration. I will be happy to respond to any questions you may have.

February 28, 2007

TO: HOUSE HUMAN RESOURCES DIVISION

FROM: Dianne Sheppard, Executive Director
The Arc, Upper Valley/The Arc of North Dakota
2500 DeMers Avenue
Grand Forks, ND 58201
701-772-6191
dsheppard@arcuv.com

RE: **INDIVIDUALIZED SUPPORTED LIVING ARRANGEMENTS**

REPRESENTATIVE POLLERT AND COMMITTEE MEMBERS:

My name is Dianne Sheppard. I am Executive Director for The Arc, Upper Valley in Grand Forks and an official spokesperson for The Arc of North Dakota. I ask that you appropriate, at a minimum, one ISLA placement per Community DD Service Provider per year of the biennium. Additionally, we request the Department of Human Services change the administrative allocation process to remove the disincentive for the ISLA Program.

People who are ready to move out of group situations are not being able to move and those that the DD system are trying to move are being referred to inappropriate and inadequate service programs such as Supported Living Arrangements or Section 11., because of shortages in funding for the ISLA Program.

For DD Home and Community Based Services to work it is imperative that additional funding for ISLA be approved. Lack of funding has created a bottleneck where people cannot move into more independent, and most often, less costly residential options. This is also a factor when considering moving people out of the Developmental Center. Those individuals will require ISLA support services or placement in group homes. Recommendations to increase funding for the ISLA Program have been consistently made since at least the year 2000.

February 28, 2007

TO: HOUSE HUMAN RESOURCES DIVISION

FROM: Dianne Sheppard, Executive Director
The Arc, Upper Valley/The Arc of North Dakota
2500 DeMers Avenue
Grand Forks, ND 58201
701-772-6191
dsheppard@arcuv.com

RE: **ENGROSSED SB 2012**

REPRESENTATIVE POLLERT AND COMMITTEE MEMBERS:

My name is Dianne Sheppard. I am Executive Director for The Arc, Upper Valley in Grand Forks and an official spokesperson for The Arc of North Dakota. I ask that you support the Developmental Center Transition OAR at the full amount rather than the one-quarter level currently in the bill.

The Developmental Center Transition OAR for the 2007-09 Biennium is $8,146,353, of which $4,447,609 are federal funds, and $3,698,744 are general funds.

In the past 12 years, there has been essentially no decline in the Developmental Center's population. In fact, it has increased slightly since 1995, following the dismissal of a class action lawsuit filed in 1980. Recommendations to continue downsizing the Developmental Center have been consistently made since at least the year 2000, with little progress. Based upon today's standards, the programmatic needs and the economic advantages of community programs should force this issue. A person should not have to "earn" the right to live in the least restrictive appropriate setting. This was litigated some 25 years ago, and it was determined that people with disabilities have the right to live in the least restrictive appropriate setting.

Most professionals, family members and persons with developmental disabilities believe that large group settings are no longer acceptable living arrangements because of the difficulty of personalizing services. Virtually every credible research study supports the assertion that people are well served in small community settings, including those with behavior issues, or people with complex medical needs.

As such, institutional placement cannot be justified on the programmatic needs of the people who are forced to reside in an institution in order to receive appropriate programs and services. The long-term future of services to persons with disabilities in North Dakota is in community settings.

[OVER]

The Developmental Center OAR provides funds to kick-start the transition process, and creates community therapeutic intervention services to prevent readmission to the Developmental Center. Without fully funding the OAR, the rate of "discharges" is far too slow, and we should seriously consider abolishing admissions.

Attached is a copy of "Closing the North Dakota Developmental Center: Issues, Implications, Guidelines" The report addresses today's institutional costs, what can these costs be estimated to be in future years; how persons adjust to relocations from institutions to community living; temporary dual costs; how cost savings can be achieved; and, alternative uses for the facility.

Thank you for your consideration. I would be happy to respond to any questions you may have.

The Arc is an advocacy organization. The Arc advocates for the rights and full participation of all children and adults with intellectual and developmental disabilities. Together with our network of members and affiliated chapters, we improve systems of supports and services; connect families, inspire communities and influence disability policy.

February 28, 2007

HOUSE APPROPRIATIONS HUMAN RESOURCES DIVISION
SB 2012

CHAIRMAN POLLERT AND COMMITTEE MEMBERS:

My name is Jack McDonald. I'm appearing here today on behalf of The Arc of North Dakota.

One of The Arc's main legislative goals this session is to increase the personal allowance residents of intermediate care facilities are allowed to keep for their personal use from the current figure of $50 per month established in 2001 to $60 per month. This seems like a small increase, but it would be one that is extremely meaningful for the individuals involved and give them some increased sense of dignity. This really amounts to being able to order a movie once a month, or maybe getting a hair cut. It is estimated this would cost approximately $1 million.

The Senate increased this personal allowance by $5, from $50 to $55. We respectfully request that you go the rest of the way and increase this by $5 so that the personal allowance is increased to $60.

Thank you for your time and consideration. I'd be glad to answer any questions.

The Arc is an advocacy organization. The Arc advocates for the rights and full participation of all children and adults with intellectual and developmental disabilities. Together with our network of members and affiliated chapters, we improve systems of supports and services; connect families, inspire communities and influence disability policy.

The Arc of Bismarck
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SB 2012 – Dept. of Human Services Budget

House Appropriations Human Resources Committee
Chairman – Rep. Pollert
March 7, 2007

Chairman Pollert and members of the House Appropriations Human Resource Committee, my name is Mike Schwab, Executive Director for The Arc of Bismarck. I am representing The Arc of Bismarck and The Arc of Cass County and our constituents.

I am here today to discuss some continuing issues and challenges that the State faces regarding the structure, financing and delivery of disability services and supports in North Dakota. The State implements 2 main methods of providing services and supports to people with various disabilities. Institutional services and supports being one method and home and community-based services and supports being the other method.

Institutional services and supports continue to get funded at a much higher rate than home and community-based services and supports. You have all heard this before. It is the truth though. There is an institutional funding bias that exists in our state and this biennium home and community-based services and supports are on the path to take another step backwards. While institutional settings receive all the funding that they need to operate a full continuum of care, home and community-based services and supports receive a little funding here and a little funding there. This continues to be a challenge, because they are suppose to operate a full continuum of care without receiving adequate resources to do so. This results in a service delivery system that is fragmented and under funded. All areas of home and community-based services need to be adequately funded in order for the service delivery system to function as a whole, similar to institutional settings.

You are probably asking, where is the money supposed to come from? How do we maintain "cost control", while providing the best services and supports possible to the public? The answer isn't an easy one. We could however, continue to do what we have always done, fund institutional settings at what ever they need and continue to fund home and community-based services a little bit here and there; or we could do something different. Other states have shown cost savings in closing their Developmental Center(s), and aggressively closing nursing homes or sections of nursing homes that are having a hard time maintaining occupancy levels and maintaining financial stability. Is it realistic to assume that some of our small town nursing homes are going to have to close at some point in time because of the move to urban settings? Yes, at some point in time, we are going to have to make that tough decision. What are we waiting for?

In the area of nursing homes, we need to aggressively look at strategies that support balancing long-term care – shift the location of where long-term care is provided and where the funding goes, from institutions to home and community settings. In 1995, there were 7,109 licensed skilled nursing facility beds in ND. By 2006, that number was reduced to 6,408, a reduction of 701 beds or a reduction of approximately 10%. While the number of beds were reduced during the ten-year period by 10%, the appropriation increased by 58.3%. Furthermore, the average daily rate for nursing facility care has increased from $79.53 per day in 1995 to $159.96 per day in 2007. While the cost of home and community-based services increase year-to-year, the total isn't even comparable to nursing facility services. Please see attachment A for a quick comparison regarding nursing facilities and HCBS.

Again, we need to be looking at alternatives to nursing facility care. Those individuals who can have their needs met in the community should have the chance to receive the services in the least restrictive environment. We should be reserving nursing facility beds for those individuals with serious long-term care needs that cannot be met in a home or community setting.

To our knowledge, there is a fiscal incentive in place for nursing facilities that maintain occupancy levels over 90%. Would it be wrong to assume that by having a fiscal incentive of this nature in place, we are undermining the willingness to place individuals back into the community? At the same time, does this fiscal incentive allow for un-biased decision making to take place during the admission and/or the discharge process?

Planned closure incentives, layaway incentives, bed buyouts, and forming a "resident relocation team" are all options to consider when looking at how to make the "dollar" stretch further in preparing for the future.. We also strongly encourage you take a look at the rate equalization payment method that was established in 1990 for nursing facilities to see if it is benefiting the taxpayer like originally thought. There are only 2 states in the country that have "equalized rates". By having this process in place, it is difficult to explore and expand home and community-based services in the state (all most impossible). Consideration needs to be given to repealing equalized rate legislation for nursing facilities. This would allow nursing facilities to manage their own operations like other privately owned and operated industries without having the government and state taxpayer's there to guarantee their existence.

Regarding the Developmental Center - during the Interim, a Task Force was formed and a work plan was created to transfer developmental center residents to the community, with plans to reduce the population to 67. The Senate amended SB 2012 and appropriated funding to implement a quarter of the work plan that was developed. We appreciate their efforts but feel that this is still not aggressive enough and ask that you appropriate additional funding. The Arc's are in support of closing the Developmental Center and would love to see you make a strong commitment in helping to implement the work plan that was developed during the Interim. Since 1970 a total of 130 institutions

have been closed in this country. There are currently 8 states that do not operate a Developmental Center and there are others that are currently in the process of closing the Developmental Center(s) in their state.

The following is a list of principal priorities for ND in the area of disability services and supports. Keep in mind that each area needs to be adequately funded in order for the home and community-based service delivery system to function more effectively and efficiently.

- Assure that the state priority will be growth of the Federal Home and Community-Based Services Waiver. Home and Community-Based Waiver spending should surpass the state's institutional spending. This is a trend nationally.

- Increase funding for ISLA (Independent Supported Living Arrangements) residential placements. This is more times than not, less costly and a less restrictive service option for some people with high-level support needs. Costs continue to exceed revenues for some providers. Let's fund more than just enough to cover the reported waiting list, so we don't have to develop another waiting list. Reported waiting list of 58 individuals. Funding was slightly increased to cover 22 people per biennium. More funding is needed!

- Increase the personal allowance for all residents from $50 to $60 per month. The Senate amended SB 2012 to increase the personal allowance from $50 to $55. We are still asking that you raise it to $60. Current law states that you cannot exclude nursing homes when it comes to an increase in personal allowance. Our constituents (many with cognitive, intellectual and developmental disabilities) are much younger than the average nursing home resident and are more active in day-to-day community activities and events. We are mainly advocating for our constituents that live in ICF/MR and group home settings. However, because there is a lack of service options in some communities, we do have constituents in nursing facilities as well.

- Substantially increase wages for community direct support staff working with children and adults with disabilities so it is at least equal to the State's institutional wages. It is estimated that institutional wages are still about $3.00 higher an hour than HCBS provider wages.

- Restore Section 11 funding for SLA residential services. State cost is about $350,000.

- Reduce or Cap Medical services co-payments, co-payment exemptions, and service limits to the amount that became effective on January 1, 2004.

- Support balancing the long-term care continuum. Home and community-based funding should surpass institutional funding!

- Increase supported employment, which hasn't seen an increase since 1996.

- Restore the funding that was taken out of the SPED (Specialized Payments for the Elderly and the Disabled) program and remove the requirement that each "case" have at least one ADL (Activity of Daily Living). This process is undermining the future growth of another home and community-based program in the state.

In conclusion, we need to develop a strong home and community-based service delivery system that can adequately address the growing need for services. We need to provide adequate funding in order to meet the needs and wants of our citizens. The State needs to be aggressive in the implementation of the Olmstead decision. We need to take a serious look at how we can encourage the public to consider "caretaker" services as a career and they need to be reassured that it is a career with a future. We need to change our thinking when it comes to institutional funding and services. We are asking you to make a commitment to aggressively promote and fund home and community-based services and supports and to help reform they way this state delivers services and supports to the elderly and people with disabilities.

I would like to thank you for your time and attention today. I will try and answer any questions that you may have.

Respectfully Submitted,

Mike Schwab

Mike Schwab
The Arc of Bismarck
The Arc of Cass County

A

Funding Sources for Long-Term Care Services

Traditionally, skilled nursing facilities have dominated the funds spent on long-term care services. Figure 1 below shows excerpts of the growth of spending on nursing facility care for the Medicaid Program over the last twenty-five years. If current spending continues at the present rate, nursing facility expenditures will be expected to be over $193 million in 2009.

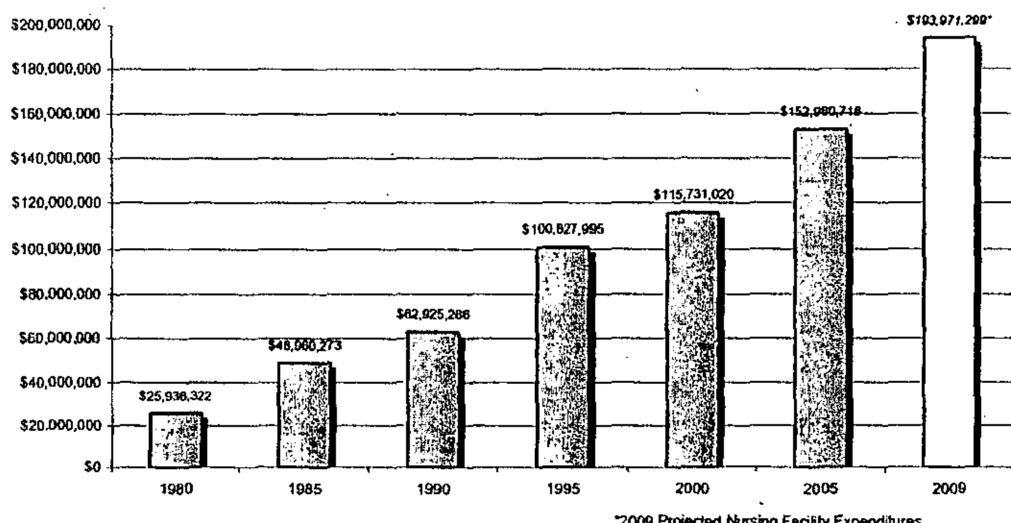

Figure 1: History of Nursing Facility Expenditures

While efforts have been made to increase dollars available for HCBS services, those funds remain a relatively small amount when compared to spending for nursing facility care. Figure 2 below illustrates the appropriations for nursing facility care compared to all other funds within the Department of Human Services budget for other long-term care services.

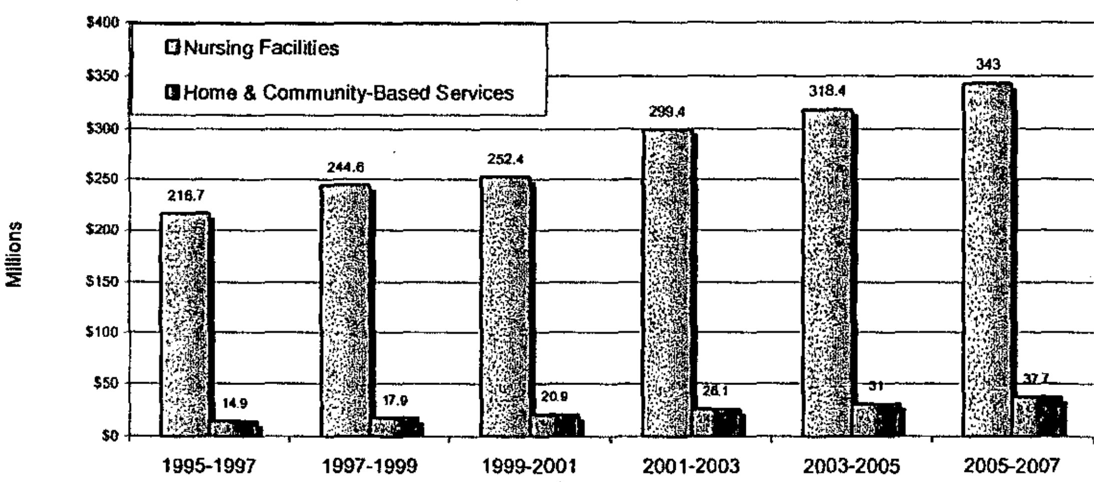

Figure 2: ND Long-Term Care Appropriations 1995-2007

Attachment B

References/Resources:

- ND Comprehensive Employment Systems: "An overview and Recommendations" Long-Term Care in ND. Prepared by:
  - Minot State University Center of Excellence – ND Center for Persons with Disabilities.
  - David Zentner – Feb. 2007

- Developmental Disabilities in ND: 2007 "A report of the structure, financing, and quality assurance of residential and community services". The Arc of ND contracted to have this report completed by:
  - Dr. David Braddock
  - Richard Hemp, M.A.
  - Department of Psychiatry – University of Colorado – January 8, 2007

We would be more than happy to get you copies of the reports and/or to discuss them in more detail. Thank you.

Testimony on SB 2012
Senate Appropriations Committee
January 17, 2007

Same given to Senate on 1-23-07

Chairman Fisher, members of the Senate Appropriations Subcommittee on Human Services, my name is Pat Crotty. I have been employed in the field of developmental disabilities for 13 years. Having worked in both residential and vocational areas of this industry, I can tell you that the vast majority of those of us who do this type of work are working at far less than a living wage. Like many of my co-workers, I work 2 jobs (and take care of an elderly parent.) Others in this field work one job and live at a poverty level because they have children at home that they must provide for. Still others in this field also go to school or college so that they can leave this field one day and earn a good living. (something that isn't possible at today's income in the DD field).

Frankly, I believe this industry is heading for a meltdown if we do not:

1) Improve the income of workers in this field
2) Provide the private agencies the necessary funding for them to provide the necessary standards of services that are required.

The average worker/employee in the D.D. field is required to have 18 months of training to remain employable in this industry (along with continuing education each year after becoming certified. On a daily basis we give medications, test glucose levels, provide insulin injections, we monitor finances of the clients we

serve, we do hygienic procedures such as, toileting, bathing, etc. All for an income similar to that of fast food workers, security guards, janitors, etc. Not surprisingly we have annual turnover rates above 47 percent. In the last 2 years we have lost many of our most experienced employees and replacing them has been extremely difficult.

In short, this is a profession in every sense of the word but not in income, title, recognition or prestige, and thus, people leave. What other industry could successfully operate with so many challenges? If the current system fails through lack of adequate funding and staffing, what will replace it? And will that cost our state even more funding in the future? Will our state eventually have to step in to take over this industry?

I hope you'll take my comments seriously because we need to change this and we need to do it now!

Thank you.

#10

TESTIMONY BEFORE SENATE APPROPRIATIONS COMMITTEE

JANUARY 17,2007
1:00PM

same given to House on 2-28-07

Senators, for the record, I am Russell Thane, a taxpaying and concerned citizen from Wahpeton, District 25. It is a pleasure to have this opportunity to appear before you. I spent 14 sessions sitting where you are and listening to hours of testimony on every imaginable subject.

As most if not all of you know, there are several group homes--in fact seven-- located in Wahpeton. There is also a thrift store, a day service facility, and a work activity center in our city. These homes and the facilities are well accepted by the people of Wahpeton. The people they serve are a part of our community. The dedicated men and women who provide the care and assistance to the so called developmentally disabled go far beyond being just caregivers. They become family to many of the residents.

You are aware that Betty and I have a grandson who is a Down syndrome child. He will be ten years old in February. We have had him in our home since he was a baby. Red River Human Services Foundation employees provide assistance to us several hours a day, five days a week and sometimes on Saturdays. Money cannot buy the care and affection they show toward him. They have helped him develop into an individual far beyond what we could ever have expected.

He is only one example and I use him to illustrate a point. Deinstitutionalizing has been successful. It has helped hundreds and more to achieve their full potential. They have done this with pay only slightly better than minimum wages!
We expect these people to be everything to the residents. They are

friends, they settle grievances, they take both mental and physical abuse, and they provide care 24 hours a day. They suffer burn out and often have to quit. The turnover rate is quite high--not always because of burn out but because of better pay in competitive areas.

There are few of us that would work in this field for the pay that they receive. What is being asked for is not out of line. The $1.50 per hour will help restore a competitive position and reduce the turnover.

Inflationary increases granted in the past have been appreciated, but have only been about one-half of the consumer price index inflation rate. Because of this we slip farther behind. The requested 5% for each year of the coming biennium is not an unreasonable request and provides little more than catch up.

There are other areas that need additional funding. I will just briefly mention them. Benefit costs are up. Staff enhancements are needed and that requires extra dollars. Guardianship services are needed and a slight increase in funding in this area would be required.

Committee members, I have taken enough of your valuable time. I don't envy task you have before you. According to the papers, Monday must have been quite a day! I must admit I miss being one of you. I will get over it. Retirement has never been part of my vocabulary. Thank you

#4

Good afternoon chairman and members of the committee. I'm Yvonne Stiefel. I live in Pick City. I am here because I'm the parent of a young man with a disability. My son's name is Brad. Brad is 28 years old, living in a apartment in Bismarck. Brad and his roommate receive 27 hours a week of support staff. They assist Brad with budgeting, meal planning , cooking , shopping, numerous skills to help him be more independent. They also provide security, emotional support, a sense of family and friendship.

One of my biggest concerns is Brad having someone there constantly to meet Brad's needs. New staff is always being trained but they don't stay. Something has to change! I'm hoping that increasing the wages and having insurance benefits will give people the incentive to look at support services as a career. Having someone consistent in Brads life would greatly enhance Brad's ability to become more independent.

Last week we had Brad's annual future plan meeting.
At that meeting Brad was informed that two of his support staff would be leaving . Brad was very upset. Just imagine if someone you care about, someone you depend on, someone that you see as a friend, a

family, member walks out of your life. The loss you would feel. That's what my son feels every time someone he has depended on leaves.

Please increase the funding so Brad can have what he needs to achieve as much independence as possible.

Thank You for the opportunity to speak.

Yvonne Stiefel
178 Thompson Lane N.
Pick City , ND 58545
487-3415

Same to House

Testimony on Senate Bill 2012
Developmental Disabilities
Senate Appropriations Committee
January 17. 2007

Chairman Fischer and members of the Senate Appropriations Subcommittee, thank you for the opportunity to testify on Senate Bill 2012 in regard to developmental disability services. My name is Tammy Amundson. I am the mother of one son who is 23. My son Joshua was diagnosed at about age 2 with Autism, Cerebral Palsy, and Mental Retardation. He is non-verbal and has severe self-abusive behaviors. Most of the behaviors are due to his being non-verbal and people not knowing what he needs or wants, and his frustration getting this across to staff.

In October of 2004, Joshua moved into an ICF-MR group home that is operated by Development Homes in Grand Forks. This was a very big adjustment for everyone. For Joshua, trying to have someone that doesn't know him trying to figure out his needs, and for staff to have the frustration of trying to help him when he isn't able to tell them what he wants or needs.

I also have been employed with Development Homes since June of 2006. I supervise the "float pool", the group of employees hired to fill in at the different sites if they have openings, to provide back-up when the residential program managers cannot find people to fill their shifts. I had openings when I took the position, and currently am short by 5 employees. Based on a survey done by Development Homes, and what staff have told me, one of the main reasons people leave is because of low wages. We cannot compete with other employers in town who can offer better wages. Shift work is another reason people leave. Overnight shifts aren't interesting to a lot of people, but that is part of the

job of making sure our clients get the services they need when they need them, 24 hours a day.

The turnover of staff in the group home where my son Joshua lives has been huge. During the two years he has lived there, at least 30 people have come and gone. The consistency has not been there for him, and that is so important to safety and well-being of all of the people who live there. Joshua needs staff one-on-one with him 24 hours a day, and he is totally dependent on them for many things, but most importantly for his safety and health. It takes a great deal of time and patience to get to know Josh, and for the bond and trust to develop. If we aren't able to keep staff that are so important to him, the consistency is just not there for him to be successful. We have the data that shows the more consistent his staffing and conditions are, the less self-abusive behaviors he has.

It takes a lot of time and training for the comfort zone to be established with the individuals we serve at Development Homes. To obtain this we need staff who are going to make a commitment to this profession. When they can go somewhere else and make more money, they can unfortunately miss out on a very rewarding career. I feel the goal would be to have people want to make this a career and have the lives of our loved ones be as full as they can be.

In closing, to "Value our most Vulnerable" I would respectfully ask you to consider the increases that the North Dakota Association of Community Facilities is requesting, including an increase of wages of $1.50 per hour for direct support staff, plus the 5% inflationary increase each year and 3% increase in benefits, so expenses in these areas do not negatively affect wages. Thank you.

(4)

Hourly Wage Increase for DD Providers			
Scenarios	Total Funds	State Funds	Federal Funds
$0.60 in Governor's Budget	$10,689,403	$3,884,529	$6,804,874
$0.80	$14,252,537	$5,179,372	$9,073,165
$1.00	$17,815,672	$6,474,215	$11,341,457
$1.20	$21,378,806	$7,769,058	$13,609,748

Comparison of Add'l Funds Needed

	$0.60 in Governor's Budget	**$0.80 Scenario**	Add'l Funds Needed
General	$3,884,529	$5,179,372	**$1,294,843**
Federal	$6,804,874	$9,073,165	$2,268,291
Total	$10,689,403	$14,252,537	$3,563,134

	$0.60 in Governor's Budget	**$1.00 Scenario**	Add'l Funds Needed
General	$3,884,529	$6,474,215	**$2,589,686**
Federal	$6,804,874	$11,341,457	$4,536,583
Total	$10,689,403	$17,815,672	$7,126,269

	$0.60 in Governor's Budget	**$1.20 Scenario**	Add'l Funds Needed
General	$3,884,529	$7,769,058	**$3,884,529**
Federal	$6,804,874	$13,609,748	$6,804,874
Total	$10,689,403	$21,378,806	$10,689,403

Direct Service Hourly Allowances
Developmental Disability Staff

		07/09 Governor's Budget		
	"Current" Hourly Allowances - July 1, 2006	Current Hourly Allowances Inflated 3% - July 1, 2007	With $0.60 Hourly Wage Increase - July 1, 2007	Inflated 3% - July 1, 2008
Residential				
1st FTE	$12.48	$12.85	$13.45	$13.85
2nd FTE	$11.25	$11.59	$12.19	$12.56
Awake	$9.62	$9.91	$10.51	$10.83
Standby	$8.06	$8.30	$8.90	$9.17
Remaining	$9.62	$9.91	$10.51	$10.83
Day Supports	$10.16	$10.46	$11.06	$11.40
Extended Services	$10.16	$10.46	$11.06	$11.40
ISLA	$10.16	$10.46	$11.06	$11.40
FSS-IHS	$10.16	$10.46	$11.06	$11.40

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Testimony on SB 2012
House Appropriations
February 27, 2007

Chairman Pollert and members of the committee, my name is Tammy Ibach. I am the niece of Arlene, age 69, a person with developmental disabilities who lives in Bismarck. Today I speak to you as the next generation of family who will tend to the needs of today's aging developmentally disabled.

Twenty nine year ago, my father took me to meet my aunt Arlene who was a resident at the institute in Grafton. That day has etched a memory in my mind that I will never forget. I saw a woman who looked like my father but was curled up in a corner and had fear in her eyes. Today Arlene sits in a chair in her apartment and waits for a familiar face.

Arlene is the recipient of 24 hour care. Familiar faces are becoming rarer with the constant turnover in staff. Within the last few years, Arlene has had to learn to live with many new faces and each transition is becoming more difficult. She retreats into a corner, becomes fearful, eats little to nothing and will often scream.

My aunt Arlene thrives with a consistent routine, familiar faces and safe environment. Her best days are when family visit and speak German. She speaks German with them and her memory takes her to her to the days when she was a little girl.

I believe people who choose to work with developmentally disabled are called to the profession much like a calling to the military or a calling to a religious vocation. Each day these professionals choose to care for those that cannot care for themselves. Their compensation should match the dedication they deliver as well as the emotional and physical toll it places on their bodies. Wages need to be fair to retain them.

As the workforce in North Dakota continues to shrink, you as legislators will be challenged to make decisions you never envisioned. In my life I can make decision to cut back or provide less for my children because I am capable and can make decisions. My aunt Arlene and thousands of others are dependent on you to make solid decisions for them.

Thank you.

Mr. Chairman and members of the House Appropriations Committee, thank you for giving me the opportunity to testify on Senate Bill2012 regarding funding for programs for individuals with Developmental Disabilities. My name is William J. (Bill) Cook. I am a farmer and the father of three children. I have been a board member of the Open Door Center for the past 23 years, currently president. My wife and I have been active members of the Arc. I was local president for a number of years. I also was on the state board and held numerous positions. I had the privilege of serving as state president of the Arc of North Dakota during the final years of the Arc lawsuit with the state of North Dakota.

Rebekah, (Bekah) our second child, who is now 29, was born mentally handicapped. She is considered to be in the moderate to severe range of mental retardation, functioning in the 4-5 year old range. She is now verbal! This is something she has worked very hard to overcome. At the age of 4 her vocabulary was limited to maybe 4 or 5 words. She was in the preschool program at this time. Sign language was unsuccessfully attempted. A picture board was tried next consisting of maybe six pictures. This began a very long journey in the development of her speech. Her speech today is not in complete sentences; but she can and does communicate quite well. Because of this frustration with her speech and her disability, she has developed an ability of manipulating people and situations to get what she wants including sometimes becoming aggressive. Think

of a blind person. A blind person will develop their sense of touch and hearing as a substitute for their ability to see. An example of Bekah's manipulating might be something like this. If Bekah was in the car with you, Bekah might say, "Bekah bathroom gas station". Well if someone needs the bathroom what do you do? You take them! Right? If you take Bekah to the bathroom at the gas station, after the bathroom you can expect to hear "Bekah pop" not one but "two". One is often negotiating with her and sometimes implementing behavior intervention techniques.

First the pop, next stop would be the chips, (not a single small bag but the large variety pack) and possibly the candy and after the items are paid for she would attempt to load up on the free pamphlets. People that are familiar with her can usually redirect her or negotiate a reasonable settlement. For Bekah, it's like putting a quarter in a slot machine and hoping for the best. Staff needs to be with Bekah to walk her through her perseverations. They need to continue to talk with her indicating the reasons for not obtaining all of the desired objects. They have to offer options to redirect her. They need to continue to parley with her to move her away from her perseverations to prevent any behavior incidents. In order to do this staff must be very familiar with Bekah's likes, dislikes, possible perseverations and behavior programs. She needs staff that work day in and day out with her.

Bekah received services from the Open Door Center while she was living at

home and attending school. At age 20 we asked for and received residential placement in an ICF group home and day services though the Open Door Center. My wife and I did this because we wanted vocational training for Bekah. We felt that this was the best age for Bekah to make that adjustment. We were also dealing with behavior sometimes out of control both at school and home. Many times we asked the school system to provide a behavioral modification program for school and home for Bekah. The school system was unwilling to do this. Upon entering the Open Door Center program a behavior intervention program was implemented as standard operating procedure. We didn't even have to ask for it! There is no doubt in my mind that making that move was the right thing to do at the right time. The only frustration that we as parents have is the turnover of staff and on occasion the quality of the staff person. The overwhelming majority of staff that assist Bekah are and have been very wonderful, dedicated people but occasionally new, inexperienced staff is assigned because of a vacant position. It is very difficult for Bekah to have someone new assisting her who is not familiar with her and her program. She seems to sense their inexperience and vulnerability. Bekah had the same teacher all through grade school and another all though junior and senior high. She comes from a close rural farm family. Having to work with someone new is not easy for Bekah. The change is difficult and may create behavior problems. She is very happy to see the

same staff working with her day-by-day. Bekah has made tremendous strides with her behavioral modification program. Consistency is the key here - staff that know and understand the program. She now lives in an apartment with staff supervision. Bekah has a paper route delivering the Times-Record five days a week. She does janitorial work at the local thrift store and at the Winter Show when work is available. She also works on Navy bags, a NISH contract. She loves Special Olympics participating in bowling, basketball, snowshoeing and track and field. She belongs to the local self-advocacy group and also attends church on a regular basis. She is a happy individual who is content with her life.

At every board meeting we discuss with our Personnel Director the job openings and our ability to fill them. Often times I know the job openings are filled with inexperienced people (a few seem to be just a warm body), as there is no one else available to work for that wage. What else can we do? Retaining and obtaining quality staff is very difficult with the current wage structure. My philosophy as a parent has always been to provide what is appropriate and necessary for each of our children. I hope that the state of North Dakota feels the same towards its citizens with disabilities. Your support of the salary adjustment would be greatly appreciated.

Thank You.

Bill Cook, President, Open Door Center Board of Directors, Valley City, ND

Yvonne Stiefel
178 Thompson Lane
Pick City, ND 58545

Good afternoon Chairman and Committee. I'm Yvonne Stiefel. I live in Pick City. I am here because the decisions you make affects me and my son, Brad's life everyday. Brad is a 28-year-old young man with a disability. Brad was educated in Underwood because Brads home school could not meet his needs. In 1999 he graduated from high school with plans was to live in Bismarck. Brads Developmentally Disability Case Manager said there was no money to provide Brad with Independent Supported Living Arrangement services, so Brad spent the summer a home.

In Sept. his case manager found someone who was looking for a roommate that had 27 hrs. a week of services and was willing to share his hours. Brad moved in with Chad in Dec. Although not the Ideal roommate, Brad was able to start a life of his own. In 2003 we got 2 hours a week for Brad. In January of this year we had Brads annual future plan meeting as I do every year I asked Brad DD case manager about getting some more ISLA hours for Brad, she referred me to the director of DD services, I contacted him and he said, that due to the lack of funding and the amount of people they have to

service, there priority was the health and safety of there clients. But what about the support that people with disabilities need to achieve their goals in life. I believe if Brad had the consistent support staff he needed to achieve his life goal he wouldn't need that much support down the road. OK lets pretend Brad get the support hours he needs the next barrier is consistent qualified staff. From what I see it's just a revolving door of staff, they barely get trained and they leave for a better paying job.

In the last 7 years there is only one staff person that has been consistent and she only works one day a week, because she has two other jobs. Brad had one staff person that just loved the boys but she could not stay because she could not afford the car insurance that she had to have because she transported the boys. At the end of the month there will be 2 staff persons there that the boys feel secure with, and they only work 2 days a week. The rest are new and chances are they will step though that revolving door. Along with staff going through that revolving door, is the money that has been spent training them, probably background checks whatever else that an agency has to do. I use to own a business I invested money in training my staff and they became loyal, valuable employees but I

also had to pay them a decent wage to keep them. I just makes good business sense.

Brad and Chad don't see staff as employees they see them as people that provide them with security, emotional support, a sense of family and friendship. Just imagine if someone you care about someone you depended on, someone you see as a friend or a family member walks out of your life, and the loss you would feel. That's what he feels every time someone he depends on leaves.

SOMETHING HAS TO CHANGE! Increasing wages and providing benefits for support service providers will give them incentive to choose support services as a career. The need is only going to be greater with our aging population. Consistence support service providers are the key to achieving a stable and nurturing environment for people with disabilities. Please increase the funding STOP THE REVOLVING DOOR so Brad can have what he needs to achieve his goals of being an independent, tax paying, ~~acting~~ active member of the community and be able to exercise his right choose where and with whom he wants live. ~~and with whom he wants~~. Thank you for the opportunity to speak.

Respectfully Yvonne Stiefel

North Dakota Department of Human Services
Medical Services Division
Long-Term Care Continuum

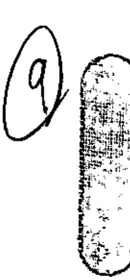
History of Increases to DD Providers

FISCAL YEAR BEGINNING	BIENNIAL COST OF LIVING INCREASE	FRINGE BENEFITS (% of salaries)
July 1, 2006	$0.20 * plus 2.65%	33%
July 1, 2005	$0.15 * plus 2.65%	33%
July 1, 2004	no inflation	33%
July 1, 2003	no inflation; $.87 *	33%
July 1, 2002	no inflation **	30%
July 1, 2001	2.2% plus $.10 *	30%
July 1, 2000	2%	30%
July 1, 1999	2% plus $.36 *	30%
July 1, 1998	2.2%	25%
July 1, 1997	2.2% plus $.44 *	25%
July 1, 1996	3.5%	25%
July 1, 1995	3.5%	25%
July 1, 1994	2%	25%
July 1, 1993	2%	25%
July 1, 1992	0%	25%
July 1, 1991	4%	25%
July 1, 1990	2%	25%
July 1, 1989	2%	25%
July 1, 1988	1.6%	25%
July 1, 1987	1.6%	21%
April 1, 1987		
July 1, 1986	4%	21%
July 1, 1985	0%	18%
July 1, 1984	5%	18%

Notes - Biennial Cost of Living Increase:

* $.20 wage increase (July 1, 2006) plus 2.65% inflation applicable to professional and direct contact staff.
* $.15 wage increase (July 1, 2005) plus 2.65% inflation applicable to professional and direct contact staff.
* $.87 wage increase (July 1, 2003) applicable to professional and direct contact staff.
* $.10 wage increase (July 1, 2001) applicable to direct contact staff only.
* $.36 wage increase (July 1, 1999) applicable to professional and direct contact staff.
* $.44 wage increase (July 1, 1997) applicable to direct contact staff only.

** No inflationary increase July 1, 2002 due to budget constraints.



Testimony on SB 2012

Developmental Disabilities

Senate Appropriations Subcommittee

January 17, 2007

Chairman Fischer and members of the Senate Appropriations Subcommittee, thank you for the opportunity to testify on SB 2012, which includes the budget for developmental disability providers and services. My name is Barbara Murry, and I'm the President of the North Dakota Association of Community Facilities.

NDACF, the life long care industry, is made up of 27 nonprofit and for profit agencies in the state. We provide services to 4,000 individuals who are developmentally disabled, and 6,400 people, in total, when looking at all populations served. We serve people in 89 communities. Approximately 4,800 North Dakotans work for member agencies.

As providers, we are proud of the work we do and are committed to providing quality services. We support a very vulnerable population and strive to provide services that assist people to live as independently as possible.

I will give a brief overview of our needs and call on several other providers, staff, and family members to testify. Former Senator Russ Thane will testify on the impact of current funding on families and on the industry over the years. Tammy Amundson, supervisor at Development Homes in Grand Forks and parent of a son with disabilities will testify on turnover and the impact on services. Pat Crotty, full-time staff at Enable, Inc. and part-time staff at Pride, Inc. will testify on working in developmental disabilities as a career. Donna Byzewski, Catholic Charities is available for questions on guardianship. Jon Larson, Executive Director of Enable, Inc. in Bismarck will testify on ISLA and Developmental Center transition.

I support the starting point for DD in Governor's budget and request budget enhancements in several areas.

1. **A $1.50 per hour increase for all staff working for DD providers.** The Governor's budget currently includes $.60 per hour. Each $.10 per hour increase costs approximately $641,000 in general funds. A wage study conducted in 2002 concluded that the average wage should increase by $2.19, when adjusted for inflation. Turnover, which slowed significantly after the $.87 per hour was given four years ago, has again risen to just above 50%. Turnover experienced by providers does not result in "roll-up" dollars. Instead, providers are forced to pay overtime, as shifts must be covered. Turnover is extremely costly due to training, advertising and overtime. Recent national studies have indicated that staff turnover in DD is associated with pay, the support needs of the individuals, and paid leave and health benefits. NDACF has worked hard to address some of the non monetary issues associated with turnover by offering a mid management certificate program and the Steven Covey management training program.
2. **An inflationary increase of 5% each year of the biennium**. This would cost approximately $9,711,000 in General Funds and $17,000,000 in Federal Funds. The Governor's budget supports a 3% increase each year of the biennium. To give you an example of our wage dilemma - the 20 year old daughter of one of my staff currently makes more as an assistant supervisor at Kohl's, where she has worked for a year, than mid management supervisors who have been with my agency for 15 years. Three of 27 DD business managers have resigned in the last three months. One of the local business managers - a 20 year veteran in the DD field, recently resigned to go work for the state where she will receive a significant salary increase and health plus retirement benefits of close to $12,000 a year. Providers have received 17% less in inflationary increases than state employees during the past 20 years. Providers have experienced significant increases in costs. Our fixed costs continue to increase more than 3%. For example, our utility costs have increased over 35% between 2005 - 2007.
3. **A additional 3% increase in benefits.** Health insurance costs rose more than

25% for providers during the 2005 - 2007 biennium and our employees have had to pick up much of the additional costs. Most companies have reduced benefits and increased the cost to employees. Our benefits include mandatory costs for FICA, Medical FICA, workers compensation and unemployment.

4. **Staff enhancements are needed to support individuals with developmental disabilities who are medically fragile or have increased behavioral needs.** Staff enhancements are an increased staffing ratio, based on the specific needs of one person served. The Department of Human Services has not been able to grant staff enhancements for a number of years. School age individuals who may require enhanced staff due to behaviors or medical concerns do not get the same level of enhancement in adult services. As individuals get older and stronger, severe behaviors become more dangerous to others served and to staff. Staff at my own organization have been bitten, whipped with a broom handle and punched in the face in the last six months. We serve a person who frequently becomes violent. When this occurs, staff must rush over from various parts of the building to assist his primary staff. They sometimes must restrain him on the floor until he is calm.
5. **ISLA (Individualized Supported Living Arrangement)** or the apartment support program, can be a less costly option for some people. It has increasingly become the option of choice by people with disabilities because of the program's flexibility. We request that additional dollars be added to DHS's budget to support increased placements. We strongly support the funding of the Departments optional adjustment request number 4, the *Developmental Center's Transition Plan*, which would move an additional 30 individuals into the community, allowing additional ISLA placements and moves towards rectifying the administrative allocation disincentive.
6. **Guardianship** - The need continues for corporate guardianship services for people with developmental disabilities. We support the Governor's budget which covers the cost of the daily rate, petitioning and elimination of the current waiting list.

The average age of a staff person working in Developmental Disabilities is 37. Our staff are the most compassionate, committed, and hardest working people out there. They are asked to assume difficult jobs. They want to remain in North Dakota and be a part of the community, and stay in this field, supporting people with disabilities. However, they see others getting much larger wage increases. They are then left with difficult choices: staying in this profession and working two or even three jobs, or leaving the field and the individuals they love to support their family. They are painfully aware that turnover creates a huge sense of loss, and know the problems that will arise with trust and skill retention for the individuals they support. They worry what will happen to the individuals with disabilities when they leave.

I urge you to value the most vulnerable and adopt our platform, which I have attached. Please increase wages by $1.50 an hour and increase the inflationary adjustment to 5% to support these 4,800 unsung heros working in our agencies.

I would be happy to answer any questions. Thank you for the opportunity to testify.

PUBLIC POLICY PLATFORM 2007 – 2009 BIENNIUM

1) *WAGES*

A wage study conducted in 2002 concluded that the average wage for workers who provide Community Based Developmental Disability Services should increase by $2.19 (inflation adjusted to 2007). Although we have received some allowance for wage increases, the competitive position of Community Providers continues to erode and our turnover remains unacceptably high (50% in 2006). We are requesting an increase of $1.50 per hour for all DD Community Provider staff.

2) *INFLATION ADJUSTMENT*

General inflation increases granted to Community Providers since 2000 have been approximately one-half of the CPI inflation rate for the same time period. We request a 5% inflation increase for each year of the 2007-2009 Biennium.

3) *BENEFITS*

Benefit costs continue to increase for Community Providers. Specifically, health insurance costs have increased by double digit percentages each year and our employees have had to pick up much of the additional costs. Our benefits include mandatory costs for FICA, Medical FICA, workers compensation and unemployment. We respectfully request a 3% increase in benefits.

4) *ENHANCEMENTS*

As people we support age or other changes occur in their lives, often times increased needs arise. Staff enhancements have not been available from the Department to adequately address those needs. Additional funding is required for complex behavioral and medical care.

5) *ISLA*

ISLA placements can be a less costly, less restrictive service option for some people with high level support needs. We request that dollars be appropriated to allow the addition of one ISLA placement per Community Service Provider per year of the biennium. Additionally, we request the Department of Human Services change the administrative allocation process to remove the disincentive for the ISLA Program.

6) *GUARDIANSHIP*

The need continues for corporate guardianship services for people with developmental disabilities who have no one available or appropriate to serve as guardian on their behalf. We request an annual allocation of $15,000 for petitioning expenses or $30,000 for the biennium, an increase from $3.92 per day/per ward to $4.80 per day/per ward; an increase in the number of people that we can serve to help eliminate the current waiting list of twenty-six (26) people and an annual inflation increase equal to other Human Service providers.

North Dakota Association of Community Facilities

Support an Increase in Wages and Benefits for Developmental Disability Employees

- **Support a 5% inflationary budget increase.**
- **Support a $1.50 hourly wage increase to become competitive with the labor market in North Dakota.**

We are more than 4,600 employees in North Dakota living in 80 communities who provide support services for thousands of people with developmental disabilities. The average age of employees is 37 years.

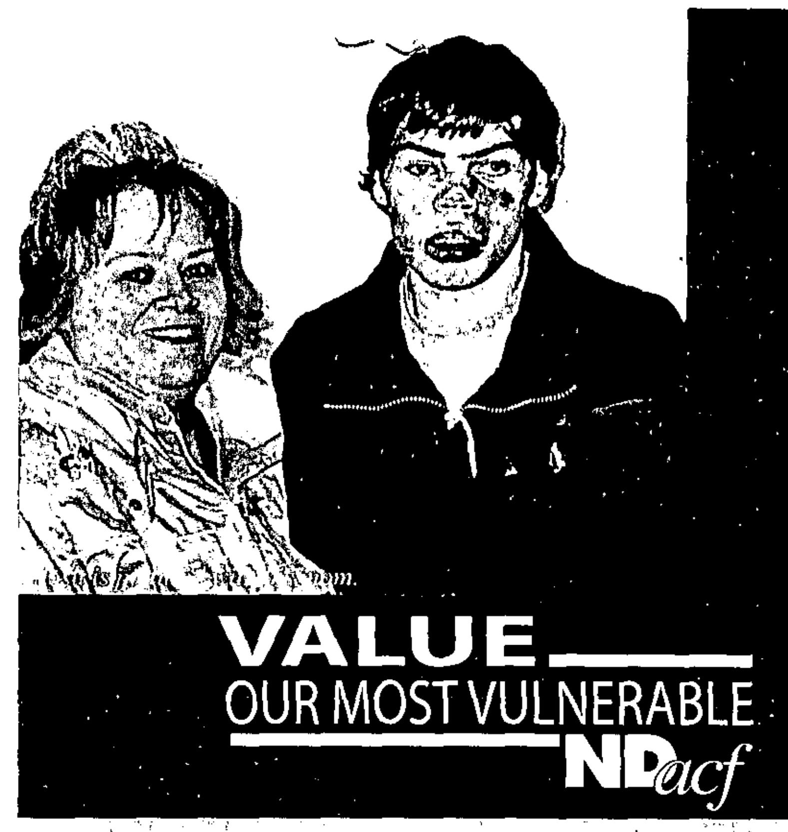
Our goal is to continue giving quality and consistent support for people with developmental disabilities. Providing competitive wages will enable us to decrease employee turnover leading to better outcomes for our clients.

Hourly Wage Comparison *Entry level*

Employer	Position	Wage/Hr
Fast Food*	Server	$10.00
Big Box Retail*	Cashier	$9.00
DD Provider	Direct Care Staff	$8.09

Source: NDacf December 2006
** Bismarck-Mandan rates*

Current turnover rates for DD providers are nearly 50%.



Meet Josh – a young man in this 20's who receives one-on-one care all day, yet works and has made every attempt to be an active, contributing person in today's world. He lived with his parents until he was 20 and due to his autism, cerebral palsy and mental retardation, more help was needed.

Without the ability to speak, building trust is key for Josh and consistency in care is critical. Learning to communicate with Josh is the greatest hurdle and when staff is replaced, it takes a great deal of extra care to prevent Josh from abusing himself.

With your help, our goal is to provide a continuum of care for Josh and thousands of people. By providing consistent care, Josh can participate in life by working in a janitorial position and doing the tasks he so enjoys.

Support an Increase in Wages and Benefits for Developmental Disability Employees

Testimony on SB 2012
Senate Appropriations
Sub Committee on Human Services
January 23, 2007

Chairman Fisher and members of the committee, my name is Jon Larson. I am the executive Director of Enable, Inc, a licensed service provider for people with developmental disabilities in Bismarck and Mandan. I am also here today to testify on behalf of the North Dakota Association of Community Facilities (NDACF).

I am focusing my testimony today on an OAR contained in the executive budget regarding transitioning people residing at the developmental center to community settings. This is OAR number 4.

We began working with Alex Schweitzer and other representatives of the Department of Human Services prior to the last legislative session and brought to you a plan to get moving again on placing people from the developmental center in Grafton to community settings. We were instructed by the 2005 legislative session to study this process and to get started moving people where and when it was appropriate to do so. $50,000 was provided to aid in this process.

Alex Schweitzer chaired a committee consisting of developmental center staff, case management staff, central office staff, community provider representatives and representatives from advocacy and consumer groups. That committee met several times and studied the complexities involved in continuing to place people from the developmental center and established the following recommendations.

1) Every individual with Developmental Disabilities residing at the Developmental Center and State Hospital will have a placement plan developed in order to place them in an **appropriate** community placement.
2) To accomplish this goal there is a need for community capacity building with the following elements in place;

a) A statewide crisis prevention and response system that is based on a "zero reject" model.

b) Increased need for crisis intervention services, to include;

   1. Crisis Beds.
   2. Out-of-Home Crisis Residential Services.
   3. In-Home Technical Assistance.
   4. Follow-Along Services after Out-of-Home Crisis Residential Services placement.
   5. Training for community professional and direct care staff.

c) Increased need for consultation;

   1. Behavioral plan consultation and oversight.
   2. Consultation for individuals with sexual health issues.
   3. Psychiatric and psychological consultation and services.

3) Changes in funding and staffing, to include;

   a) Review and amend where appropriate administrative rules that are a disincentive for ISLA placement.

   b) Increase funding for ISLA placements, including increased administrative reimbursement for existing and new ISLA placements.

   c) Recruitment and retention of staff, particularly for direct service staff positions, since it is difficult to compete with other service industries and as well as the retail sector.

      1. Salary funding increases to get ahead of turnover.
      2. Funding for appropriate enhancements to serve increased medical and behavioral needs.

4) The transition goal for July 1, 2007 is for a maximum population of 127 individuals residing at the Center.

5) The transition goal for July 1, 2009 is for a maximum population of 97 individuals residing at the Center.

6) The transition goal for July 1, 2011 is for a maximum of 67 individuals residing at the Center.

Funding for these recommendations is contained n OAR #4. The total cost in this OAR is $8,146,353 which consists of $3,698,744 in General Funds and $4,447,609 in Federal Funds.

I believe it is extremely important that we make this investment in building capacity in community settings so that we can continue our process of placing people from institutional settings into their home communities. I urge your consideration of funding OAR #4.

Thank-you for this opportunity to testify today. I would be glad to answer any questions you may have.

Jon Larson, Executive Director Enable, Inc.
North Dakota Association of Community Facilities

Testimony on SB 2012
House Appropriations
Sub Committee on Human Services
February 28, 2007

Chairman Fisher and members of the committee, my name is Jon Larson. I am the executive Director of Enable, Inc, a licensed service provider for people with developmental disabilities in Bismarck and Mandan. I am also here today to testify on behalf of the North Dakota Association of Community Facilities (NDACF).

I am focusing my testimony today on an OAR contained in the executive budget regarding transitioning people residing at the developmental center to community settings. This is OAR number 4.

We began working with Alex Schweitzer and other representatives of the Department of Human Services prior to the last legislative session and brought to you a plan to get moving again on placing people from the developmental center in Grafton to community settings. We were instructed by the 2005 legislative session to study this process and to get started moving people where and when it was appropriate to do so. $50,000 was provided to aid in this process.

Alex Schweitzer chaired a committee consisting of developmental center staff, case management staff, central office staff, community provider representatives and representatives from advocacy and consumer groups. That committee met several times and studied the complexities involved in continuing to place people from the developmental center and established the following recommendations.

1) Every individual with Developmental Disabilities residing at the Developmental Center and State Hospital will have a placement plan developed in order to place them in an **appropriate** community placement.

2) To accomplish this goal there is a need for community capacity building with the following elements in place;

a) A statewide crisis prevention and response system that is based on a "zero reject" model.

b) Increased need for crisis intervention services, to include;

1. Crisis Beds.
2. Out-of-Home Crisis Residential Services.
3. In-Home Technical Assistance.
4. Follow-Along Services after Out-of-Home Crisis Residential Services placement.
5. Training for community professional and direct care staff.

c) Increased need for consultation;

1. Behavioral plan consultation and oversight.
2. Consultation for individuals with sexual health issues.
3. Psychiatric and psychological consultation and services.

3) Changes in funding and staffing, to include;

a) Review and amend where appropriate administrative rules that are a disincentive for ISLA placement.

b) Increase funding for ISLA placements, including increased administrative reimbursement for existing and new ISLA placements.

c) Recruitment and retention of staff, particularly for direct service staff positions, since it is difficult to compete with other service industries and as well as the retail sector.

1. Salary funding increases to get ahead of turnover.
2. Funding for appropriate enhancements to serve increased medical and behavioral needs.

4) The transition goal for July 1, 2007 is for a maximum population of 127 individuals residing at the Center.

5) The transition goal for July 1, 2009 is for a maximum population of 97 individuals residing at the Center.

6) The transition goal for July 1, 2011 is for a maximum of 67 individuals residing at the Center.

Funding for these recommendations is contained n OAR #4. The total cost in this OAR is $8,146,353 which consists of $3,698,744 in General Funds and $4,447,609 in Federal Funds.

The Senate partially funded this proposal by adding $900,000 General Funds with the match of $1,598,612 In Federal funds for a total of $2,498,808. We are grateful to the Senate for adding this funding and we are hopeful that you will add the balance of this request to the SB 2012 appropriation.

I believe it is extremely important that we make this investment in building capacity in community settings so that we can continue our process of placing people from institutional settings into their home communities. I urge your consideration of funding the balance of the request contained in OAR #4.

Thank-you for this opportunity to testify today. I would be glad to answer any questions you may have.

Jon Larson, Executive Director Enable, Inc.
North Dakota Association of Community Facilities

Testimony on SB 2012

Developmental Disabilities

House Appropriations - Human Resources Subcommittee

February 28, 2007

Chairman Pollert and members of the House Human Resources Subcommittee, thank you for the opportunity to testify on SB 2012, which includes the budget for developmental disability providers and services. My name is Barbara Murry, and I'm the President of the North Dakota Association of Community Facilities.

NDACF, the life long care industry, is made up of 27 nonprofit and for profit agencies in the state. We provide services to 4,000 individuals who are developmentally disabled, and 6,400 people, in total, when looking at all populations served. We serve people in 89 communities. Approximately 4,800 North Dakotans work for member agencies.

As providers, we are proud of the work we do and are committed to providing quality services. We support a very vulnerable population and strive to provide services that assist people to live as independently as possible.

I will give a brief overview of our needs and call on several other providers, staff, and family members to testify. Former Senator Russ Thane will testify on the impact of current funding on families and on the industry over the years. Tammy Amundson, supervisor at Development Homes in Grand Forks and parent of a son with disabilities will testify on turnover and the impact on services. Bill Cook, Board President and parent at Open Door Center. in Valley City will testify on services and the impact on his child. Donna Byzewski, Catholic Charities is available for questions on guardianship. Jon Larson, Executive Director of Enable, Inc. in Bismarck will testify on ISLA and Developmental Center transition.

DD is requesting enhancements to the Governor's budget as amended by the Senate in several areas.

TO: HUMAN RESOURCES SUBCOMMITTEE,
HOUSE APPROPRIATIONS COMMITTEE
REPRESENTATIVE CHET POLLERT, CHAIRMAN

SUBJECT: MEASURING PROGRESS OF INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES THROUGH THE VARIOUS HOME AND COMMUNITY BASED SERVICES

Requested by: Rep. Alon Wieland
March 12, 2007

The service delivery system at the community level is comprised of an array of residential and day supports that are put in place to address the individual needs of the clients. There is not a continuum of services through which individuals are expected to progress. For example, one individual may move from a group residential setting to an individual supported apartment setting, while another individual's residential needs continue to be best met in the group setting, even though their adjustment to and functioning within the community may be very similar. We therefore do not attempt to measure "progress" through the services. There are however other quality indicators.

As a state, North Dakota has continued to move in the direction of providing services in smaller community-based settings. Attached is a one-page document excerpted from a July 2006 University of Minnesota publication entitled "*Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2005*," which shows that between 1987 and 2005

- the number of individuals receiving Home and Community Based Services increased from 724 to 3,077,
- the number of individuals residing in the state institution decreased from 398 to 140, and
- the number of people living in ICF/MR's decreased from 892 to 610.

Also attached is a document entitled "*CQL Accreditation in North Dakota, Data Presentation: Personal Outcome Measures 2002-2005*." CQL is the national accrediting body through which all DD residential and day support providers in North Dakota must achieve accreditation. Note that "North Dakota providers consistently out-perform the National percentages of Outcomes and Supports present in the lives of people receiving services."

Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2005

July 2006

Research and Training Center on Community Living
Institute on Community Integration/UCEDD

The College of Education
& Human Development

UNIVERSITY OF MINNESOTA

Table 3.8 HCBS Recipients and Community ICF-MR Residents by State on June 30, 2005

State	Total HCBS Recipients	Residents of Community ICFs-MR	Residents of HCBS & Community ICFs-MR	Residents of all ICFs-MR	ICF-MR & HCBS Recipients	Community ICF-MR & HCBS as % of all ICF-MR & HCBS Recipients
AL	4,979	26	5,005	240	5,219	95.9%
AK	1,003	0	1,003	0	1,003	100.0%
AZ	16,724	40	16,764	193	16,917	99.1%
AR	3,329	316	3,645	1,586	4,915	74.2%
CA	61,587	6,087	67,674	10,369	71,956	94.0%
CO	6,775	17	6,792	122	6,897	98.5%
CT	6,583	326	6,909	1,165	7,748	89.2%
DE	732	0	732	172	904	81.0%
DC	609	767	1,376	767	1,376	100.0%
FL	26,003	249	26,252	3,370	29,373	89.4%
GA	8,475	0	8,475	1,128	9,603	88.3%
HI	2,040	88	2,128	88	2,128	100.0%
ID	1,702	469	2,171	559	2,261	96.0%
IL	10,457	3,418	13,875	9,592	20,049	69.2%
IN	9,285	3,254	12,539	3,931	13,216	94.9%
IA	10,933	625	11,558	2,182	13,115	88.1%
KS	6,771	209	6,980	636	7,407	94.2%
KY	2,654	24	2,678	727	3,381	79.2%
LA	5,324	3,056	8,380	5,460	10,784	77.7%
ME	2,604	202	2,806	236	2,840	98.8%
MD	9,438	0	9,438	367	9,805	96.3%
MA	11,126	0	11,126	1,049	12,175	91.4%
MI	8,601	0	8,601	190	8,791	97.8%
MN	14,468	1,633	16,101	2,471	16,939	95.1%
MS	1,940	619	2,559	2,655	4,595	55.7%
MO	8,268	55	8,323	1,185	9,453	88.0%
MT	2,023	0	2,023	79	2,102	96.2%
NE	2,908	9	2,917	616	3,524	82.8%
NV	1,326	90	1,416	197	1,523	93.0%
NH	3,154	0	3,154	25	3,179	99.2%
NJ	9,075	0	9,075	3,053	12,128	74.8%
NM	3,571	220	3,791	220	3,791	100.0%
NY	51,486	5,247	56,733	8,558	60,044	94.5%
NC	6,753	2,005	8,758	4,306	11,059	79.2%
ND	3,077	440	3,517	610	3,687	95.4%
OH	11,736	2,238	13,974	6,959	18,695	74.7%
OK	4,418	386	4,804	1,656	6,074	79.1%
OR	8,863	0	8,863	43	8,906	99.5%
PA	24,896	1,055	25,951	4,058	28,954	89.6%
RI	2,991	17	3,008	40	3,031	99.2%
SC	4,774	779	5,553	1,712	6,486	85.6%
SD	2,467	0	2,467	169	2,636	93.6%
TN	4,836	524	5,360	1,330	6,166	86.9%
TX	12,317	5,356	17,673	11,924	24,241	72.9%
UT	3,832	40	3,872	794	4,626	83.7%
VT	2,003	6	2,009	6	2,009	100.0%
VA	6,759	178	6,937	1,805	8,564	81.0%
WA	9,461	57	9,518	796	10,257	92.8%
WV	3,648	456	4,104	515	4,163	98.6%
WI	12,987	67	13,054	1,822	14,809	88.1%
WY	1,837	0	1,837	88	1,925	95.4%
US Total	443,608	40,650	484,258	101,821	545,429	88.8%

Table 3.11 Utilization Rates Per 100,000 of State Population for ICF-MR, HCBS and All Residential Service Recipients by State on June 30, 2005

State	State Populations (100,000)**	ICF-MR Residents 1-6	7-15	1-15	16+	Total	HCBS & ICF-MR Recipients HCBS	HCBS & Community ICFs-MR	All HCBS & ICFs-MR	All Residential Service Recipients (Medicaid and non-Medicaid funded)* 1-6	7-15	1-15	16+	Total
AL	45.58	0.0	0.6	0.6	4.7	5.3	109.2	109.8	114.5	45.4	19.7	65.1	4.7	69.8
AK	6.64	0.0	0.0	0.0	0.0	0.0	151.1	151.1	151.1	126.0	0.0	126.0	0.0	126.0
AZ	59.39	0.0	0.7	0.7	2.6	3.2	281.6	282.3	284.8	60.3	0.7	61.0	3.0	64.0
AR	27.79	0.0	11.4	11.4	45.7	57.1	119.8	131.2	176.9	43.7	30.0	73.8	56.9	130.6
CA	361.32	16.8	0.0	16.8	11.9	28.7	170.4	187.3	199.1	126.1	4.1	130.2	16.1	146.3
CO	46.65	0.4	0.0	0.4	2.3	2.6	145.2	145.6	147.8	94.6	10.7	105.3	2.3	107.6
CT	35.10	8.6	0.7	9.3	23.9	33.2	187.5	196.8	220.7	137.5	13.4	151.0	23.9	174.9
DE	8.44	0.0	0.0	0.0	20.4	20.4	86.8	86.8	107.2	92.2	0.0	92.2	20.4	112.6
DC	5.51	117.9	21.4	139.3	0.0	139.3	110.6	249.9	249.9	188.4	21.4	209.8	0.0	209.8
FL	177.90	1.3	0.1	1.4	17.5	18.9	146.2	147.6	165.1	49.3	7.2	56.5	18.8	75.3
GA	90.73	0.0	0.0	0.0	12.4	12.4	93.4	93.4	105.8	46.2	0.0	46.2	14.3	60.5
HI	12.75	6.9	0.0	6.9	0.0	6.9	160.0	166.9	166.9	82.9	0.6	83.5	0.0	83.5
ID	14.29	10.8	22.0	32.8	6.3	39.1	119.1	151.9	158.2	188.0	35.5	223.4	19.6	243.0
IL	127.63	1.6	25.2	26.8	48.4	75.2	81.9	108.7	157.1	60.6	50.6	111.2	52.2	163.4
IN	62.72	51.9	0.0	51.9	10.8	62.7	148.0	199.9	210.7	161.4	0.0	161.4	11.7	173.1
IA	29.66	8.1	12.9	21.1	52.5	73.6	368.6	389.6	442.1	187.6	35.7	223.4	58.1	281.5
KS	27.45	2.3	5.3	7.6	15.6	23.2	246.7	254.3	269.9	184.5	11.9	196.4	15.6	211.9
KY	41.73	0.0	0.6	0.6	16.8	17.4	63.6	64.2	81.0	76.1	3.1	79.2	16.8	96.0
LA	45.24	44.8	22.8	67.6	53.1	120.7	117.7	185.2	238.4	88.6	22.8	111.3	54.6	166.0
ME	13.22	3.0	12.3	15.3	2.6	17.9	197.0	212.3	214.9	244.5	15.3	259.8	3.7	263.5
MD	56.00	0.0	0.0	0.0	6.6	6.6	168.5	168.5	175.1	111.5	5.6	117.0	7.0	124.0
MA	63.99	0.0	0.0	0.0	16.4	16.4	173.9	173.9	190.3	145.4	13.8	159.2	17.1	176.3
MI	101.21	0.0	0.0	0.0	1.9	1.9	85.0	85.0	86.9	139.4	0.0	139.4	1.9	154.9
MN	51.33	11.8	20.0	31.8	16.3	48.1	281.9	313.7	330.0	221.0	20.0	241.0	16.3	266.7
MS	29.21	0.2	21.0	21.2	69.7	90.9	66.4	87.6	157.3	23.5	24.6	48.1	69.7	117.8
MO	58.00	0.1	0.8	0.9	19.5	20.4	142.5	143.5	163.0	64.6	21.1	85.7	23.3	109.0
MT	9.36	0.0	0.0	0.0	8.4	8.4	216.2	216.2	224.7	136.7	43.3	180.0	8.4	188.4
NE	17.59	0.0	0.5	0.5	34.5	35.0	165.3	165.9	200.4	139.3	12.1	151.4	34.5	185.9
NV	24.15	3.7	0.0	3.7	4.4	8.2	54.9	58.6	63.1	58.9	0.0	58.9	4.4	63.3
NH	13.10	0.0	0.0	0.0	1.9	1.9	240.8	240.8	242.7	129.5	2.8	132.3	1.9	134.2
NJ	87.18	0.0	0.0	0.0	35.0	35.0	104.1	104.1	139.1	75.4	9.0	84.4	43.4	127.8
NM	19.28	5.1	6.3	11.4	0.0	11.4	185.2	196.6	196.6	93.6	6.7	100.3	0.0	100.3
NY	192.55	1.6	25.7	27.3	17.2	44.4	267.4	294.6	311.8	119.6	98.9	218.5	17.4	235.9
NC	86.83	18.1	5.0	23.1	26.5	49.6	77.8	100.9	127.4	96.8	12.2	109.0	28.4	137.4
ND	6.37	20.3	48.8	69.1	26.7	95.8	483.3	552.4	579.1	202.5	84.2	286.6	30.5	317.1
OH	114.64	2.9	16.6	19.5	41.2	60.7	102.4	121.9	163.1	58.3	22.8	81.0	41.5	131.2
OK	35.48	6.3	4.6	10.9	35.8	46.7	124.5	135.4	171.2	103.3	9.2	112.5	35.8	148.3
OR	36.41	0.0	0.0	0.0	1.2	1.2	243.4	243.4	244.6	131.0	11.9	142.9	3.9	146.9
PA	124.30	5.5	3.0	8.5	24.2	32.6	200.3	208.8	232.9	91.9	10.4	102.3	25.9	128.2
RI	10.76	1.6	0.0	1.6	2.1	3.7	277.9	279.5	281.6	183.1	16.4	199.5	2.1	201.6
SC	42.55	0.5	17.8	18.3	21.9	40.2	112.2	130.5	152.4	62.6	21.4	84.0	21.9	105.9
SD	7.76	0.0	0.0	0.0	21.8	21.8	317.9	317.9	339.7	190.7	75.5	266.3	23.8	290.1
TN	59.63	2.2	6.6	8.8	13.5	22.3	81.1	89.9	103.4	56.0	15.0	71.0	13.5	84.5
TX	228.60	20.4	3.0	23.4	28.7	52.2	53.9	77.3	106.0	60.0	3.0	63.0	28.7	91.7
UT	24.70	0.0	1.6	1.6	30.5	32.2	155.2	156.8	187.3	80.4	6.5	86.9	30.5	117.4
VT	6.23	1.0	0.0	1.0	0.0	1.0	321.5	322.4	322.4	205.1	0.0	205.1	0.0	205.1
VA	75.67	0.7	1.6	2.4	21.5	23.9	89.3	91.7	113.2	DNF	DNF	DNF	DNF	98.1
WA	62.88	0.6	0.3	0.9	11.8	12.7	150.5	151.4	163.1	90.5	4.9	95.4	19.1	114.5
WV	18.17	3.5	21.6	25.1	3.2	28.3	200.8	225.9	229.1	75.4	30.5	106.0	3.2	109.2
WI	55.36	0.0	1.2	1.2	31.7	32.9	234.6	235.8	267.5	182.1	19.6	201.7	31.7	233.4
WY	5.09	0.0	0.0	0.0	17.3	17.3	360.7	360.7	378.0	146.1	24.5	170.6	23.6	194.2
US Total	2,964.10	7.6	6.2	13.7	20.6	34.4	149.7	163.4	184.0	98.2	17.9	116.1	22.6	138.7

* excludes service recipients living in their family homes

DNF = did not furnish

** Source: US Census Bureau, Population Estimates Program, July 1, 2005.

lived in settings with 1-3 residents. In 27 states more than 75.0% of all persons receiving residential services lived in settings with 6 or fewer residents. In four states, less than 50% of all residential service recipients lived in settings of 6 or fewer residents. (Figure 2.2 shows these variations on a state-by-state basis.)

Number of Residential Service Recipients Per 100,000 of General Population

Table 2.4 and Figure 2.3 present statistics on the number of persons with ID/DD receiving residential services per 100,000 of each state's general population on June 30, 2005. On June 30, 2005 there were a reported 138.7 persons with ID/DD receiving residential services per 100,000 of the U.S. population. Georgia had the lowest overall residential placement rate per 100,000 state citizens (60.5). North Dakota had the highest overall placement rate, with 317.1 persons receiving residential services per 100,000 of the state population. In all, 27 states reported placement rates below the national average, with three states (Arizona, Georgia, and Nevada) reporting rates less than 50% of the national average. Of the 24 states at or above the national average, ten states (District of Columbia, Idaho, Iowa, Kansas, Maine, Minnesota, New York, North Dakota, South Dakota and Wisconsin) reported rates greater than 150% of the national average. Iowa, North Dakota and South Dakota had rates of more than 200% of the national average. While states varied substantially in the number of persons with ID/DD receiving residential services per 100,000 of the state's population, more than half of the states (28) fell within the range of the national average plus or minus one-third.

On June 30, 2005 there were an estimated 116.1 persons per 100,000 of the U.S. population receiving residential services in settings with 15 or fewer residents. A total of 13 states had placement rates that were more than 150% of this national average. Four states reported rates more than twice the national average (Maine, Minnesota, North Dakota and South Dakota). The estimated national average placement rate for settings with 6 or fewer residents was 98.2 residents per 100,000 of the general population. Four states reported rates more than twice the national average (Maine, Minnesota, North Dakota and Vermont).

The national placement rate for facilities of 16 or more residents was 22.6 residents per 100,000 of the national population. Five states (Arkansas, Illinois,

Table 2.4 Persons with ID/DD Receiving Residential Services Per 100,000 of State General Population by Size of Residential Setting, June 30, 2005

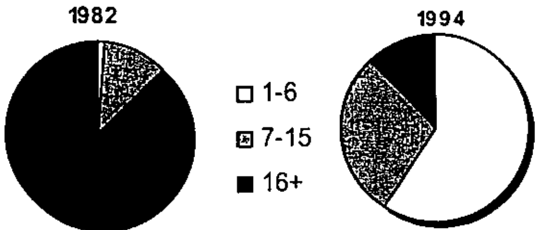
State	State Population (100,000)	Number of Residents per 100,000 of State Population in Residential Setting				
		1-6	7-15	1-15	16+	Total
AL	45.58	45.4	19.7	65.1	4.7	69.8
AK	6.64	126.0	0.0	126.0	0.0	126.0
AZ	59.39	60.3	0.7	61.0	3.0	64.0
AR	27.79	43.7	30.0	73.8	56.9	130.6
CA	361.32	126.1	4.1	130.2	16.1	146.3
CO	46.65	94.6	10.7	105.3	2.3	107.6
CT	35.10	137.5	13.4	151.0	23.9	174.9
DE	8.44	92.2	0.0	92.2	20.4	112.6
DC	5.51	188.4	21.4	209.8	0.0	209.8
FL	177.90	49.3	7.2	56.5	18.8	75.3
GA	90.73	46.2	0.0	46.2	14.3	60.5
HI	12.75	82.9	0.6	83.5	0.0	83.5
ID	14.29	188.0	35.5	223.4	19.6	243.0
IL	127.63	60.6	50.6	111.2	52.2	163.4
IN	62.72	161.4	0.0	161.4	11.7	173.1
IA	29.66	187.6	35.7	223.4	58.1	281.5
KS	27.45	184.5	11.9	196.4	15.6	211.9
KY	41.73	76.1	3.1	79.2	16.8	96.0
LA	45.24	88.6	22.8	111.3	54.6	166.0
ME	13.22	244.5	15.3	259.8	3.7	263.5
MD	56.00	111.5	5.6	117.0	7.0	124.0
MA	63.99	145.4	13.8	159.2	17.1	176.3
MI	101.21	139.4	0.0	139.4	1.9	154.9
MN	51.33	221.0	20.0	241.0	16.3	266.7
MS	29.21	23.5	24.6	48.1	69.7	117.8
MO	58.00	64.6	21.1	85.7	23.3	109.0
MT	9.36	136.7	43.3	180.0	8.4	188.4
NE	17.59	139.3	12.1	151.4	34.5	185.9
NV	24.15	58.9	0.0	58.9	4.4	63.3
NH	13.10	129.5	2.8	132.3	1.9	134.2
NJ	87.18	75.4	9.0	84.4	43.4	127.8
NM	19.28	93.6	6.7	100.3	0.0	100.3
NY	192.55	119.6	98.9	218.5	17.4	235.9
NC	86.83	96.8	12.2	109.0	28.4	137.4
ND	6.37	202.5	84.2	286.6	30.5	317.1
OH	114.64	58.3	22.8	81.0	41.5	131.2
OK	35.48	103.3	9.2	112.5	35.8	148.3
OR	36.41	131.0	11.9	142.9	3.9	146.9
PA	124.30	91.9	10.4	102.3	25.9	128.2
RI	10.76	183.1	16.4	199.5	2.1	201.6
SC	42.55	62.6	21.4	84.0	21.9	105.9
SD	7.76	190.7	75.5	266.3	23.8	290.1
TN	59.63	56.0	15.0	71.0	13.5	84.5
TX	228.60	60.0	3.0	63.0	28.7	91.7
UT	24.70	80.4	6.5	86.9	30.5	117.4
VT	6.23	205.1	0.0	205.1	0.0	205.1
VA	75.67	DNF	DNF	DNF	DNF	98.1
WA	62.88	90.5	4.9	95.4	19.1	114.5
WV	18.17	75.4	30.5	106.0	3.2	109.2
WI	55.36	182.1	19.6	201.7	31.7	233.4
WY	5.09	146.1	24.5	170.6	23.6	194.2
US Total	2,964.10	98.2	17.9	116.1	22.6	138.7

DNF = did not furnish

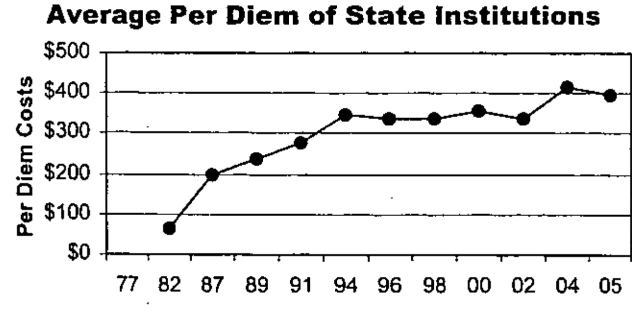
North Dakota

State	Year	Persons with ID/DD by Home Size 1-6	7-15	1-15	16+	Total	Utilization Rate per 100,000 of Population	State Institution Population	Per Diem of State Institutions (in $)	0-21 Yr. Olds as % of State Institution Residents	Persons with ID/DD Living in ICFs-MR	Persons with ID/DD Receiving HCBS	Persons with ID/DD Living in Nursing Homes
ND	77	23	47	70	1,306	1,376	211	1,145	DNF	21%	0	0	
ND	82	12	146	158	1,076	1,234	184	941	66	12%	219	0	
ND	87	269	702	971	441	1,412	209	398	197	14%	892	724	
ND	89	752	670	1,422	316	1,738	263	251	236	13%	743	1,063	194
ND	91	965	595	1,560	278	1,838	289	211	277	11%	634	1,163	182
ND	94	1,093	535	1,628	226	1,854	292	146	346	11%	551	1,509	167
ND	96	1,122	503	1,625	262	1,887	296	148	339	8%	624	1,770	175
ND	98	1,245	478	1,723	254	1,977	310	142	338	7%	609	1,819	180
ND	00	1,205	495	1,700	267	1,967	306	153	357	8%	625	1,936	105
ND	02	1,225	533	1,758	264	2,022	319	147	339	DNF	629	2,011	119
ND	04	1,225	515	1,740	200	1,940	306	140	417	1%	607	2,668	114
ND	05	1,289	536	1,825	194	2,019	317	140	395		610	3,077	118

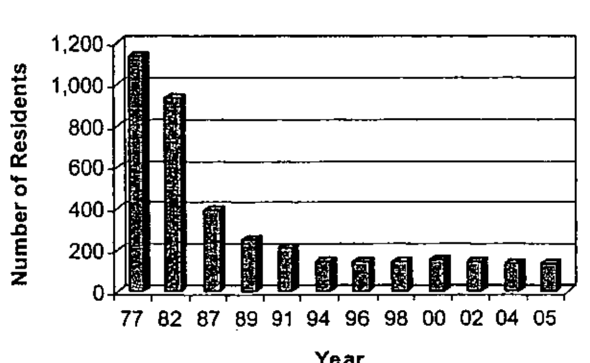
Persons by Home Size in Years 1982, 1994 and 2005



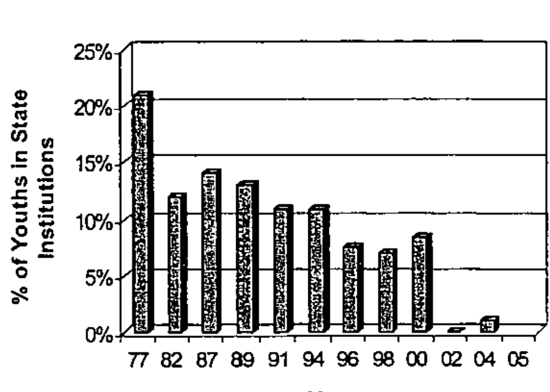
Average Per Diem of State Institutions



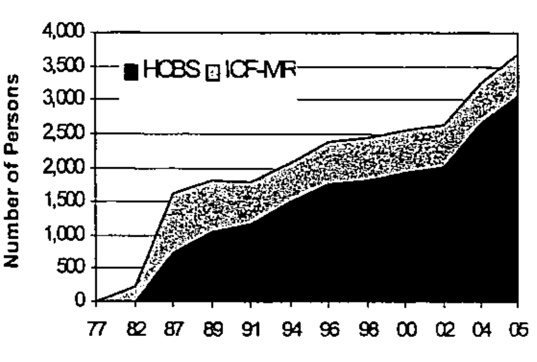
State Institution Residents



Proportion of Youth Among State Institution Population

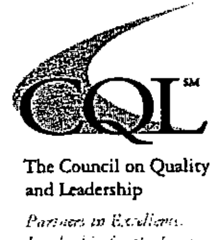


ICF/MR + HCBS Recipients



CQL 100 West Road, Suite 406 Towson, Maryland 21204 410.583.0060 www.thecouncil.org

CQL Accreditation in North Dakota Data Presentation: Personal Outcome Measures℠ 2002–2005



The Council on Quality and Leadership

Partners in Excellence. Leadership for the Journey.

This Data Report

Presents a summary of findings from 29 accreditation reviews completed with North Dakota organizations during the period 2002 through 2005

- Includes data from personal outcome interviews with adults — does not include children and youth or families with young children;
- Includes a total sample of 266 people in North Dakota interviewed by CQL staff during accreditation reviews; and
- Presents data for percentages of Outcomes and Supports present for North Dakota organizations during the years 2002 through 2005, in comparison to CQL's National Personal Outcome Measures℠ Database for those same years.

Summary

- North Dakota providers have been engaged in the CQL Accreditation program since 1983, through successive editions of standards. Early editions of the accreditation standards laid a strong foundation in service delivery in areas of habilitation/planning, rights, safety and security.
- All North Dakota providers are accredited with the Personal Outcome Measures℠:
  - 83% (24 providers) were last accredited for a three-year term;
  - 14% (4 providers) received two-year accreditation terms; and
  - 1 organization participated in the pilot "value-added" accreditation process and received a four-year accreditation award.

Strengths

- North Dakota providers consistently out-perform the National percentages of Outcomes and Supports present in the lives of people receiving services.
- Areas that indicate the greatest success for North Dakota providers vs. the national sample include:
  - Exercising Rights, Fair Treatment, Choosing Services, Choosing Personal Goals.

Challenges

- Outcomes which are present for the fewest people, include:
  Living in Integrated Environments and Performing Different Social Roles.

North Dakota Data

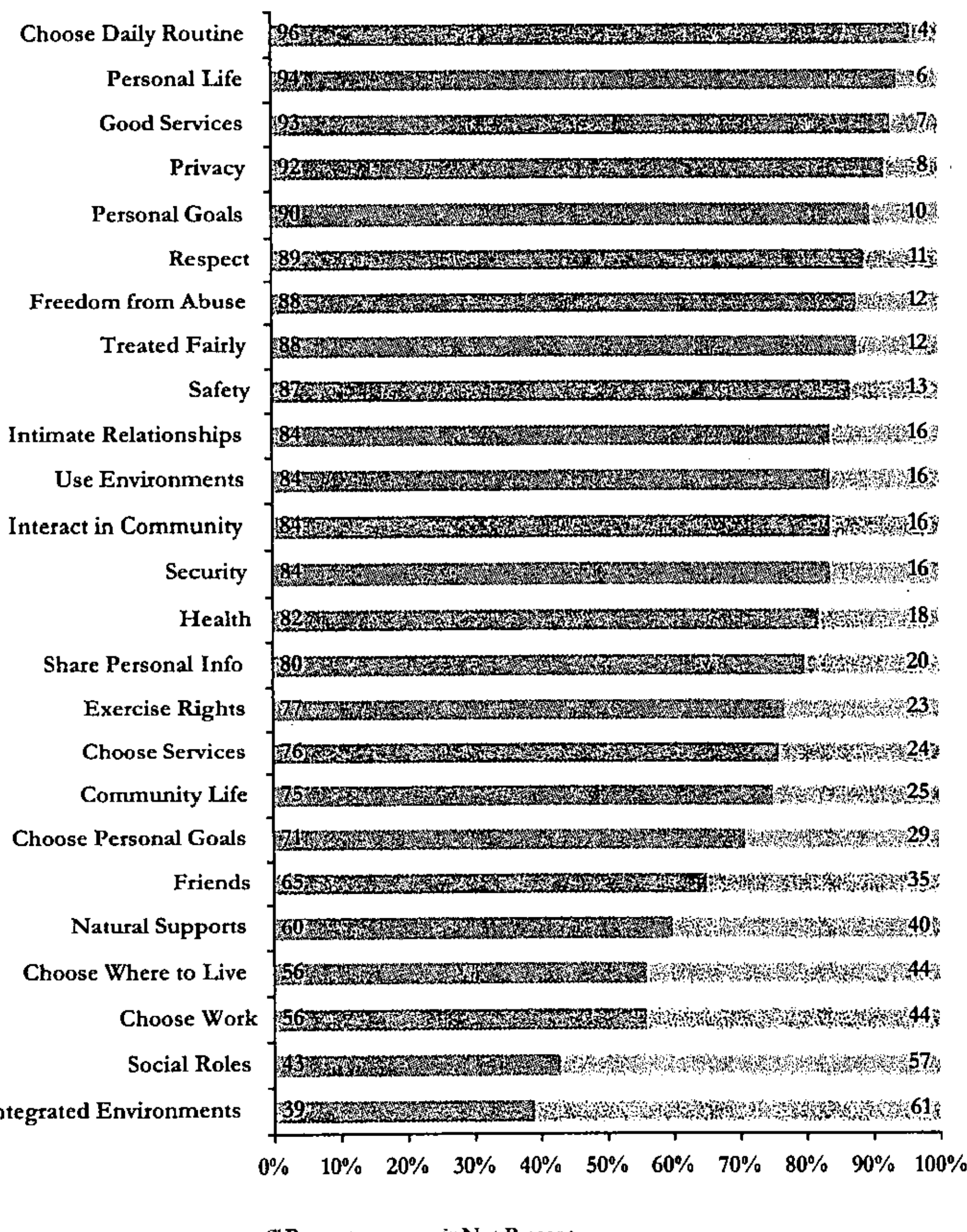
Personal Outcomes: Years 2002 – 2005
Comparison to National Database

	Percent of Outcomes Present: 2002- 2005	North Dakota Providers (N=266)	National Database (N=1,743)	
1	People Choose Personal Goals	71.1	56.2	*Identity*
2	People Choose Where and With Whom to Live	56.4	46.4	
3	People Choose Where they Work	55.6	42.6	
4	People have Intimate Relationships	84.2	75.1	
5	People are Satisfied with Services	93.2	90.5	
6	People are Satisfied with their Personal Life	94.0	89.0	
7	People Choose their Daily Routines	96.2	89.4	*Autonomy*
8	People have Time, Space and Opportunity for Privacy	92.5	90.8	
9	People Decide When to Share Personal Information	80.5	72.1	
10	People use Their Environments	84.2	77.5	
11	People Live in Integrated Environments	39.5	36.5	*Affiliation*
12	People Participate in the Life of the Community	74.8	61.0	
13	People Interact with Other Members of the Community	84.2	77.0	
14	People Perform Different Social Roles	42.9	32.1	
15	People have Friends	65.4	53.5	
16	People are Respected	88.7	84.5	
17	People Choose Services	76.3	56.1	*Attainment*
18	People Realize Personal Goals	90.2	83.8	
19	People Remain Connected to Natural Support Networks	60.2	56.6	*Safeguards*
20	People are Safe	86.8	86.2	
21	People Exercise Rights	77.4	60.7	*Rights*
22	People are Treated Fairly	87.6	66.3	
23	People have the Best Possible Health	82.3	78.3	*Health*
24	People are Free From Abuse and Neglect	88.0	85.1	
25	People Experience Continuity and Security	84.2	77.1	

North Dakota Data

Outcomes and Supports: Years 2002 – 2005

Personal Outcome Measures

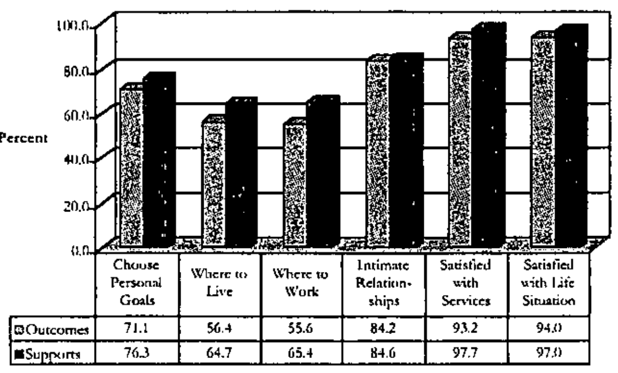


North Dakota Data

Outcomes and Supports: Years 2002 – 2005

Identity Factor

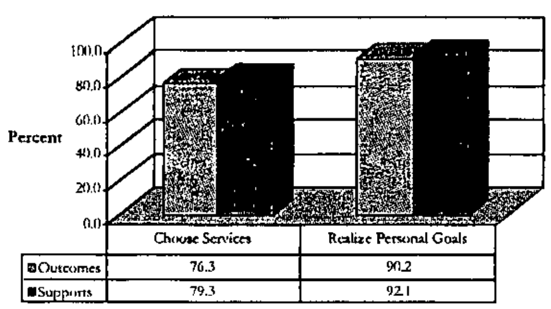
Percent of Outcomes and Supports Present



	Choose Personal Goals	Where to Live	Where to Work	Intimate Relation-ships	Satisfied with Services	Satisfied with Life Situation
Outcomes	71.1	56.4	55.6	84.2	93.2	94.0
Supports	76.3	64.7	65.4	84.6	97.7	97.0

Attainment Factor

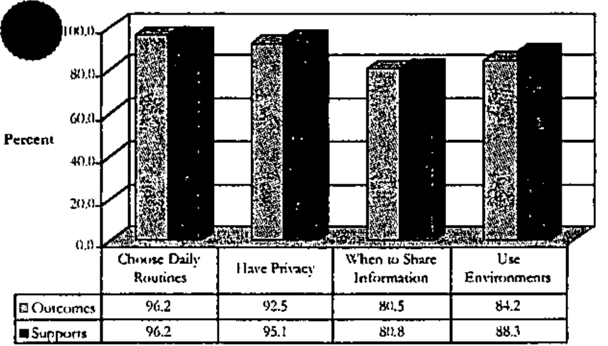
Percent of Outcomes and Supports Present



	Choose Services	Realize Personal Goals
Outcomes	76.3	90.2
Supports	79.3	92.1

Autonomy Factor

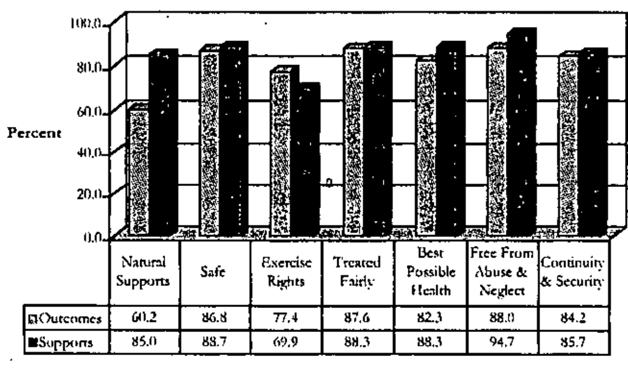
Percent of Outcomes and Supports Present



	Choose Daily Routines	Have Privacy	When to Share Information	Use Environments
Outcomes	96.2	92.5	80.5	84.2
Supports	96.2	95.1	80.8	88.3

Safeguards, Rights and Health Factor

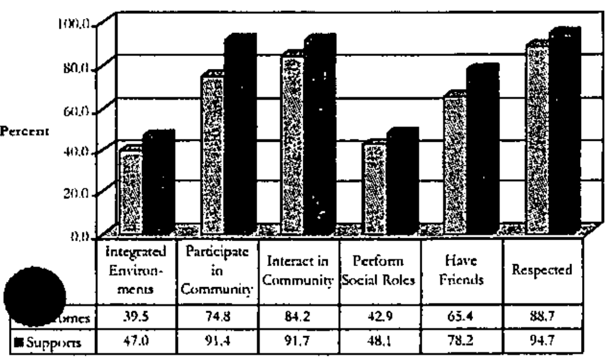
Percent of Outcomes and Supports Present



	Natural Supports	Safe	Exercise Rights	Treated Fairly	Best Possible Health	Free From Abuse & Neglect	Continuity & Security
Outcomes	60.2	86.8	77.4	87.6	82.3	88.0	84.2
Supports	85.0	88.7	69.9	88.3	88.3	94.7	85.7

Affiliation Factor

Percent of Outcomes and Supports Present



	Integrated Environ-ments	Participate in Community	Interact in Community	Perform Social Roles	Have Friends	Respected
Outcomes	39.5	74.8	84.2	42.9	65.4	88.7
Supports	47.0	91.4	91.7	48.1	78.2	94.7

The Council on Quality and Leadership (CQL) is an international non-profit organization at the forefront of the movement to improve the quality of services and supports for people with disabilities and people with mental illness. We have been leading this effort for more than three decades. Since its founding in 1969, CQL has defined the vision and practice of services for people with disabilities and people with mental illness. Our fundamental belief is that everyone has a right to a life of dignity, opportunity and community inclusion. Our journey continues today with the daily work of establishing real connections between disabilities' theory and practice.

In 1993, CQL published the Personal Outcome Measures℠ as an alternative to both its traditional quality indicators and assessment methodology. CQL signaled a new era in quality measurement with a re-definition of quality from organizational compliance to responsiveness to people. The 25 Personal Outcomes focus on the items and issues that matter most to people. Organizations committed to Personal Outcomes recognize the connections between the service and intervention and the whole person. Learning about Personal Outcomes results from talking to people and discovering what is important to them and why.

The Personal Outcome Measures℠ Database contains data collected during interviews with over 6,000 individuals receiving services from CQL accredited organizations, between 1993 and 2005.

References

Gardner, J.F. and Carran, D. (2005). "The Attainment of Personal Outcomes by People with Developmental Disabilities." Mental Retardation. 43(3), 157-173.

Gardner, J.F., Carran, D.T., and Nudler, S. (2001). "Measuring Quality of Life and Quality of Services through Personal Outcome Measures: Implications for Public Policy." International Review of Research in Mental Retardation, Vol 24, pp 75-100.

Gardner, J.F., Nudler, S., & Chapman, M. (1997) "Personal Outcomes as Measures of Quality." Mental Retardation, 35:4 (August), 295-305.

January 10, 2007

To the policy makers of North Dakota:

We are here to tell you about a very important program in the state for persons with disabilities. This program, Independent Living, exists to maximize the leadership, empowerment, independence, and productivity of individuals with disabilities and to integrate these individuals into the mainstream of society.

Centers for Independent Living are consumer-controlled, community-based, cross-disability, nonresidential, private nonprofit agencies that are designed and operated within a local community by individuals with disabilities and provide an array of Independent Living services. At a minimum, Centers are required to provide the core services of information and referral, independent living skills training, peer counseling, and individual and systems advocacy. Most Centers are also actively involved in one or more of the following activities: community education; technical assistance on disability issues including accessibility; school-based transition; leadership development; working with local governments and employers to open and facilitate employment opportunities; interacting with local, state, and federal legislators; and staging recreational events that integrate individuals with disabilities with their nondisabled peers.

The Independent Living program in North Dakota has been in existence for over 25 years. During that time gradual progress has been made in creating a system whereby every person with a disability in the state has access to services. However, statewide coverage is far from a reality, with only 17 counties being considered fully served. In order to complete the statewide network, over $1 million per year in additional funding would be needed.

We are providing you with this information packet in hopes that you can support an increase in state general funds to support the operation of Centers for Independent Living. We feel strongly that this is a good investment for our state, as over 80,000 people currently identify themselves as having a disability, and this number is projected to grow as our population ages.

Thank you for your time and attention. If you'd like more information, please call any of the Centers for Independent Living listed on the front of the information packet.

SUMMARY

How is independent living different than other disability organizations?

We are available for any person with any type of disability of any age, geographic location, or economic status.

Rather than providing legal representation, long-term support, or housing or other tangible benefits, Independent Living assists people in accomplishing goals and accessing community resources.

There is a commitment to systems change, whereby the long-term goal is a society where everyone with a disability has the opportunity to be a vital and productive member of the community.

Independent Living has the concept of consumer control, whereby a majority of people with disabilities are in charge of organizations; and individuals coming to them for services have the final say in what it is they want to accomplish.

Why should the state put more money into independent living?

It is cost effective:
Independent living is part of the solution to the ever-increasing costs of long-term care. Centers provide information to people about community resources, and are actively involved in helping people either avoid institutional placement or relocate from nursing facilities or other institutions to the communities of their choice.

Encouraging self sufficiency
Centers promote independence, productivity, and gainful employment for people with disabilities through programs of skills training, peer mentoring, and individual advocacy. Centers also provide information on benefits coordination, healthcare programs, and job accommodations. Many of the Center's staff, board, and volunteers act as role models for people seeking greater economic independence.

Creating more welcoming communities
Centers for Independent Living are working to make our communities and our state more open welcoming and accessible to people with disabilities. In the long run this will increase productivity, community involvement, and overall satisfaction with life.

Filling an important need for people with disabilities
Centers for Independent Living assist people who are struggling with disabling conditions in identifying and accessing community resources that they need for independence or even basic survival.

Independent Living services are only available to some of the people living in North Dakota. Currently, 13 counties have full access to services, 12 are underserved, and 28 have virtually no presence or services provided by a Center for Independent Living. The unserved counties tend to be our most rural, where there may also be a lack of other services available.

North Dakota Independent Living Program

Information packet and 2007--2009 proposed budget request

Presented to Gov. John Hoeven
June 28, 2006

By: The Statewide Independent Living Council (SILC), and
Center for Independent Living (CIL) Executive Directors

Charlotte Gregerson, SILC President
Royce Schultze, Dakota CIL, Bismarck
Steve Repnow, Independence, Inc., Minot
Nate Aalgaard, Freedom Resource Center, Fargo
Randy Sorensen, Options, Grand Forks/East Grand Forks

The North Dakota Independent Living Program

What is Independent Living?

Most Americans take for granted opportunities they have regarding living arrangements, employment situations, means of transportation, social and recreational activities, and other aspects of everyday life.

For many Americans with disabilities, however, barriers in their communities take away or severely limit their choices. These barriers may be obvious, such as lack of ramped entrances for people who use wheelchairs, lack of interpreters or captioning for people with hearing impairments, or lack of Braille or taped copies of printed material for people who have visual impairments. Other barriers, frequently less obvious, can be even more limiting to efforts on the part of people with disabilities to live independently and they result from misunderstandings and prejudices about disability. These barriers result in low expectations about things people with disabilities can achieve.

So, people with disabilities not only have to deal with the effects of their disabling conditions, but they also have to deal with both kinds of barriers. Otherwise, they are likely to be limited to a life of dependency and low personal satisfaction.

This need not occur. Millions of people all over America who experience disabilities have established lives of independence. They fulfill all kinds of roles in their communities, from employers and employees, to marriage partners, to parents, to students, to athletes, to politicians to taxpayers-an unlimited list. In most cases, the barriers facing them haven't been removed, but these individuals have been successful in overcoming or at least dealing with them.

Independent living should not only be defined in terms of living on one's own, being employed in a job fitting one's capabilities and interests, and having an active social life. Independent living has as much to do with self-determination. It is having the right and the opportunity to pursue a course of action. And, it is having the freedom to fail and to learn from one's failures, just as people without disabilities do.

There are, of course, individuals who have certain mental impairments that may affect their abilities to make complicated decisions or pursue complex activities. For these individuals, independent living means having every opportunity to be as self sufficient as possible.

Independent Living. It isn't easy; and it can be risky. But millions of people with disabilities rate it higher than a life of dependency, narrow opportunities, and unfulfilled expectations.

How Centers for Independent Living differ from other service organizations

There are many different types of organizations that serve people with disabilities-state vocational rehabilitation agencies, group homes, rehabilitation hospitals, sheltered workshops, nursing homes, senior centers, home health care agencies, and so forth. These organizations provide valuable services and are important links in the network of services that help people with disabilities maintain independent lifestyles.

What makes Centers for Independent Living very different from these other organizations is that Centers have substantial involvement of people with disabilities making policy decisions and delivering services. Why this emphasis on control by people with disabilities? The basic idea behind Independent Living is that the ones who know best what services people with disabilities need in order to live independently are people who have been there, people with disabilities.

Overview of the program

The four North Dakota Centers for Independent Living (CIL's), in conjunction with the Statewide Independent Living Council (SILC), is presenting this information packet in the hopes of obtaining more state funding to support a network of Centers for Independent Living. Centers for Independent Living have been operating in the state for about 25 years. They are authorized to operate under North Dakota Century Code Chapter 50-06.5 and the federal regulations of the Workforce Investment Act of 1998.

Centers for Independent Living, the Statewide Independent Living Council, and the Vocational Rehabilitation office have an outstanding working relationship. This is somewhat of an unusual situation compared to many around the country. Through working together all of these organizations have found that they can collaborate and make real progress in helping people with disabilities live more independent and productive lives. The organizations meet on a regular basis, collaborate on planning and training, and refer back and forth for services and information. In fact, in May of 2006 a joint meeting was held between the Independent Living Council and the Rehabilitation Services Advisory Council. Administrative staff from the Department felt that this may have been the first meeting of its kind in the country.

The Independent Living movement in the state has been instrumental in working with other nonprofit organizations as well. During the past legislative sessions, they were involved in helping to promote initiatives for home and community-based services, the workers with disabilities program, and the money follows the individual initiative. They also provide numerous services in their local communities like accessibility consulting, and assistance in obtaining services from agencies like county social services; the Social Security Administration; or emergency food, shelter, and medical providers. Centers for Independent Living, as organizations that can serve people with any type of disability regardless of their economic situation or age, are often a very valuable tool to other organizations experiencing limited resources. The information on the following pages gives a description of the services provided by CIL's.

Services provided by North Dakota Centers for Independent Living, FFY 2005

Core Services: All Centers for Independent Living are required to provide four core services, which are: **Independent Living Skills Training, Advocacy, Peer Counseling,** and **Information and Referral**. They also provide many others, such as community education, technology, and recreation.

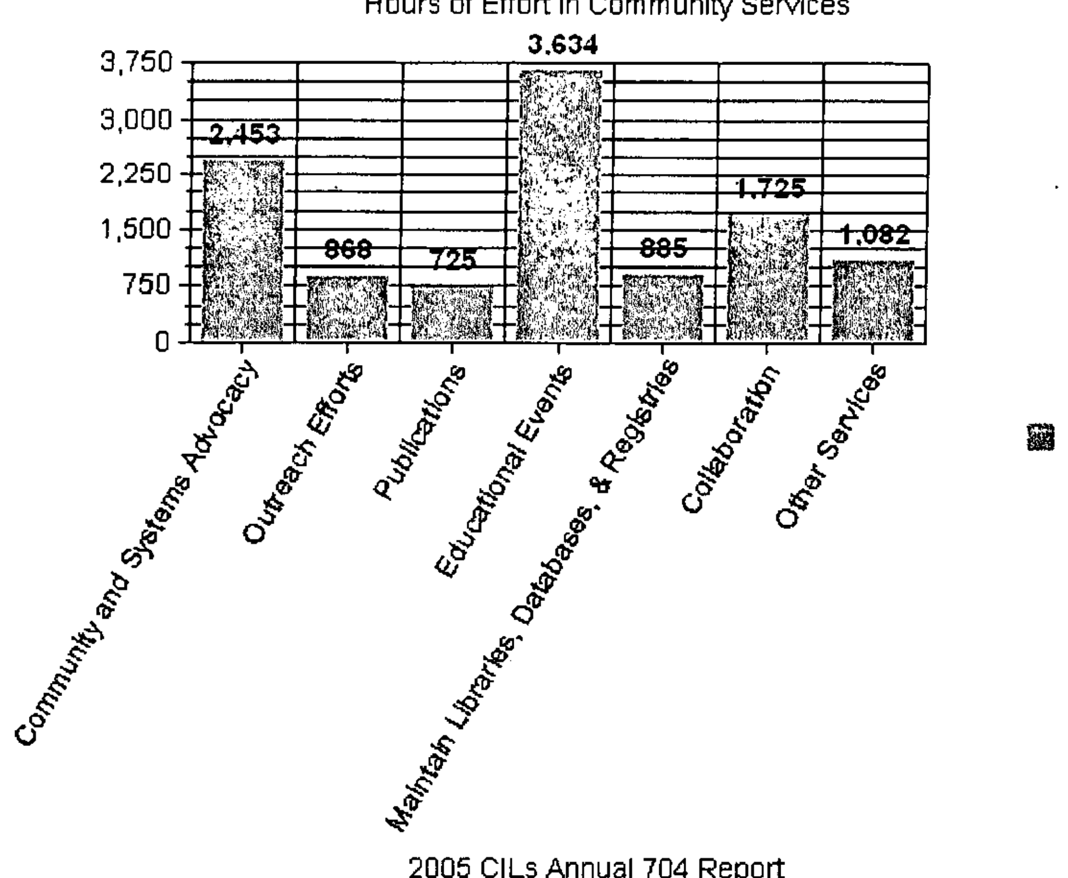
Direct Service: Services delivered to individuals with disabilities who have applied, been determined eligible, and established goals to achieve greater independence. The CIL may utilize a host of services in order to assist the person to accomplish the goals, such as Independent Living Skills Training, Advocacy, or Peer Counseling.

> **IL Skills Training and Life Skill Training Services** – These may include instruction to develop skills in areas such as personal care, coping, financial management, social skills, and household management. This may also include education and training necessary for living in the community and participating in community activities.
> **Advocacy/Legal Services** – Assistance and /or representation in obtaining access to benefits, services, and programs to which a consumer may be entitled. (SSI/SSDI forms, public housing applications, appeals, etc.)
> **Peer Counseling Services** – Counseling, teaching, information sharing, and similar kinds of contact provided to consumers by other people with disabilities.

Information and Referral: The provision of information regarding disability-related topics and issues to persons with disabilities, service providers, and community members; and referral assistance in linking people to appropriate organizations, resources, and programs.

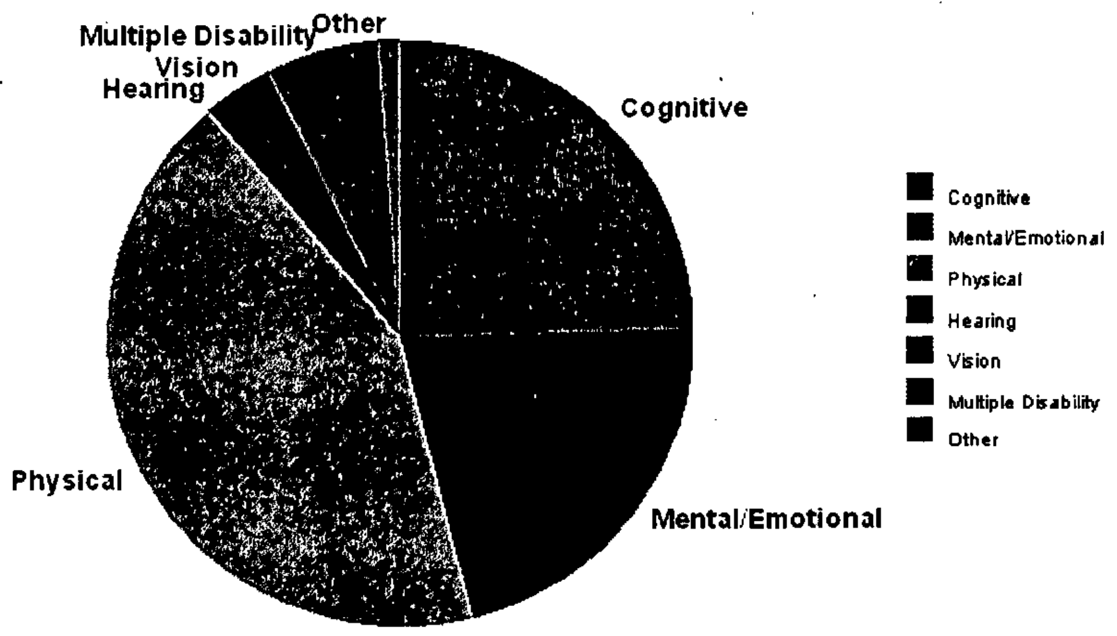
Community Education and Outreach: These activities are intended to create opportunities for people with disabilities to become more integrated into society. They include Community and Systems Advocacy, which are efforts to implement local and State policy changes to make facilities, services, and opportunities available and accessible to individuals with disabilities. It also includes Outreach efforts, which entails the location of, and encouragement to use services for unserved/underserved populations of individuals with significant disabilities. It also involves Community Education activities and information programs to enhance the community's awareness and understanding of disabilities and disability issues.

Independent Living Goals Completed: The consumer identifies when the specific goal they have set has been accomplished. These can be in many areas of life, such as self-advocacy, living situation, transportation, or budgeting.



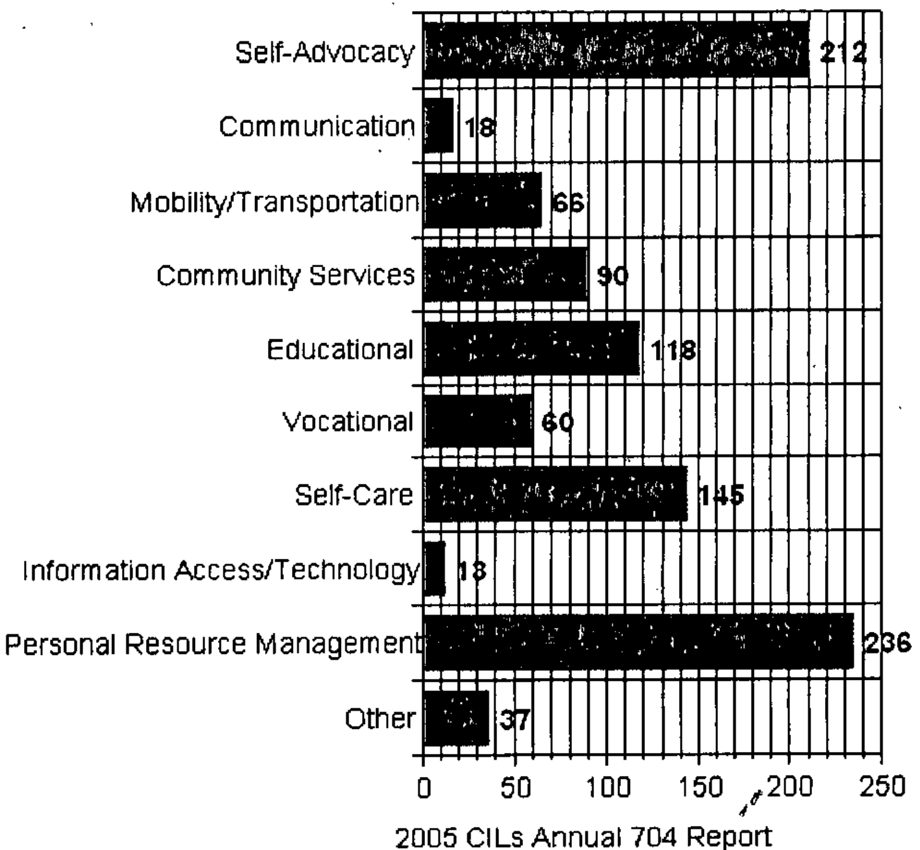
Consumer is 67 year old male with a visual/emotional disability. He was referred to the Center for services by a nursing home discharge nurse. This consumer left the nursing home on his own accord and was moving to the area. Center staff collaborated with several agencies to provide him with med monitoring from the city nurse. Vocational rehabilitation provided him with some adaptive equipment and the county homemaker's services. Staff also assisted him in locating various apartment and household items, assisted him in applying for housing benefits and assistance from social services, which led to his independence in the community.

Disabilities Served



2005 CILs Annual 704 Report

A 55 year old female came in to find out about new employment options. She had become disabled as a result of an arthritic condition and a car accident. Prior to this, she had been very successful as a small business owner. She and the staff from the CIL worked on job searches, resume development, talking about her disability, and benefits management. She has since found a full time job in a new field, and will no longer need public benefits in about 9 months.



The CIL worked with a person who has low vision and uses a white cane. Throughout their contact with each other, staff observed his tenacious spirit of achieving and keeping employment. Most other people with his disability would not even attempt to work. He works 20 miles out of town and arranges rides to and from work. He currently works at a telephone information desk with the help of adaptive equipment that the CIL advocated to obtain. He now utilizes a CCTV for his vision of printed matter. The adaptive equipment allows him to fulfill his job duties. The CIL also assisted him to purchase his own townhouse through his HUD housing section 8 voucher. He is now a homeowner and employed with a significant disability. He has acquired the American dream of homeownership.

Statewide Network

Currently, there are four CIL's serving North Dakota. Two of the Centers have branch offices and one has an outreach office. The main Centers are located in Bismarck, Minot, Fargo, and Grand Forks/East Grand Forks. Branch offices are in Jamestown and Dickinson, with an outreach office in Cavalier.

In 1994, the Statewide Independent Living Council developed a plan for statewide coverage. The plan called for each Center to cover a quadrant of the state following roughly the human service center regions. Each CIL would eventually also have a branch office. In 1995, dollar amounts were attached to this plan. These called for a base funding level of $350,000 per Center and $50,000 per branch office. The State Plan for Independent Living has continued to list these amounts, which have not been adjusted for inflation since that time. The directors of the four Centers for Independent Living got together to revise this plan. They now estimate that it would take approximately $600,000 per year to cover each quadrant of the state with a full array of Independent Living services.

As the statistics below will point out, there is a substantial gap between what the Centers actually receive in state and federal funds and what is needed to provide statewide coverage. The Independent Living program is funded by a combination of state and federal funds. Some of the federal funds go directly from the Department of Education to the Centers, and some go through the state Department of Human Services.

Approximately 2 years ago the CIL assisted a 47 year old with cerebral palsy by providing information to study for his driver's license. Currently he owns his own van and has been driving for 2 years. The CIL assisted him to start up his own vending business. The CIL assisted by advocating for Vocational Rehabilitation services, and assisting to fulfill the obligations made by Voc Rehab. The CIL helped him study and take an online entrepreneur class, obtain a $500 grant from the Mayor's Committee, get a business plan, seek out consumer credit counseling and contact the vending company to get information. The CIL also assisted him to complete spreadsheets on the excel computer program and how to document IRS items, such as mileage, costs and expenses. He was able to purchase 30 vending machines to start his business. He currently has placed them at several businesses. His plan now is to obtain more grant money to buy up to 250 machines to increase the size of his business, and profit margin.

Funding for a statewide network

Fiscal Year 2006 funding levels for North Dakota Centers for Independent Living

	Dept. of Education	ND Dept of Human Services	Total
Dakota Center for Independent Living, Bismarck	377,016	64,858	441,874
Independence Inc., Minot	117,459	130,432	247,891
Freedom Resource Center, Fargo	175,667	151,065	326,732
Options Resource Center, Grand Forks	122,666	196,673	319,339
Total IL funds			1,335,836

The Statewide Independent Living Council is committed to providing a statewide system whereby IL services are available throughout the state. To do this, more funding is needed.

Funding request

With a base level of $600,000 per year in funding, the Centers for Independent Living estimate they could provide all four core services in every county of the state. This would total $2.4 million per year, or $4.8 million per biennium. Funding per year needed to get to that level:

$1,064.164 per year.

Appendix A

Areas of Independent Living service

The maps on the following pages are a visual depiction of areas served by North Dakota's Centers for Independent Living. The first page depicts the designated area for the four CIL's, with pins representing where people live who have received direct services. The second page shows which counties within these areas are served by all of the core services through the Center, are underserved, or unserved.

Served

According to the Rural Institute on Disability Research at the University of Montana, to call an area served means that the CIL network has a clear presence and a full array of core supports and services readily available to meet identified and consumer needs. In general, an area is considered served if all of the following conditions exist:

A.) The population and number who have significant disabilities have been identified.

B.) The types and levels of needed IL supports and services have been identified, at least in general terms.

C.) Contact persons or organizations have been established who serve as referral sources and this fact is generally known or publicized

D.) The CIL organizational newsletter and other general mailings are sent to consumers and to the major disability organizations and agencies.

E.) The needs and perceptions of the consumers are represented on the CIL board, either through consumers being board members or through systematic input from the consumers to board members.

F.) Independent Living core services are readily available to all consumers. A substantial array of supports and services is provided to an approximately diverse mix of consumers.

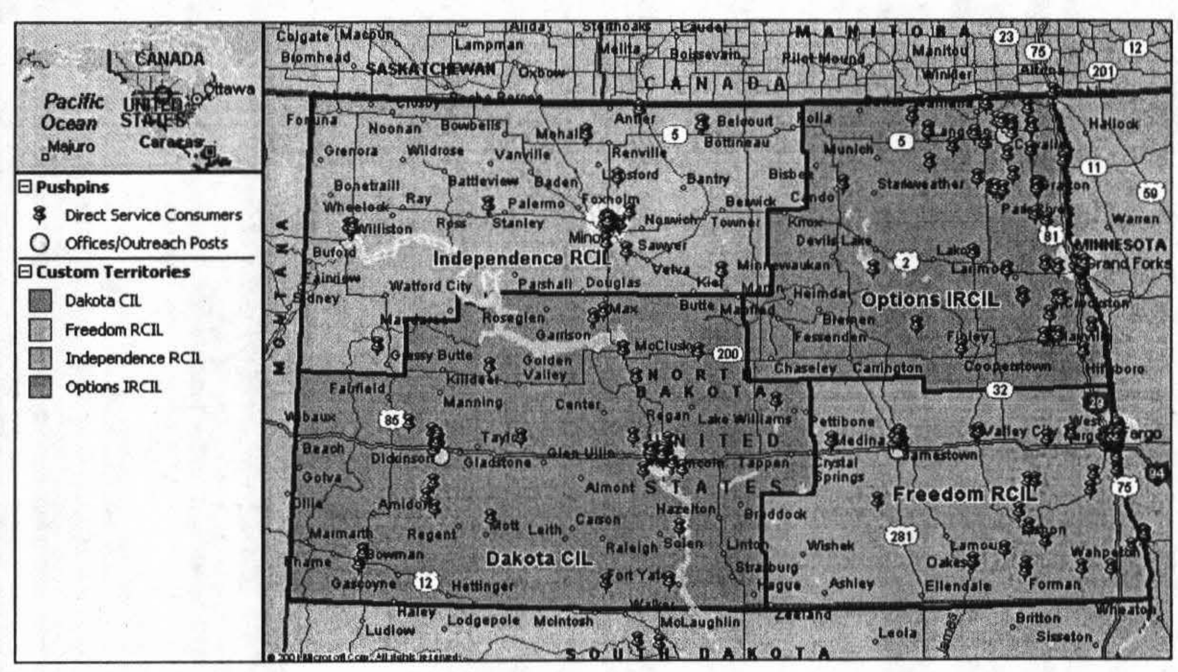
G.) CIL board members, staff or volunteers are readily available to be involved in related community development activities. The CIL board, staff, and volunteers have prioritized community needs and are visibly involved in addressing the priority issues.

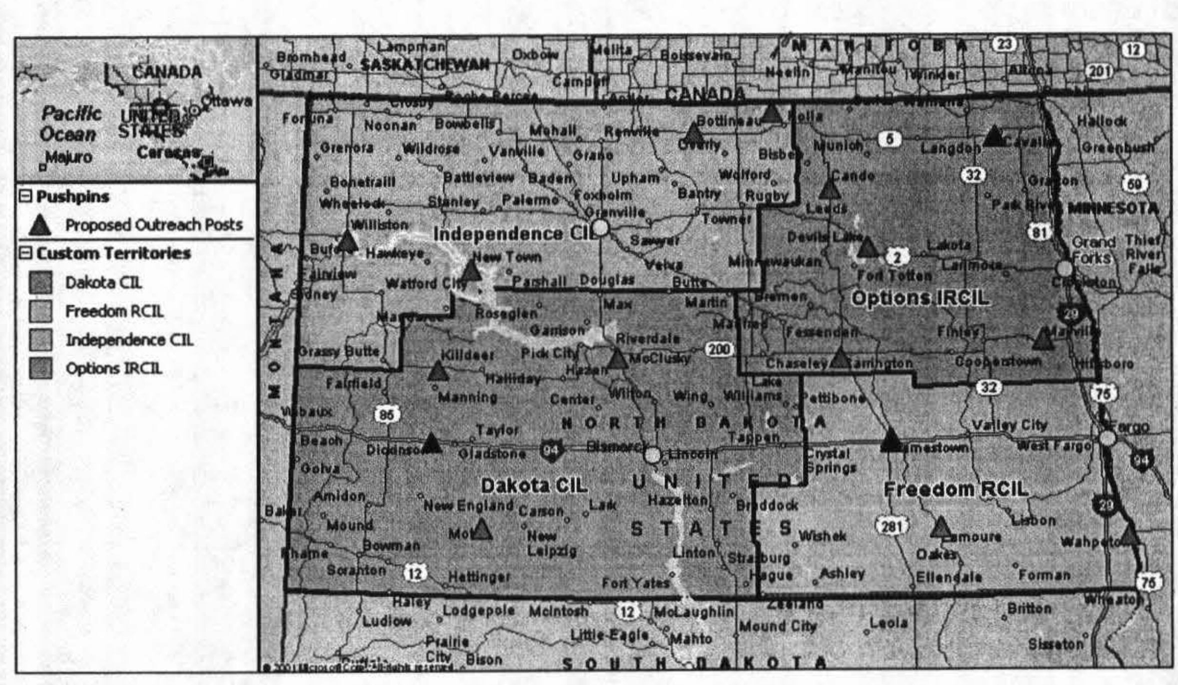
Underserved

The IL/CIL network has a limited presence, and the array of core services is not sufficiently available to meet community and consumer need.

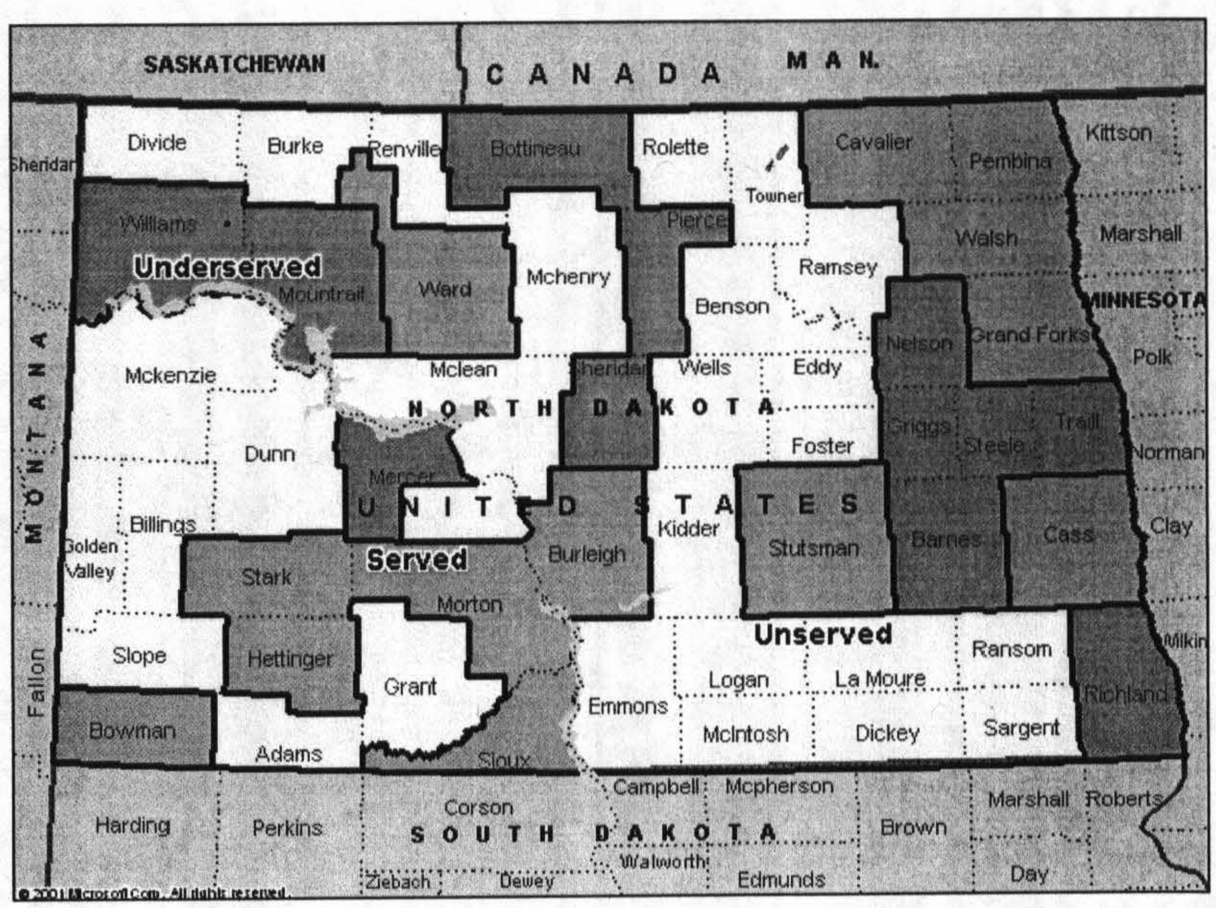
Unserved

The IL/CIL network has minimal or no presence, and IL core services are not available to meet identified community and consumer need.


CANADA
Pacific Ocean
Pushpins
Direct Service Consumers
Offices/Outreach Posts
Custom Territories
Dakota CIL
Freedom RCIL
Independence RCIL
Options IRCIL
Independence RCIL
Options IRCIL
Dakota CIL
Freedom RCIL
MINNESOTA
SOUTH DAKOTA


CANADA
Pacific Ocean
Pushpins
Proposed Outreach Posts
Custom Territories
Dakota CIL
Freedom RCIL
Independence CIL
Options IRCIL
Independence CIL
Options IRCIL
Dakota CIL
Freedom RCIL
MINNESOTA
SOUTH DAKOTA

A 23 year old female referred by the Human Service Center for representative payee services. She was soft-spoken and quite shy, with little confidence in herself and her abilities. She started volunteering a month later. The CIL saw her potential and had her perform secretarial duties. She has become more assertive in her abilities and is a joy to work with. It has been a great experience to see her come out of her shell and become more independent in her work at the Center. She has been helping others learn basic computer skills as well as maintaining the front office. She is looking toward the future and has gained the confidence in herself to try new things. She is planning to take classes at the local university, and has completed refresher courses through the Adult Learning Center. She and her husband have now taken over their own checking account and no longer need payee services.



A 30 year old man came to the CIL to get assistance with employment. As a result of a mental health issue, he had lost his job, became divorced, and began receiving Social Security Disability Insurance. While his health had improved considerably, he felt that his disability would no longer allow him to be employed in traditional settings. He decided instead to start up his own business. However, not having the experience doing this, he was unable to properly formulate his Business Plan to meet to meet the needs of the funders. With the help of a CIL staff member, he was able to develop his business plan, access needed community supports, start his business, and manage his benefits. If all continues to go well, he will no longer need any public assistance of any kind in about a year.

A 45-year-old female, living on Social Security Disability as a result of mental health issues, came in and was having problems meeting her monthly expenses. She stated to her CIL staff that she wanted to work, however, as a result of her disability; she had not worked in years. After some job planning and assistance in working with job placement agencies, this consumer found a part-time job in less than a week.

Appendix B

Additional examples of CIL services

From December 2005 through May 15, 2006, one CIL assisted approximately 150 people to sign up for Medicare Part D prescription drug program. There continue to be people out there who qualify for the prescription drug plan and are not signed up. The Center continues to get calls from consumers regarding any difficulty they are having with the programs they signed up with. Some who signed up late have still not received their cards in the mail. The Center assists in contacting the companies to resolve problems, and has also informed people to contact them in October through December 2006, if they wish to check and see if they are still enrolled in the best plan for them.

The CIL met with family and consumer whom had two severe strokes. Family notified the nursing home that their intentions were to take consumer home after therapies conducted to gain back strength. The CIL assisted the family to know their rights to request a discharge-planning meeting. The nursing home also stated that they don't conduct discharge-planning meetings, because no one ever leaves. The family had no idea of how to obtain equipment and other needed community resources to live independently again. The Social Worker Designee referred the person to the OT of the nursing home. The CIL assisted the family with obtaining the necessary equipment and informed them of their rights to have a discharge planning meeting. The CIL contacted the ND Ombudsman and at the same time educated the nursing home staff on the whole process. The family requested a copy of their care plan, but was denied by the nursing home. The CIL proceeded to request the care plan and then proceeded to schedule a

discharge planning meeting. The consumer is presently at home with appropriate services in place. The regional Ombudsman is following up with this nursing home to comply with people's right to leave and conduct discharge-planning services.

Consumer is a 35 year old female with a mental disorder. She was initially referred to the CIL for financial management services, and as time passed, she started volunteering in the office. It was during this time she decided to attend college. The CIL assisted her in writing a PASS plan to purchase a car, computer, and printer. The plan was approved by SSA and the consumer is attending school and will graduate next spring with a Bachelor of Science degree in Psychology.

A 59 year old widow was referred to the CIL by Hospice. She had never worked and was struggling to make ends meet since her husband died. She told staff about disabilities of depression and fibromyalgia. She was losing her trailer house, due to the payments she was behind. She had very little food in her cupboard. Staff brought her to a local food shelf and applied for Medical Assistance and food stamps. She remarked several times, "It is so nice to have choices of food to eat." After getting to know her, it was apparent there was a pretty severe learning disability. She needed help to read and understand every piece of mail. She was not eligible to receive her husband's Social Security benefits until age 60. Staff quickly applied for Social Security benefits for her and advised that cognitive testing was a must. She was accepted the first time and because she now was deemed eligible for Social Security benefits, she was able to draw off her late husband's account. Staff assisted with budgeting and paying bills and advocating to the mortgage company not to foreclose, and for benefits from her husband's state pension. Now she has enough to pay her bills and live comfortably in her home. Her health insurance was under a COBRA plan from her husband's health benefits, but those benefits were ending. Staff took her to Social Security and checked on Medicare benefits. She had Medicare benefits for the past year and did not even know it, and staff quickly assisted to sign her up for Medicare D benefits. She always comes back to the CIL with problems she can't understand.

The CIL assisted a 42 year old woman with Lupus who has worked for many years. She became unable to work due to her disability and was struggling to cope with the eventuality that she would probably never work again. The Center staff helped her with an SSDI application on line and met with her to assist her in completing the intake application at the Social Security Administration office in March. This process was very difficult for her and required much listening, understanding, and encouragement. She was approved for SSDI in early May. She has commented that she did not know our services were available until she came in to the Center. She has stated on several occasions what a pleasure it was to work with our organization and how she felt that she could not have done this without us. She is now in the process of starting the next phase of her life, being a productive, independent person who just happens to have a disability.

In May of 2005, this man suffered a stroke that left him partially paralyzed. After several months in a nursing home and rehabilitation facility, he was ready to be released, but he would require a number of services to continue his recovery at home. Fortunately, his girlfriend was willing and able to provide the support, encouragement and PCA services. At first, she did all these things on her own, but it was soon apparent that in order to continue aiding him in his recovery, outside assistance was needed. And that outside assistance would come from numerous agencies including the CIL and Home and Community Based Services (HCBS) through county social services. He and his girlfriend learned that she could be paid for providing PCA services through the HCBS funds. He stated that "she is a natural" at caring for others and "I couldn't have gotten along without her." She provides assistance with cleaning, cooking, personal care, and transportation to his numerous therapy appointments. She has also been a strong advocate for him and encourages him in his recovery. When asked what should be changed about the system both recommended the reduction of red tape, paperwork and waiting time for a decision. The consumer stated that without PCA services he, "would probably be in a nursing home and I wouldn't be happy there." Thankfully, he is continuing his rehabilitation at home with the encouragement and assistance of his girlfriend, family and area agencies.

POTENTIAL INSTITUTIONAL CARE COSTS SAVED BY NORTH DAKOTA CENTERS FOR INDEPENDENT LIVING

Part of the mission of independent living centers is to assist persons with disabilities in either leaving or preventing their placement in institutions. This effort by the four centers for independent living in North Dakota has the potential to save the state $ 453,676.08. This potential savings is the difference between what it costs for individuals to live independently using Home and Community Based Services verse the increased cost that North Dakota would spend on institutionalized care.

The figure was computed using the average nursing home cost (FY 2007), adjusted for room and board, and the average cost of Home and Community Based Services for the 22 individuals who the Centers assisted in moving from institutional care during FYs 10/01/04-9/30/06.

$ 159.96	AVERAGE NURSING HOME COST PER DAY
x 80%	ADJUSTMENT FOR ROOM AND BOARD @ 30%
$ 127.968	ADJUSTED COST PER DAY FOR NURSING HOME CARE

$ 127.968	ADJUSTED NURSING HOME RATE
x 365	DAYS OF THE YEAR
$ 46,708.32	COST PER YEAR FOR NURSING HOME CARE

$ 46,708.32	COST PER YEAR FOR NURSING HOME CARE
26,086.68	AVERAGE COST PER YEAR FOR PCA SERVICES
$ 20,621.64	COST SAVINGS
x 22	PEOPLE WITH DISABILITIES
$ 453,676.08	**TOTAL POTENTIAL SAVINGS**

Note: Centers for Independent Living reported that Independent Living Services prevented 52 persons from entering nursing homes or other institutions during the last budget period. Using the average nursing home rate as a benchmark these persons may have cost the State of North Dakota an additional $ 1,072,325.28 for institutional care. These are people that the medical staff or families were actively looking at placement.

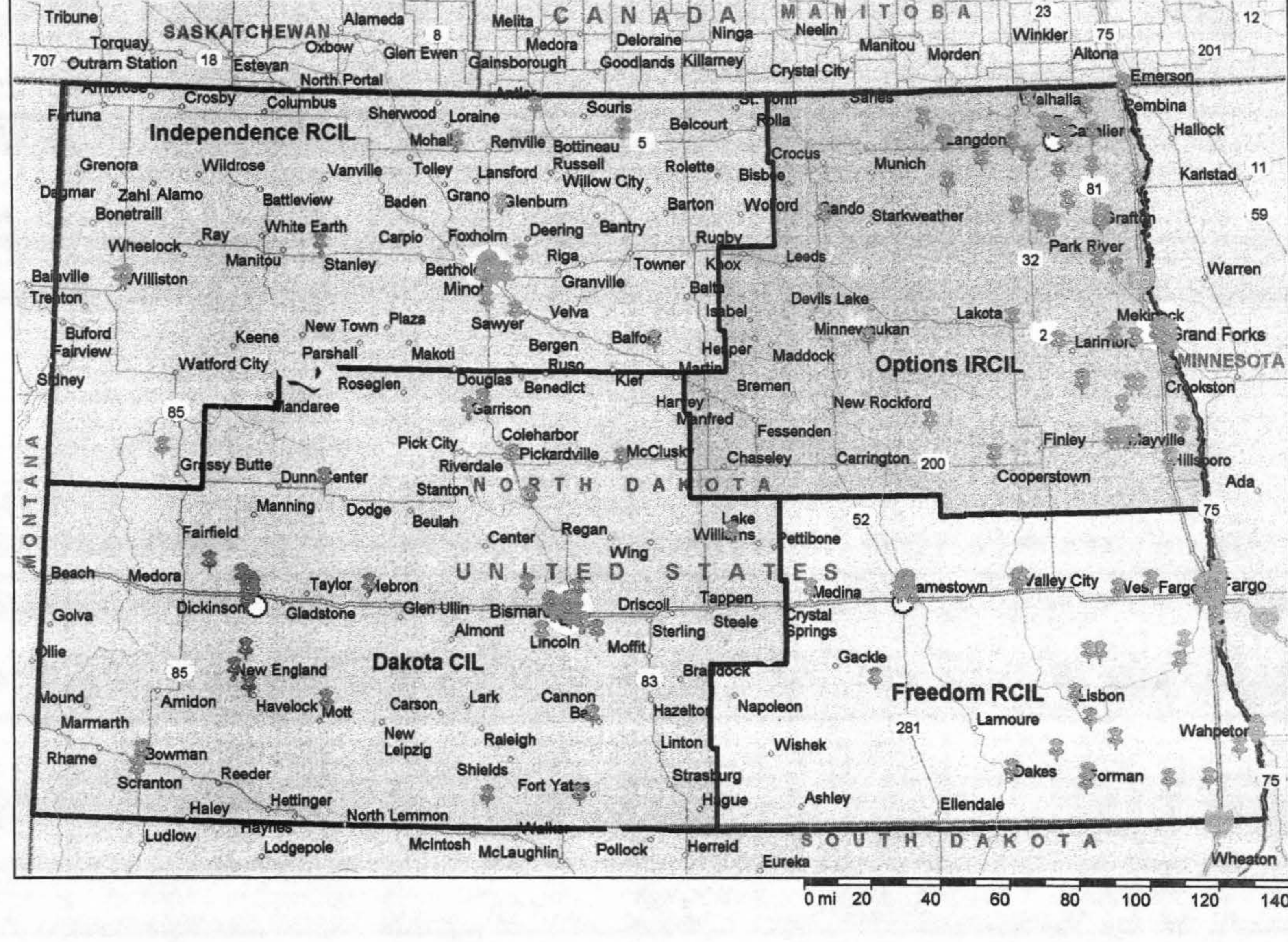
Independent Living OAR

There are currently four Centers for Independent Living serving North Dakota, located in Bismarck, Minot, Fargo and Grand Forks. Branch offices are located in Jamestown and Dickinson. There is an outreach office in Cavalier. In 1994, the Statewide Independent Living Council developed a plan for statewide coverage that called for each Center to cover a quadrant of the state, with eventual plans for a branch office for each. This would allow adequate coverage throughout the state. In order to accomplish this, a budget of approximately $600,000 per year per quadrant would be required, or $4.8 million per biennium. The present funding for the biennium amounts to $2,671,672. To reach the requested budget would require an increase of $2,128,328.

Direct Service Impact

Pushpins
- Direct Service Consumers
- Offices/Outreach Posts

Custom Territories
- Dakota CIL
- Freedom RCIL
- Independence RCIL
- Options IRCIL



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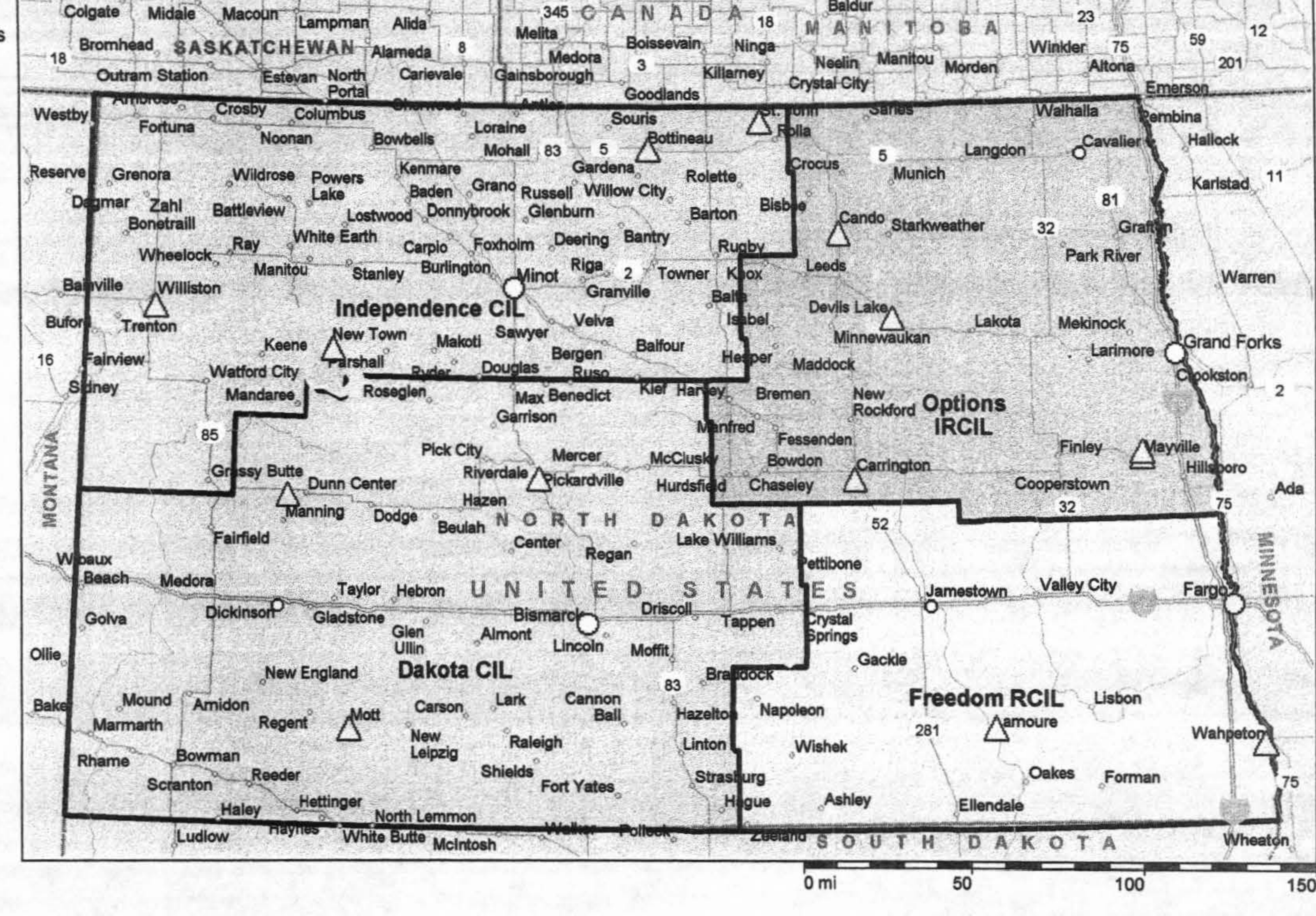
Proposed Service Expansion

Pushpins

△ Proposed Outreach Posts

Custom Territories

- Dakota CIL
- Freedom RCIL
- Independence CIL
- Options IRCIL



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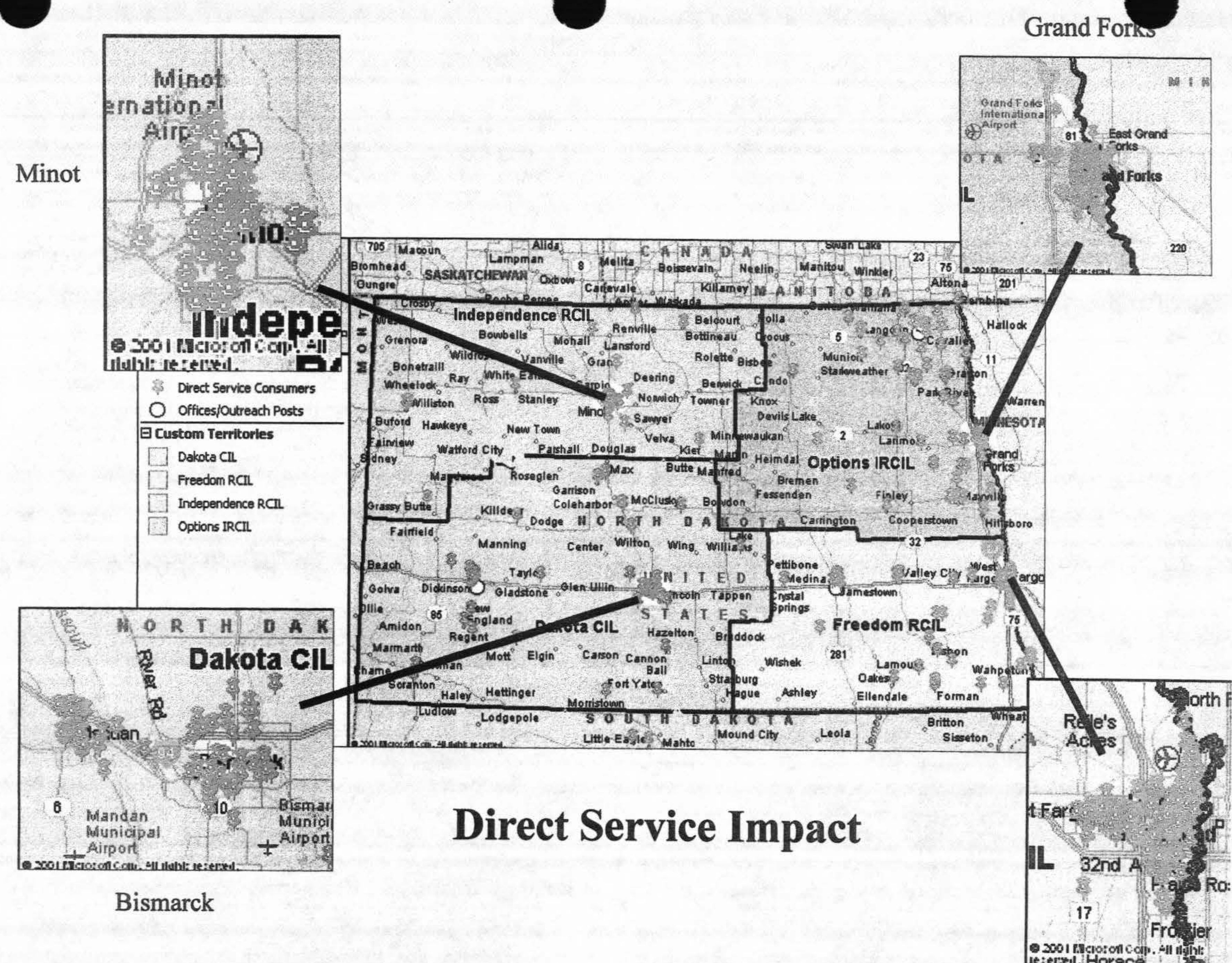
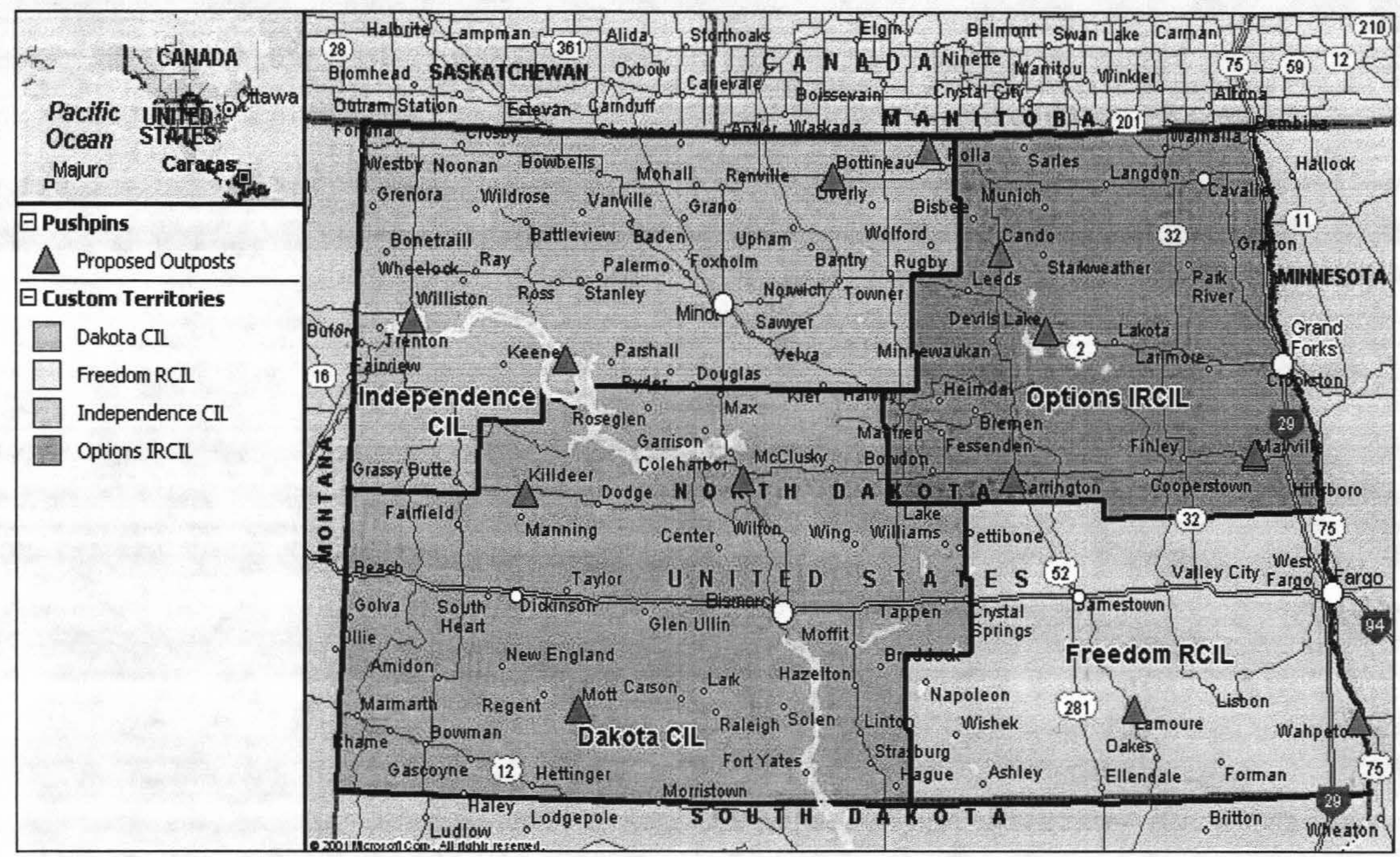


Fargo



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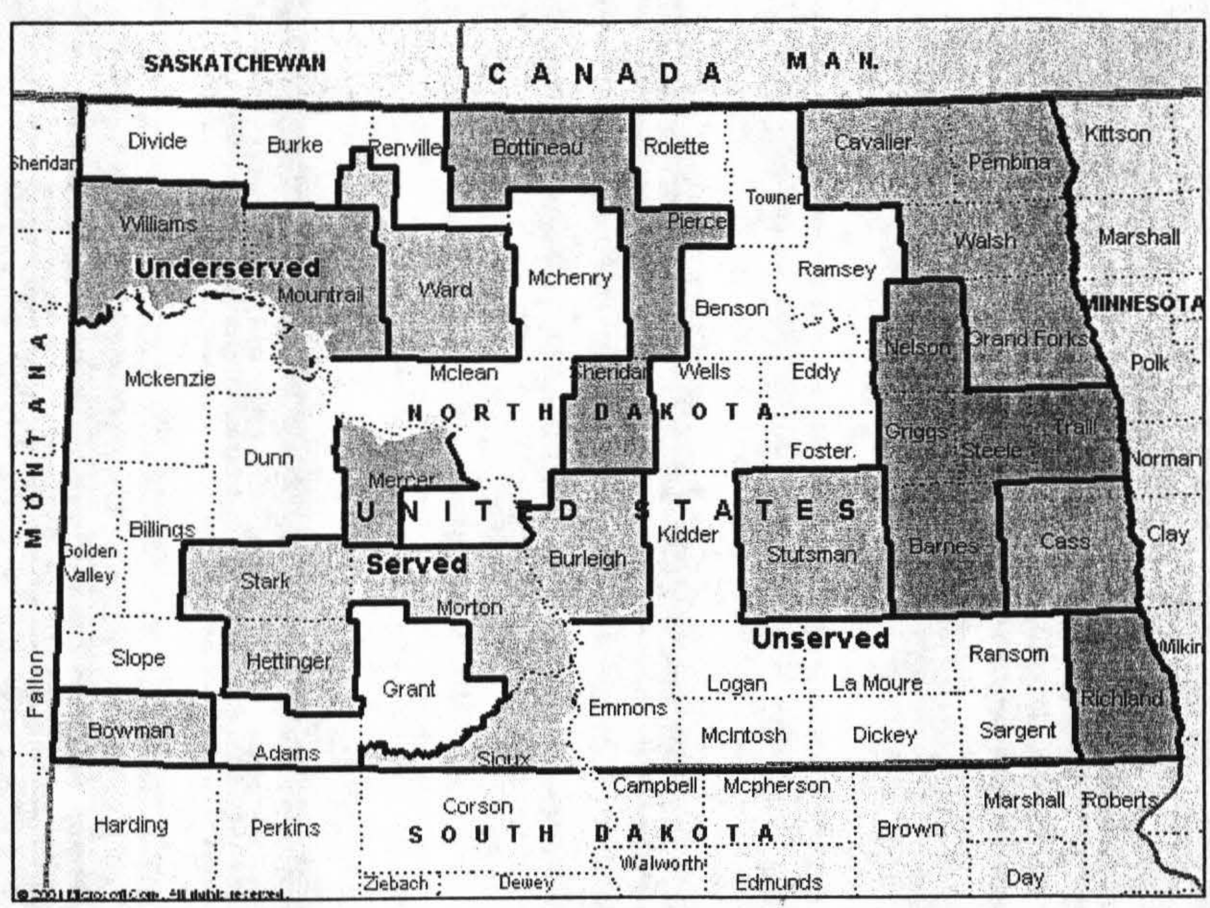

SASKATCHEWAN
CANADA
MAN.
Divide
Burke
Renville
Bottineau
Rolette
Cavalier
Pembina
Kittson
Sheridan
Williams
Towner
Pierce
Walsh
Marshall
Underserved
Mountrail
Ward
Mchenry
Ramsey
Benson
MINNESOTA
Nelson
Grand Forks
Polk
Mckenzie
Mclean
Sheridan
Wells
Eddy
NORTH DAKOTA
Griggs
Steele
Traill
Dunn
Foster
Norman
Mercer
UNITED STATES
MONTANA
Billings
Kidder
Clay
Golden Valley
Served
Burleigh
Stutsman
Barnes
Cass
Stark
Morton
Unserved
Slope
Hettinger
Ransom
Grant
Logan
La Moure
Fallon
Emmons
Richland
Bowman
McIntosh
Dickey
Sargent
Adams
Sioux
Campbell
Mcpherson
Corson
Marshall
Roberts
Harding
Perkins
SOUTH DAKOTA
Brown
Walworth
Ziebach
Dewey
Edmunds
Day

14

Senate Appropriations Subcommittee
SB 2012
January 17, 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am Judie Lee, Executive Director of the Interagency Program for Assistive Technology (IPAT). I am here today in support of SB 2012, which includes IPAT's federal dollars. However, I am also here to point out that this budget represents a 50% decrease in federal funding for our program.

IPAT was established in 1993 to develop a statewide, comprehensive assistive technology program that would ensure people with disabilities of all ages and those experiencing the effects of aging would have access to the assistive technology devices and services they need for work, school, and home.

What is Assistive Technology (AT)

Assistive technology devices are items, pieces of equipment, or product systems that are used to increase or maintain functional capabilities of individuals with disabilities; such as adapted toys, computer access, powered mobility, and environmental control systems. Assistive technology services are any services that directly assist an individual with a disability in the selection, acquisition, or use of an assistive technology device.

Who Needs Assistive Technology (AT)

People who have been injured in accidents need AT.

People who are impacted by disease both sudden and chronic need AT.

People who are experiencing the effects of aging need AT.

People who were born with disabilities need AT.

Provided for you is a map of North Dakota depicting by county the targeted populations for assistive technology services. Two groups are identified on this map, those who self identified as having a disability and those who are 60 years of age or older. These populations are, or at some future time, will be in need of assistive technology.

IPAT Funding Sources

IPAT's main funding source is federal dollars awarded through The Assistive Technology Act of 2004: Public Law 108-364. IPAT changed from a discretionary grant to a formula program, which means federal funding for IPAT is more stable and will continue, however the amount has been reduced. IPAT has had a 50% reduction in federal funding and all carry-over dollars have been expended. Current operational costs are approximately $500,000/year and the federal award is $316,000/year. IPAT's move to supplement with fees for service and specific grant dollars help, but do not cover, the operational costs.

What AT Services Does IPAT Deliver

IPAT has built an assistive technology (AT) infrastructure in ND over the past 12 years which provides AT services to people of all ages and with all types of disabilities. This unduplicated, comprehensive AT program is used by individuals, families, businesses, employers, schools, community organizations, health care providers, and numerous state agencies. The statewide services provided include: 1) Direct Consumer Assistance, 2) Equipment Loan Library, 3) Equipment Demonstration Sites, 4) Alternative Financial Loan Program, 5)

Assistive Technology Swap 'n Shop, 6) Training and Public Awareness, 7) Coordination and Collaboration, and 8) Additional Services.

The budget decrease for IPAT is addressed in Senate Bill 2211. With all due respect for your time today, further information regarding IPAT services and budget will be provided when testimony is heard on SB 2211.

Thank you, Chairman Fischer, for the opportunity to appear before your committee today. If you have any questions, I will be happy to respond.

Judie Lee
IPAT Director
3509 Interstate Blvd.
Fargo, ND
701-365-4728
jlee@polarcomm.com
www.ndipat.org

Peggy Shireley

From: Geneal Roth [GROTH@ndqio.sdps.org]
nt: Thursday, July 13, 2006 1:58 PM
: peggy.ipat@midconetwork.com
ubject: Telephone

Hi Peggy,

I just wanted to let you know of a success story from here in Minot. When you were at Salute to Seniors this spring in Minot, I had a booth next to yours and we discussed a telephone for an individual I knew with MS. I obtained an application from you and passed it along to the family. The individual has received his phone and a friend set it up for him. To say he loves it is an understatement. It is working out so well for him and has made communication so much more accessible. It's hard for someone like me to imagine that something as simple as a phone could make someone's life so much more enjoyable. Anyway, I just want you to know that a family in Minot really appreciates the assistance IPAT has provided!

Have a great week!

Geneal L. Roth
Communications Specialist
North Dakota Health Care Review, Inc
800 31st Avenue SW
Minot, ND 58701
701-852-4231 (Voice)
701-838-6009 (Fax)
groth@ndqio.sdps.org

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JAMES RIVER SENIOR CITIZEN'S CENTER, INC.

502 10th Ave. Southeast • P.O. Box 1092
Jamestown, North Dakota 58402-1092
Phone 701-252-2882

December 19, 2006

To Whom It May Concern:

My name is Anne Kainz. I am the Outreach worker in Jamestown North Dakota. IPAT has helped my clients in so many ways, from grabbers from the safety grant to phones for the hard of hearing, medicine dispensers and smoke detectors. Connie has been very helpful in so many ways. In my opinion IPAT is a very resourceful and needed program in our area.

Thank You,

Anne Kainz

Anne Kainz

Connie Rawls

From: Jeannie [iwonder@utma.com]

Sent: Wednesday, December 20, 2006 2:09 PM

To: Connie Rawls

Subject: IPAT

regarding funding for this service:

I worked with this program for a number of years when i was an outreach worker for seniors. I found it to be a great service, not only for the AT items but for informing folks that there are items "out there" that would benefit them. Most important, as some may know there are items but not know how to go about getting them; there, IPAT comes in as this program is wonderful at helping folks find what they want.

I surely hope this program continues to be funded to enable folks to stay in their homes longer.

jeannie steinwand
former outreach worker for seniors

Connie Rawls

From: Barbara Nutter [barbara.nutter@gmail.com]

Sent: Thursday, December 21, 2006 8:15 PM

To: Connie Rawls

Subject: Hi from Bobbie Nutter

Hi Connie!! I received the most wonderful Christmas gift this afternoon! The CapTel arrived from UPS delivery and I am so delighted!!! I cannot thank you enough. It is boxed and I am not going to set it up until my grandson gets home from college this weekend. He is so much more knowledgeable about all of this than I ever could be. I wanted you to know how pleased I am before the long Christmas weekend, and I will write you again after I get the phone working. I cannot thank you enough for your prompt response to my request. It is like a miracle! Please have a Happy Holiday and a very Merry Christmas and I will write you again next week. Thanks so much! Bobbie Nutter

Barbara Nutter

Connie –

What a wonderful Christmas Gift for me to receive! the CapTel will give me a new lease on life! the independence of making my own phone calls will be remarkable for me! thank you so very much – and a very Merry Christmas – and special Holiday Season to you!

With Gratitude!!

Bobbie Nutter

DEC 2 ∶ 2006

Altru Clinic – Cavalier
P. O. Box 40
201 East 3rd Avenue South
Cavalier, ND 58220

Stacie Metelmann, RN, CDE
smetelmann@altru.org

Telephone: 701-265-8338
Fax: 701-265-4077
Voice Mail: 701-265-3358

December 21, 2006

To Whom It May Concern:

RE: PROPOSAL FOR STATE FUNDING OF IPAT

It is with excitement as both a professional and a parent of an individual with special needs that I write this letter of support for IPAT.

As a professional I refer many individuals to IPAT for individualized support services to keep them independent and in their homes. Many of my clients have physical limitations that would prevent them from staying independently in their homes without very simple and innovative help devices, that are many times inexpensive. With a mere telephone call the staff can recommend, "the latest and greatest" items that meet each person's needs and/or provide an individualized assessment to meet those needs. They also have been an invaluable service as a clearing house for grant monies to assist these individuals in purchasing the items that they need and house the medication reminder systems that so many utilize in maintaining their independence.

As a parent of a 19 year old daughter with special needs I have called on IPAT in numerous instances to assist me and the school district in special evaluations of her needs and required services, particularly in the areas of augmentive communication. They have given our daughter the gift of being able to communicate her basic needs to us and strangers. Additionally, the Lending Library program allowed us and the school to utilize equipment and soft ware before making a costly mistake in purchasing inappropriate items.

It is with sincere enthusiasm that I recommend funding for the services offered by IPAT.

Sincerely yours,

Stacie Metelmann, RN
Certified Diabetes Educator
Coordinator of The Diabetes Center of Altru Clinic-Cavalier

December 22, 2006

To Whom It May Concern:

I am a speech language pathologist who has provided services to clients who present with various communication impairments for the past 20 years. I have used IPAT as a resource and provider of loaner communication devices since they began operating. The ability to loan a communication device is of utmost importance in the treatment of individuals with communication impairments. The cost saving of renting a device directly from the manufacturing company is great. Many companies will not lend/lease devices and make trials close to impossible. Each client has unique needs and many times requires trial periods of more than one device to meet these needs. I look forward to working with IPAT in their new Bismarck location. Web cam services are available at this site where I will be able to bring clients to the IPAT office and confer directly with IPAT therapists in completing of augmentative communication evaluations. I fully support IPAT and have found their services very valuable in proving quality services to the clients we serve.

Sincerely,

Jeanne Kilzer, M.S., C.C.C./SLP

1508 NORTHVIEW LANE
BISMARCK, ND 58501

12-22-06

To Whom It May Concern,

My name is Amy Lindquist and I am an Outreach worker in Mountrail Co for Minot Commission on Aging and also for Kenmare Wheels and Meals in the Burke, Renville & Gooseneck of Ward Counties. I have many seniors who are unable to purchase the items that we were getting from IPAT and Connie Rawls.

I would like my vote last November to mean something for these elderly people. Please restore funding and more for those out here in the rural N.D. who can not afford these items or are unable to go shop for these items.

Thank you.

Amy Lindquist

7750 68th Ave NW
Donnybrook, ND 58734-9526

12/22/06

To whom it may concern,

I am an Occupational Therapist at Medcenter One for the past 23 yrs. The Services of IPAT have been extremely helpful to my patients, clients and residents to allow greater safety and Independence. The program has helped those of all ages.

It is important that the ongoing Services of IPAT be continued to ensure that the special needs, handicaps, elderly are provided with the programing services and equipment IPAT has offered.

Please consider further advancement of IPAT services and programing.

Sincerely
Marcia K. McCleary OTR/L
Occupational Therapist

12-23-06
To whom it may concern,

I have been using services provided by IPAT for about 15 years now. IPAT is very important to me because it helps me stay on top of the latest assistive technology devices that can only better my life. I had been using a communication device called a Canon Communicator for approximately 17 years and when the paper to run the machine became obsolete, I was introduced to the newest communication devices. Although the change was difficult, the new device (The Lightwriter) has made a world of difference. I can't even begin to explain how great it is. All thanks to the IPAT staff Jeannie Krull, for working with me to help me find a device that would work well for me and my needs.

I use IPAT for their assistance in the best devices for me and my life.

I support this bill and hope you do as well. It's a much needed service.

Thank you,

Joanna Tehle

Joanna P Tehle

Dec 26, 2006

To Whom It May Concern:

My Mother lost her hearing in June - she is a candidate for a cochlear implant which will be in Jan. In the meantime one of the audiologists suggested I talk to someone at IPAT to see if I could rent an amplified phone for Mom during the time she is awaiting the implant. We did not want to purchase a phone because her hearing will be restored after the implant.

Therefore, we are so grateful

(Over)

to be able to borrow the phone from the lending library.

The staff has been so helpful and patient as I asked many questions.

We are very thankful to have the lending library available to those of us that need to borrow equipment for a brief time.

We are so pleased with IPAT services.

Sincerely
Karen Enge
409 - 3rd St. NE
Valley City, ND
58072

My mother is Erna Wagner who lives in Mandan ND.

DEC 2 2006

To Whom it may concern:
We were very pleased after traveling to Fargo to learn about the assistive tehnology. Dillon was very excited about the information he recieved. we are hoping the school will get, involved in the wide variety of the educational technology that has been available and is available to the students, which will help develope the young minds of the many students with disabilities. the technology

will help Dillon with his comprehensive reading and writing.

Our son at the moment struggles on a daily bases with his reading and test taking. We feel with the help of the assistive technology he will struggle less and will become more independent without the help of tutors and special Ed teachers.

Sincerely
Dillon, Pam, + Ross

STARK COUNTY SOCIAL SERVICE BOARD

664 12th Street West
Dickinson, ND 58601

Telephone: (701) 456-7675
FAX: (701) 456-7777
Emergency: (701) 456-7762
TDD: (701) 456-7675

Mr. L. J. Bernhardt,
Agency Director

December 28, 2006

To whom it may concern:

I would like to take this opportunity to express my support for the Interagency Program for Assistive Technology(IPAT). Their programs, staff training and technical assistance have been a valuable tool to me in my work with the elderly and disabled population in North Dakota. Please consider funding at the appropriate level for this important program.

Sincerely,

Jeri Weiss

Jeri Weiss
Home and Community Based
Services Casemanager
Licensed Social Worker

L.J. Bernhardt

Mr. L.J. Bernhardt
Agency Director
JRW
Enclosures

Administrative Office
PO Box 186
108 Fourth St. East
Minnewaukan, ND 58351-0186
Phone 701-473-5302
Fax 701-473-5330

Economic Assistance Office
PO Box 186
210 Seventh St. East
Minnewaukan, ND 58351-0186
Phone 701-473-5302
Fax 701-473-2511

Outreach Office
416 Second Ave. North
Fort Totten, ND 58335
Phone 701-766-4622

DECEMBER 28, 2006

TO WHOM IT MAY CONCERN:

THE EQUIPMENT I HAVE BEEN ABLE TO ACCESS THROUGH THE IPAT PROGRAM FOR RESIDENTS OF BENSON COUNTY, CAN AND DOES MAKE A DIFFERENCE IN OUR GOAL OF MAINTAINING AND SERVING PEOPLE IN THEIR OWN HOMES.

SERVICE DELIVERY IN BENSON COUNTY, A MEDICALLY UNDERSERVED, RURAL AREA, IS, AND CONTINUES TO BE, A NEVER ENDING CHALLENGE. THE AVAILABILITY OF DURABLE MEDICAL EQUIPMENT, AT NO CHARGE TO THE INDIVIDUAL, ASSISTS IN ALLEVIATING ONE OF OUR MANY CHALLENGES.

AS ALWAYS, COST IS A FACTOR. THE EQUIPMENT AN INDIVIDUAL RECEIVES COSTS MONEY AND GRANT MONEY IS LIMITED. AS USUAL, NEED EXCEEDS FUNDING. FOR ME, IT IS IMPOSSIBLE TO PLACE A "DOLLAR VALUE" RELATED TO THE SAFETY THE EQUIPMENT ALLOWS TO THE INDIVIDUAL AS WELL AS THEIR CAREGIVER.

I WOULD ALSO LIKE TO THANK THE IPAT STAFF FOR A JOB WELL DONE! THE COOPERATION AND CONTINUED SUPPORT OF IPAT STAFF EACH TIME I MAKE A REFERRAL, MAKES MY JOB SO MUCH EASIER!

SINCERELY YOURS,

Carole Lysne

CAROLE LYSNE, HSPA III

We dream things th... not

Flasher, ND
December 29, 2006

IPAT
107 West Main-Suite 225
Bismarck ND 58535

Dear Peggy,

On behalf of the family of Elizabeth Frederick, we would like to take this opportunity to say "thank you" to the staff at IPAT for the helpful assistance you offered us.

Our mother was well on the way to a nursing home when John and I attended a workshop for Senior/Caregivers. After hearing Peggy Shirely's presentation we visited the office in Bismarck to rent the up-lift seat, which proved to be invaluable. As a result of having been allowed to rent the seat on a trial basis, we were able to determine this is the thing Mom needed.

We have shared the value of renting equipment we now know is available with other caregivers in our area.

We have certainly appreciate the services we have received from IPAT and urge others to take advantage of their services.

Sincerely,

John & Eunice Toman

January 2, 2007

To Whom It May Concern:

My name is Paula Weiler and I am the Assistive Technology Specialist for the Fargo Public Schools. I am writing this letter on behalf of the North Dakota Interagency Program for Assistive Technology (IPAT) which provides access to assistive technology throughout the state of ND. IPAT is a valuable resource for students with disabilities because it provides access to equipment and various technologies to support student's academic success. Through IPAT, students are able to access equipment or software for a trial period of time for a nominal rental fee. Instead of the school district or parents of the student purchasing expensive software or assistive equipment without having the opportunity to evaluate before purchasing, IPAT is used as a resource to "test" the equipment. This allows the student and school personnel to find a solution for those students who are struggling to be academically successful. A large number of staff and student's throughout schools in Fargo use IPAT and have found this service agency to be a valuable resource.

Sincerely,

Paula Weiler, M.S. CCC-SLP
Assistive Technology Specialist
Fargo Public Schools

Paula J Weiler, MS CCC-SLP

South Central Adult Services

Central Office at:
139 2nd Avenue Southeast~P.O. Box 298~Valley City, North Dakota 58072~845-4300~Pat Hansen
Project Director

January 3, 2007

Regarding Funding for equipment that IPAT supplies to the elderly & disabled:

IPAT
P.O. Box 743
Cavalier, ND 58220

To Whom It May Concern:

We would like to inform you of the benefits that we have seen individuals gain by having this program available to them. As our population ages there are many issues that face them if they develop disabilities. The bath benches, tub rails, elevated toilet seats etc. enable individuals to take care of their own bathing and toileting needs so that they can stay independent longer. They can function in their own homes and stay where they have been living without having to move somewhere else.

When the ice gets so thick and slippery that the average person has problems standing on their feet, IPAT has supplied rubber grips that attach to the shoes or boots. Medication dispensers are available to remind people to take their medication. This enables a person to take their medications on time and as often as the doctor has prescribed them to do so. Many persons with a hearing impairment are benefiting from having a telephone that they can use to communicate with family and friends.

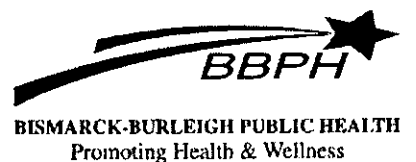
Please do whatever you can to provide this program with funding so that they are able to serve our elderly and disabled people.

Yours truly,

Dolly Hoelmer

Dolly Hoelmer
Outreach Staff

Phone: (701) 845-4300 or 1-800-472-0031 Fax: (701) 845-4073
Serving the Counties of:
Barnes, LaMoure, Foster, Logan, McIntosh, Griggs



BISMARCK-BURLEIGH PUBLIC HEALTH
Promoting Health & Wellness

1-3-2007

To Whom It May Concern:

We have been fortunate to be at the receiving end of services and products from the Interagency Program for Assistive Technology, IPAT.

The Medication machines that the agency has been able to distribute have been invaluable to our clients. These are machines that our nurses fill and then they are locked and dispense meds at the appropriate time for the client. So many times poor medication compliance is the reason people need to move out of their homes to places with more assistance. Our agency has received machines to assist at least 40-50 clients.

As we visit clients in Burleigh County we often have requests for safety and assistive equipment. Many times the client does not have the resources or the ability to just go and buy the product. IPAT has been able to help these clients.

We feel the IPAT is a valuable community asset.

Thank you for all of your considerations for this program.

Sincerely,

Connie Griffin, RN

Connie Griffin, RN
Bismarck Burleigh Public Health
500 East Front
Bismarck, ND

January 4, 2007

To Whom It May Concern:

I am writing in support of funding for the IPAT program in North Dakota. I am a speech-language pathologist at a long term care facility. I have had the pleasure of working with Peggy Shireley at the IPAT center in Bismarck over the last few months. One of the residents on my caseload had been diagnosed with advanced Parkinson's disease and was referred to me for increased difficulties in communicating. After evaluating this patient, it was evident the greatest breakdown of communication was during telephone conversations. In need of an assistive device, I was referred to IPAT by a colleague of mine who is employed at one of the local hospitals.

I contacted Peggy at IPAT and within a few weeks my patient, myself, and her family were invited to the IPAT office to try different devices that would best meet my patient's needs. Less than two weeks from that appointment my patient was successfully using her new telephone and reported a decrease in communication breakdowns. My patient and I were both very happy with the services we received at IPAT.

I have talked with other disciplines in the rehab department at my facility and they are anxious to learn more about the IPAT program. We are planning an in-service for the staff to educate them on the services available at IPAT. I am looking forward to working with Peggy again, and would definitely recommend the program to those in need of assistive devices. I am very thankful we have a program like IPAT in our community.

Thank you,

A. Miller MS CF-SLP

Amanda Miller MS, CF-SLP
Health Dimensions Rehab

January 4, 2007

To the North Dakota Legislature,

As the parent of a child with severe disabilities, I am writing to urge you to fund IPAT to as great an extent as is possible. Without IPAT, my son Niles would simply not be able to succeed in college or in life. As a student in the Grand Forks Public School system, Niles was well served by classroom and special education teachers, but he was not provided with any of the tools that would allow him to function independently. That's where IPAT stepped in. Without their guidance and expertise, Niles would be unable to cope with the demands of either college or the workplace.

Niles' disabilities affect his writing and reading, as well as his fine motor skills in general. Due to his fine motor problems, Niles will never be able to hold a job that requires normal manual dexterity, but without assistive technology, he would also be unable to function in an office or classroom setting. For years, we worried about how Niles would possibly support himself as an adult, but in his senior year at Grand Forks Central High School, his vocational rehabilitation counselor referred us to IPAT. At IPAT, Niles was shown and allowed to test out a number of different types of software and hardwire that compensate at least partially for his disabilities. After an afternoon-long session with Jeannie Krull and with her recommendations in hand and her continued advice and support over the past two years, Niles has used assistive technology to earn a 3.2 gpa in college. To handle his coursework, Niles uses a voice recognition program, a reading and writing software program, books on tape, and several other tools. He would not have had the knowledge or resources to identify and master these tools without IPAT.

IPAT, then, made the difference in Niles' ability to transition to a productive adulthood. He still faces challenges, especially when he enters the workforce, but without IPAT, I think the odds of his ever successfully earning a living would be far less. In considering funding for IPAT, then, I would urge the North Dakota Legislature to consider this question: isn't it worth a modest investment in IPAT to ensure that disabled people can be productive members of society? We have a choice. Spend money through IPAT to equip people to meet the demands of the workplace, or spend money to provide food and shelter for people who cannot hold a job. I'd much rather see all disabled people given the tools they need to contribute to society and achieve as much independence as possible.

Thank you for your consideration of this important issue.

Sincerely,

Jeanne Anderegg

Jeanne Anderegg

3603 13th St. SW
Minot, ND 58701
January 05, 2007

Peggy Shireley
IPAT
107 West Main – Suite 225
Bismarck, ND 58501

To Whom This May Concern:

I am one of the leaders in our ParkinsoOn's Support Group of Minot. I am, also, on the staff of our AARP group. Peggy Shireley spoke at both of our groups. She did a wonderful speech on the help the elderly may obtain if they are handicapped and for others in special needs.

Many of the people were amazed at what technology is available for those in need. Example: One of our people can't speak, she got a phone in which she can type out a message on a vocal machine and then send it to her family so she can communicate to her family and others. Another person having difficulty dialing numbers on a phone is getting a phone with pictures, which can be pushed, which will then dial the numbers. IPAT goes out of their way to suggest things the people can make or purchase to meet their need. They also are willing to go in homes and help people with needed skills.

Our state has always had strong work ethics. I don't feel we should let these people sit back and feel no one cares now in their time of age or need. They still have much to offer our state. IPAT is doing a wonderful job but in order for them to help meet the needs of these people they need to get help financially from our state. The coordinators of this group go out of their way in a friendly and caring way to do what they can do.

IPAT is trying to help people get out of their "box". It is exciting to watch the excitement when these people can get any help and hope.

Sincerely,

Eilene Emly

Eilene Emly

INNOVIS
HEALTH

where innovation, vision and caring connect

Administrative Offices
1702 S. University Drive
Fargo, ND 58103
Phone: 701-364-8000
Fax: 701-364-8078
www.innovis.org

1-5-07

To Whom It May Concern:

We are writing in support of the Interagency Program for Assistive Technology (IPAT). As Occupational Therapists, we serve the greater Fargo-Moorhead area providing rehabilitative services for individuals birth to geriatrics. Patients and families are concerned with rising medical costs, including adaptive equipment, and maintaining maximal independence.

IPAT provides tangible resources that can be used by patients to assess the most reasonable and appropriate equipment to increase patient safety and independence. When patients and families ask questions such as: 1)"How can I call my daughter next door if I need her? I don't want to wear a Life Call button and I have trouble managing the phone." 2)"My mom is *physically* independent, but she is not able to safely remember how to take her medications. Will she have to go to a nursing home just because she can't take her medications?" 3)"Since my stroke I cannot open cans of food. I have seen different types of can openers, but don't know which one is best for me." 4)"I keep a cordless phone in my walker bag so I can always have it near me, but I am hard of hearing and can't hear using this phone. Is there a cordless phone available for those that are hard of hearing?" There are many more questions like this that IPAT allows us to help answer.

Through IPAT we are able to provide several options for trial. IPAT assists patients and families to save money by affording them the opportunity to see what sort of technology is available and what will best suit their needs before they purchase. In addition, the resources IPAT provides range from more expensive, specialized rehab equipment to inexpensive items that can be purchased at local discount department stores. This allows the patient to look beyond a price tag and marketing slogans to determine what products best facilitate their independence.

IPAT also provides a venue via the Swap 'n Shop for patients to buy, sell, swap, or donate equipment. This bulletin board facilitates networking as well as making good use of available resources in an economical way. Staff at IPAT have also been helpful in facilitating patients in accessing resources available for patients that we as therapists are not always aware of.

IPAT is important to helping us do our job better as it affords us and our patients to have equipment to trial, so patient's individual needs can be met. IPAT also is able to provide accurate and helpful information regarding appropriate funding and resources available to meet patient needs.

IPAT is one of the most practical resources available in rural North Dakota. Without IPAT's services many of our disabled community would needlessly waste valuable dollars on inappropriate adaptive equipment and/or excessive caregiving that could be avoided with technology that facilitates independence.

Thank you for your consideration for continued service to our community.
Sincerely,

Michelle Enockson, OTR/L

Jennifer Birst, OTR/L

Judie Lee

From: wsagingcouncil@srt.com
Sent: Monday, January 08, 2007 1:03 PM
To: jlee@polarcomm.com
Subject: Funding

To Whom It My Concern: My name is Deanna Bjorgen and I am an Outreach/Patient Advocate for the Aging. I have utilized IPAT numberous times in the 4 years I have been in this position.
They are a much needed organization for not only the aging,but for all who need assistive devices. I strongly believe this a a very worthwhile and needed service. Sincerely,Deanna Bjorgen/
WSCAC Outreach

Trinity Lutheran Church
502 North 3rd Street
Bismarck, ND 58501
January 9, 2007

To whom it may concern:

I am writing this letter in support of Peggy Shireley and the Interagency Program for Assistive Technology. I, as the Medcenter One Parish Nurse Coordinator, have used Peggy's expertise in assistive devices and the IPAT agency many times in procuring help and advice in dealing with the aging population I serve. At times, because of limited or lack of funding I have not been able to place assistive devises and help in the hands of the individuals that needed it the most. With funding through ND state dollars this problem would be rectified. I would support state funding of IPAT wholeheartedly.
Thank you for your time and consideration.

Sincerely,

Kathleen Nordquist
Medcenter One Parish Nurse Coordinator

600 S 2nd St., Suite 8
Bismarck, ND 58504
701-221-3232

January 10, 2007

To Whom It May Concern:

As President of the board of directors for Rebuilding Together, formerly Christmas in April, I would like to commend the work that is done by the Interagency Program for Assistive Technology (IPAT). IPAT's coordinator, Peggy Shireley, is a member of Rebuilding Together's board of directors and has provided our organization with invaluable guidance in regards to safety and accessibility issues for the elderly and disabled we work with. Each year we choose a number of homes to rehabilitate in a way that will help the elderly and disabled to stay in their home in a warm and safe environment; an integral part of our rehabilitation is the installation of safety equipment. IPAT, with Peggy Shireleys guidance has visited each of the homes we rehabilitated, assessed the homeowner's needs, and installed the appropriate equipment. This service has made a marked difference in several homeowners' lives. The installation of grab bars alone has helped several people feel more secure and lowered the risk of falls for those clients; thus improving their quality of life.

I have personally seen the difference the IPAT program can make in a person's well-being, safety and independence and strongly recommend your support of this organization. IPAT fills a need for many elderly and disabled persons that otherwise would be left unfulfilled. Please support this organization in any way possible.

Sincerely,

Wendy Pank

Wendy Pank
President of the Board of Directors
Rebuilding Together

The nation's largest volunteer organization preserving and revitalizing low-income houses and communities

MeritCare Health System
801 Broadway N.
PO Box MC
Fargo, ND 58122
(701) 234-2000

Roger L. Gilbertson, M.D., President/C.E.O.

January 9, 2007

To Whom It May Concern:

Please consider this letter in support of additional funding for the Interagency Program for Assistive Technology (IPAT). I am a Speech-Language Pathologist at MeritCare Hospital in Fargo, ND. We receive numerous referrals for patients with communication needs requiring alternative and augmentative communication. I have utilized IPAT for resources, education, feedback, and loaner devices on numerous occasions. Without the tools provided to me through IPAT, I would not have been able to adequately meet the needs of these patients. The knowledgeable staff has been superb in providing guidance, as well as supportive in allowing my patients to trial various devices to determine which device would best meet their needs. In addition, I have patients who have relied on IPAT to meet their Assistive Technology needs to enhance safety and independence, for example with medication management. Through the services and equipment offered by IPAT, my patients have been able to increase independence, enhance their communication, and improve their overall quality of life.

Please consider additional funding for this invaluable program. The services provided by IPAT are necessary to meet the most basic needs of numerous individuals in our area. Without IPAT, many of these needs would go unmet, as there are not agencies within our region that provide comparable services. IPAT is extremely beneficial to myself, as a local provider, but is significant to the individuals who receive the direct assistance of the agency. I urge you to advocate for the necessary funding to not only maintain, but promote, this outstanding service.

Sincerely,

Jena Gorden MS CCC SLP

Jena Gorden, MS CCC-SLP

Our Mission

To improve the health and quality of life of the people we serve.

Department of Occupational Therapy
Division of Human Performance Sciences
7500 University Drive
Bismarck, ND 58504-9652
(701) 255-7500

January, 12, 2007

To Whom It May Concern:

I would like to request the North Dakota Legislature to continue its support of the Interagency Project for assistive Technology (IPAT). This project is North Dakota's implementation of the Assistive Technology Act, most recently reauthorized in 2004 (PL 108-364). This project is a means to provide information and access to assistive technology to individuals in the state who have disabilities.

I am a professor at the University of Mary in Bismarck, ND and I use the services of IPAT in various ways. I teach an assistive technology (AT) course to occupational therapy and education students who will be some of the future practitioners providing services for people across the lifespan (infants through geriatrics) who have disabilities. These students receive information from IPAT, and also learn how the services provided through this project can be utilized in their future areas of practice.

I see the benefits of services provided by IPAT in several areas. First, as a professor teaching students, I am able to have someone from IPAT explain their services to my students. The students are also able to see demonstrations of several devices used by people with different disabilities when they visit the IPAT center in Bismarck or attend the statewide AT Expo held in Fargo.

As my students are working with people with disabilities, both now and in the future, they can use the IPAT programs to help their clients access the needed AT to attain, maintain, or regain independence in many life areas. IPAT provides a means to try different equipment prior to purchase for a very minimal fee, so various governmental and private funding sources are not asked to buy devices that may not work for the client. Through the IPAT loan program, clients are able to try devices. This can save other agencies thousands of dollars in wasted funds if devices are purchased, then abandoned due to inefficient or ineffective trials.

Another service provided by IPAT is a financial loan program for individuals to purchase needed AT devices. The loan program offers lower interest rates and flexible payment options so people with a need may be more able to purchase needed devices.

Millions of people across the US and thousands of people in North Dakota use AT for increased independence and improved quality of life. Please continue funding IPAT so this agency can do its part in allowing access to AT to persons with disabilities in our state. Thank you.

Sincerely,

Carol H Olson

Carol H. Olson, PhD, OTR/L
Department of Occupational Therapy

313 27th St. NW
Minot, ND 58703
January 17, 2007

To Whom It May Concern:

My husband is disabled with a fifteen year course of Parkinson Disease. We have received very useful recommendations from the IPAT program corordinator, Peggy Shireley, including resources concerning devices to aid him with his complicated medication schedule.

The IPAT program was first introduced to our Parkinson Support Group members at our monthly meeting. Peggy did a thorough and enthusiastic presentation of all the services available and responded to questions concerning individual disabilities and situations.

We look forward to utilizing this service again, knowing that my husband will be experiencing increasing difficulties and challenging problems. The services IPAT offers are invaluable in preventing accidents, enhancing life experiences and improving quality of life for not only my husband but the disabled statewide.

Our support group has become aware that there are limited resources available to members with Young Onset Parkinsons. These people, ages 40-60 and in the middle income range, have found very limited help. They do not qualify for poverty programs but are financially strapped keeping up with normal expenses. Often they are from a household of families or couples with single incomes in which the disabled member may not have the work history to qualify for Disability. The additional expenses posed by medical problems, even if covered or partially covered by insurance leave these people finding fees for much needed services prohibitive.

IPAT's Swap 'n Shop, the Equipment Loan and the Alternative Financial Loan Programs are very helpful in these situations. Continued federal funding is a valuable use of our tax dollars and state funding for IPAT services would be invaluable to the disabled in North Dakota, especially those in the middle age/middle income group..

Sincerely,
Dianne Krenz

January 29, 2007

Sixtieth Legislative Assembly of North Dakota

Re: Senate Bill 2211

I am writing to offer support of the Interagency Program for Assistive Technology. These available services reach many in need of assistive devices and technologies. I have the privilege to work with individuals who require services to lead a normal and independent life. I have seen firsthand the marked improvement of independence and lifestyle of individuals due to the IPAT efforts and programs. Please consider the continued support and funding of this far reaching and necessary program.

Sincerely,

Troy Lapp, CRTS, ATS
Certified Rehab Technology Supplier
3007 Wisconsin Drive
Bismarck ND 58503
(701)426-1222

Testimony SB2012 – Funding for IPAT
House Appropriations – Human Services Division
February 28, 2007

Chairman Pollert and Members of the House Appropriations – Human Resources Division, my name is Bob Puyear and I live in District Number 47, Bismarck.

I am here to testify in support of funding for the Interagency Program for Assistive Technology (IPAT) within **SB2012**.

I have been a member of IPAT's Consumer Advisory Committee (CAC) for over 10 years. I have been interested in serving on this committee for all of this time because I am a strong believer in and a user of assistive technology (AT).

During these 10 years, the CAC has worked closely with IPAT to promote the well-being of those of us with disabilities and experiencing the effects of aging. We have bimonthly conference calls and twice yearly face-to-face meetings. We have reviewed RFP's for funding AT projects, encouraged the development of an annual report, participated in two AT Leadership Training institutes, and are members of a statewide work-group, Partnerships for Assistive Technology. The CAC has also helped in the development of the IPAT website, IPAT videos, and various IPAT documents. Some of these state activities have had to be curtailed because of a decrease in funding.

As you can see, I have a very severe disability called MS. I have had it for over 50 years. I live at home and use the following AT:

1. The voice recognition program to write this testimony is used because I basically cannot physically access a keyboard;
2. This three wheel cart and another one like it that I have used for over 20 years;
3. I have used environmental control in my home for over 10 years. This allows me to control lights, fans, air conditioners and much more simply by pressing a button.
4. My bathroom is accessible. It has a wide door, elevated toilet, and wheel-in shower;
5. The end of the duplex where my wife and I live has an elevator. This allows me access to three levels in our home.

If this program does not receive state funding there will be a number of individuals who will not receive assistance. IPAT assists people so that they do not need to move into nursing homes, if that is their choice. This saves the state money. IPAT provides assistance to students in the educational system in North Dakota. In most cases this assistance is not available from anyone else in the state. They have an equipment loan library where people can borrow a piece of equipment to determine if it works for them before they purchase it. This saves them and sometimes the state money. They also offer an equipment recycling program. If the state were to buy into this concept of purchasing and recycling previously owned equipment it would save them money.

I encourage members to support funding for IPAT and thank you for allowing me time to share my thoughts about the importance of **SB2012** and AT to those of us who are experiencing the effects of aging and those who have disabilities.

Affordable Housing Developers, Inc.

PROVIDING AFFORDABLE HOUSING FOR WESTERN NORTH DAKOTA

House Appropriations – Human Resources Division
Senate Bill 2012 – Funding for IPAT
February 28, 2007

Chairman Pollert, members of the House Appropriations – Human Resources Division, I am Barb Owens, Housing Director of Affordable Housing Developers, Inc., I wish to testify on SB 2012, in support of funding for IPAT.

AHDI is a partnership dedicated to the creation and preservation of affordable housing in WND. As a part of our single family housing development in Mandan, we decided to build two homes with special features to meet the identified need in the Bismarck/Mandan area for affordable, accessible housing. The potential buyers were to be either elderly persons experiencing the effects of aging and/or existing families having a member with a disability. We formed an ad-hoc committee and over a 10 month period hammered out a sensitive and flexible design. IPAT proved to have a wealth of information on affordable and innovative design features and provided us with connections to families who have adapted their homes so that we could see the "real thing" in action and get practical advice on the many options under consideration.

According to the Statewide Housing Needs Assessment, completed in November of 2004, the numbers of elderly homebuyers are expected to increase by 42 percent over the next 10 years. The Assessment recommended that "top priority" be given to exploring ways to address future elderly housing issues. It also directed that "special attention" be given to developing housing for special needs populations. IPAT has a history of providing information specific to these top priorities, thereby making it possible for people to stay out of restrictive environments and allowing them to age in place.

I urge you to pass this legislation so that IPAT can continue and expand its great work.

1221 Airport Road · Bismarck, ND 58504
Phone (701) 530-1940 · Fax (701) 355-4285 · email: ahdi@qwest.net

This institution is an equal opportunity provider and employer.

Testimony
Senate Bill 2012
House Appropriations – Human Resources Division
Representative Chet Pollert, Chairman
February 28, 2007

Representative Pollert, members of the House Appropriations – Human Resources Division, hello.

My name is Bob Vandal. I reside in Bismarck, in District 30. I am in full support of the section of Senate Bill 2012 requesting funding for the Interagency Program for Assistive Technology (IPAT).

I am legally blind and found it difficult to operate a conventional telephone. I contacted IPAT to see what may be available to assist me in the operation of my phone. I was shown a phone with extra large keys plus an audio feature that repeats, back to you, the key that you just pressed. It works fabulous.

This is a simple example of how IPAT has helped me. A more technical solution may be the device I am using to read this testimony, the Jordy. From the simplest to the most difficult solutions, IPAT helps people find the devices that have either made their everyday life easier or helped them stay employed.

Should my vision deteriorate further, I know I will be able to call IPAT once more to get technical help. Or will I? Without these appropriations, I am concerned with the level of services that IPAT will be able to continue to provide.

I want to thank you for your time and I respectfully ask for your full support in funding for IPAT. If there are any questions for me I would be happy to try to answer them.

House Appropriations – Human Resources Division Senate Bill 2012
February 28, 2007
Chairman Chet Pollert

Chairman Pollert, and members of the House Appropriations-Human Resources Division, my name is Jillian Schaible and I live in Bismarck, ND; I am here today in support of Senate Bill 2012 to appropriate funds to the Department of Human Services for the support of assistive technology services. Sustained public speaking is difficult for me, so I have provided my public comment via a digital voice recorder.

Without the services of the Interagency Program for Assistive Technology (IPAT), I would not have had the information about, or be using the assistive technology I do today. I have received services from the IPAT program for over 10 years; one of the many things they did for me was introduce me to Dragon Dictate, a voice recognition program. I used this program to complete written assignments to obtain my high school diploma and continued to use it to earn my Bachelor of Science degree from the University of Mary. I am still using it.

Without IPAT's recommendation of voice recognition software, it is likely I wouldn't have worked so hard finish college and pursue a good job, because I didn't think I could keep up with my peers. IPAT showed me a way I could. I am here today in support of IPAT, because without it, I can honestly say I probably wouldn't be where I am. I feel that IPAT is a critical program for people who need assistive technology like me. I think it could do even more with state appropriated funds, and I hope you will seriously consider SB 2012 to appropriate those funds for IPAT.

Thank you for your time, and I will answer any questions at this time.

Testimony – House Appropriations – Human Services Division
February 28, 2007
Senate Bill 2012 – Funding for IPAT

Chairman Pollert, members of the House Appropriations – Human Services Division, I am Karen Cossette. I am here today to provide testimony about the assistive technology services my family received through the IPAT program.

I'd like to begin by telling you about my dad, Gib Kreitel, who died last year at the age of 65. Dad was a strong, independent, hard working cattle rancher. He could toss a 75 pound hay bale with ease, and work from sunup to sundown.

The Progressive Muscular Atrophy started as a weakness in his left arm, over time, he lost the ability to move both arms and with agonizing slowness, yet frightening speed, he lost of the use of his legs as well. After a bad fall, he decided he could no longer move about safely on his own. Mom worked with various agencies to get him power wheelchair and accessories.

Thankfully, my parents had the foresight to build a home that was accessible in 2000. My dad's one wish was to stay at home with Mom. Dad thought nursing homes were needed and were fine for some people, but it was NOT for him. With their accessible home, various mobility devices, and the help of family and friends we were able to make Dad's wish a reality; but still Mom and I worried about Dad's inability to call for help if something should happen to him while he was alone. We worried about him sitting alone all day without the ability to turn anything on or off.

We were receiving services from many agencies, but it was not until Don Olson from the Developmental Center came down to re-configure Dad's power chair that we heard about IPAT.

IPAT figured out a way for my dad to both place and receive phone calls. Now if Mom or I had our plans change, or simply wanted to check on Dad, we could call! IPAT also brought out a hands-free device that gave Dad the ability to control his surroundings from his wheelchair; control the TV, turn on lights, fans whatever we programmed in. Dad's quality of life changed.

The assistive devices IPAT had access to and information about, gave Dad choices at a time in his life that he had very few choices. If Dad were here, he would tell you that IPAT not only made his life easier, but that it also brought him peace of mind, because it made day-to-day life easier for his family.

I encourage you to fund this program so that it flourishes and will be there for others that need it. Everyone in this room has the potential to need the services IPAT provides. My dad was healthy, ate home-grown beef, drank water and milk, worked hard and had absolutely nothing wrong with him until his muscles just started atrophying. Aging and disability is does not discriminate.

Chairman Pollert, thank you for the opportunity to appear before you today. If you have any questions, I will be happy to respond.

INTERAGENCY PROGRAM FOR ASSISTIVE TECHNOLOGY
Judie Lee, Director

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(701) 365-4729 Voice • (701) 365-6242 Fax
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House Appropriations, Human Resources Division
SB 2012
February 28, 2007

Chairman Pollert, members of the House Appropriations Committee, Human Resources Division, I am Judie Lee, Executive Director of the Interagency Program for Assistive Technology (IPAT). I am here today to ask you to support IPAT's additional funding request of $500,000 for the purpose of supporting and maintaining assistive technology services for the elderly and people with disabilities provided through IPAT. The additional funding will be used to offset the 50% decrease in IPAT's federal funding.

The Interagency Program for Assistive Technology (IPAT) was established in 1994 to ensure people with disabilities of all ages and those experiencing the effects of aging, have access to the assistive technology devices and services they need for work, school, and home. IPAT operates and maintains eight essential service components, which make-up an unduplicated statewide AT infrastructure.

What is Assistive Technology (AT)

Assistive technology devices are items or pieces of equipment that are used to improve or maintain functional capabilities of individuals with disabilities; such as medication dispensers, computer adaptations, communication devices,

and specialized phones. Assistive technology services are any services that directly assist an individual with a disability in selecting, obtaining, or using an assistive technology device.

Who Needs Assistive Technology (AT)

People, who have been injured in accidents, impacted by disease both sudden and chronic, are experiencing the effects of aging and people who were born with disabilities.

Provided for you is a map of North Dakota depicting by county the targeted populations for assistive technology services. Two groups are identified on this map, those who self identified as having a disability and those who are 60 years of age or older. These populations are, or at some future time, will be in need of assistive technology.

North Dakota's AT Infrastructure

IPAT has built an assistive technology (AT) infrastructure in ND over the past 13 years which provides AT services to people of all ages and with all types of disabilities. There are no eligibility criteria and services are not time limited, making them extremely easy to access. This comprehensive AT program is used by individuals, families, businesses, employers, schools, community organizations, health care providers, and numerous state agencies. IPAT's AT infrastructure is made up of 8 essential service components:

1) Direct Consumer Assistance

Staff is available to answer AT questions via phone, on-line, mail, videoconference, or person-to-person. IPAT provided direct consumer assistance to 2,758 individuals in the 2005-06 program year.

2) Equipment Loan Library

A large inventory of equipment is available for residents to borrow to try in their own environment for a period of 6 weeks. This helps people make the right decision and reduces the number of expensive purchasing mistakes. In the program year 2005-06, IPAT made 376 equipment loans.

3) Equipment Demonstration Sites

IPAT supports 2 AT demonstration sites, one in Fargo and the other in Bismarck. These sites provide an opportunity for people to have hands-on exploration of AT devices. It is important to note that much of this equipment is not available at a local store and this is one of the only opportunities people have to see it and try it out. In the program year 2005-06, IPAT demonstrated AT equipment to 375 individuals.

4) Alternative Financial Loan Program

IPAT applied for and was awarded federal dollars to establish an alternative financial loan program. These dollars can only be used for making loans to eligible ND residents to purchase assistive technology. The rates are approximately 1% below prime and terms can be extended for longer periods making payments affordable. Loans range from $500-$50,000. The development of this program started in 2003 and to date has made 11 loans for a total of $165,625.

5) Assistive Technology Swap 'n Shop

There is a great deal of used equipment that can be reused. IPAT established a used equipment bulletin board for individuals and entities to buy, sell, swap, or donate used AT. We are in the process of establishing a partnership with a statewide trucking company who has agreed to pick-up and deliver items for consumers at no charge. This service will eliminate the transport barrier of someone in Williston wanting to buy a lift chair from someone in Drayton. This past program year, 88 devices were exchanged for a saving of $161,577.

6) Training and Public Awareness

IPAT staff delivers training on a wide range of AT topics. This past program year IPAT trained 773 people. Public awareness is an ongoing challenge and an integral part of the IPAT program. Last program year, IPAT set up displays and showcased equipment at 27 exhibits and fairs attended by 3,593 people. IPAT also produces a bi-monthly newsletter, provides toll free numbers for information and assistance, and maintains an accessible website www.ndipat.org .

7) Coordination and Collaboration

IPAT serves the state as a no-cost resource by collaborating with and providing AT expertise to agencies such as: the Department of Human Services; Secretary of State; Department of Public Instruction; Workforce Safety and Insurance; Division of Vocational Rehabilitation; Division of Aging Services; Information Technology Department;

Protection and Advocacy; Veteran's Administration; and numerous private sector businesses and organizations.

8) Additional Services

The final component of this AT infrastructure is categorized under Additional Services. Because the seven critical components just described are in place, IPAT is poised to partner with other organizations for special projects. For example, IPAT participated in the Real Choice Project, funded by the Department of Human Services, to explore and deliver assistive technology devices and services for state residents who were at risk of moving to an institution. The outcome report of this special project is titled *Remaining at Home...Priceless* and is included in your handouts. This project showed that when the assistive technology provision is part of the service delivery plan, it can delay or eliminate institutional or other high-cost placements.

IPAT is also able to provide AT assessments and consultations for individuals who otherwise may have to leave the state for this service or go without. IPAT provided 44 such assessments this past program year. This infrastructure, which is in place and ready to carry-out special projects and/or services, is a significant resource to entities within ND.

IPAT Funding History

IPAT's funding source is federal dollars awarded through the Assistive Technology Act of 2004: Public Law 108-364. Congress recognized the importance of maintaining the State AT programs and they changed from

discretionary grants to formula programs. This means IPAT will continue to receive federal funding, however, the amount has been reduced. IPAT has had a 50% reduction in federal funding, going from $633,103 to $316,000. The major portion of this reduction has taken place over the last three years. However, with carryover dollars, we were able to maintain an operating budget of $502,000/year until October 1, 2006, at which time all carry-over dollars were expended. This budget reflects 5.5 staff positions.

When operating at full funding, IPAT had 7 full time positions, and subcontracted out services such as the administration of the equipment loan library, information/referral and public awareness activities, and the coordination of conferences. These activities have been brought in house, placing additional demands on an already stretched staff.

The requested $500,000 would give IPAT an operating budget of $566,000/year, making it possible to reinstate one of the lost positions and maintain the services described. Without state funding, at least 2 positions will be lost resulting in a further decrease in services. It will be difficult to maintain an updated equipment inventory for the loan library and demonstration centers. Participation on task forces and special projects will be limited.

IPAT's move to supplement with fees for service and specific grant dollars help with some program expenses, but do not cover the operational costs. The demand for AT services provided by IPAT to ND residents continues to build while funding declines. We are experiencing waiting lists for equipment loans and assessments, have to decline presentation requests, have reduced public

awareness activities, and can't man the demo centers enough hours to meet the demand.

Why Should the State Invest in IPAT

North Dakota's assistive technology infrastructure is in jeopardy without some state funding. IPAT has carefully and wisely managed the federal dollars. A fee schedule for individuals who can afford to pay has been put in place, grants to support equipment for the loan library and demonstration centers have been actively pursued and with some success, vendors are persuaded to loan equipment to the centers or give reduced rates, and practices that encourage efficiency and save staff time are implemented, (such as video conferencing for training, demonstrations, and assessments). In 2004, IPAT requested to be moved into the private sector under the umbrella of a non-profit. Governor Hoeven honored this request. The money flows through DHS to a non-profit who provides fiscal oversight to IPAT at no cost. IPAT has implemented cost effective measures while providing quality AT services to many segments of North Dakota's population.

The need for assistive technology can only be expected to increase as our population ages and demands to be productive and independent. An investment now will help to ensure the rapid advances in technology are not leaving hundreds of North Dakotan's with disabilities and those experiencing the effects of aging behind at work, school, home, and in their community.

What Difference Did AT Make in People's Lives in ND

AT has:

Delayed or prevented entering nursing homes

Made success in school possible

Made employment possible

Made continued employment after injury possible

Increased independence and safety at home

The letters provided in your packet are from individuals and service providers telling their real life stories of how IPAT and assistive technology has impacted their lives and work. As you read them, you will note they come from many areas of the state, from people with very different needs and in lots of different circumstances. The *Remaining At Home…Priceless* report, that is included in your packet, describes how AT helped to delay or eliminate a move to a nursing home for a number of our citizens. Chairman Pollert, thank you for the opportunity to appear before your committee today. If you have any questions, I will be happy to respond.

Judie Lee
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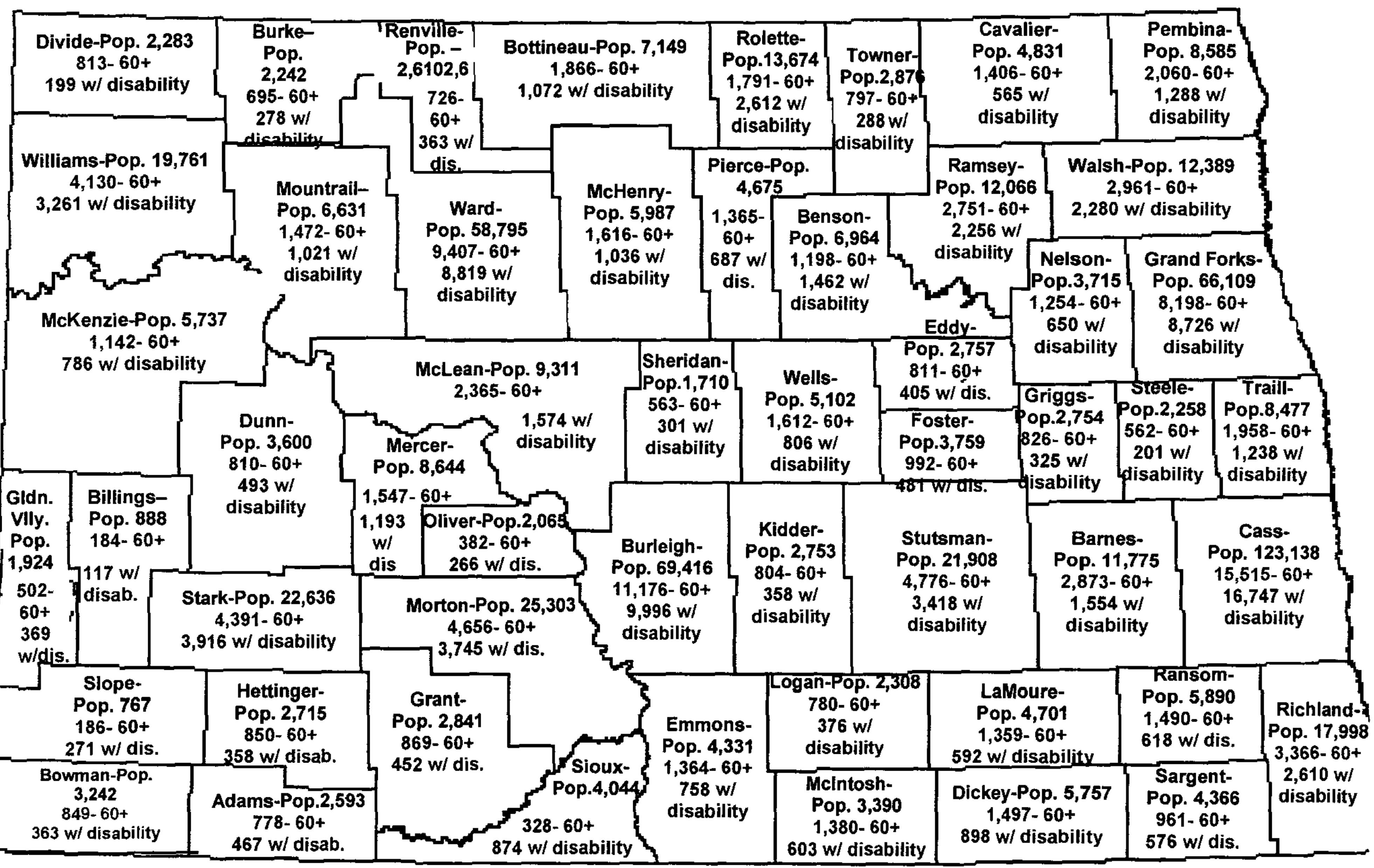
Targeted Populations for Assistive Technology Services



Source: U.S. Census Bureau, 2

IPAT st[illegible] delivering assistive technology services -

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Assistive Technolo[illegible]s . . .

Federal Law defines assistive technology devices and services as . . .

Assistive Technology Devices

"...any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain or improve functional capabilities of individuals with disabilities."

A sampling of AT devices includes: adapted toys, computer access, seating systems, powered mobility, augmentative communication devices, special switches, magnification systems, and environmental control systems.

Assistive Technology Services

"...any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device."

A sampling of AT services includes, but is not limited to: evaluation, purchasing, designing, leasing, coordinating therapies, and training for individuals, family members, and professionals.

IPAT

Interagency Program for Assistive Technology

A program of NDAD

www.ndipat.org
1-800-265-4728

IPAT delivers services so people with disabilities can get the assistive technology they need for work, school, and home.

Funded by RSA,
US Department of Education

IPAT is . . .

The Interagency Program for Assistive Technology (IPAT) is North Dakota's Statewide AT Program and was established in 1993. IPAT's purpose is to provide opportunities for people of all ages to learn about, try-out, and get assistive technology. IPAT receives federal dollars to conduct required activities, engages in additional services on a fee-for-service basis, and seeks other funding through contract or grant opportunities. IPAT is a program of the North Dakota Association for the Disabled, Inc. (NDAD). IPAT has a Consumer Advisory Committee (CAC), which is comprised of individuals representing all ages, disabilities, and geographic regions of the state, to provide guidance in activity development.

IPAT delivers . . .

Alternative Financial Loan Program

- Loans are available to any eligible North Dakota resident for the purchase of AT devices or services
- Rates approximately 1% below prime
- Loans range from $500 - $50,000

Assistive Technology Swap 'n Shop

- Used equipment bulletin board to buy, sell, swap, or donate used AT items

Equipment Loan Library

- AT devices available for loan to all state residents
- Minimal fees
- Six-week rental periods
- Call 1-800-895-4728 or go to www.ndipat.org

Equipment Demonstration Sites

- AT devices for hands-on exploration
- Drop-in or call for an appointment
- Visit in Fargo, Bismarck, or via videoconference

Training

- Staff available to train on a wide range of AT topics

Technical Assistance

- Staff available to answer AT questions via phone, on-line, mail, videoconference, or person-to-person

Public Awareness

- Information and referral line
- Free, bi-monthly newsletter
- Accessible website
- Informational talks on AT statewide

Coordination & Collaboration

- Staff available to serve on taskforces addressing AT issues statewide

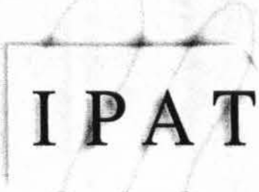
Additional Services

- AT assessments and consultations
- Equipment set-up and use
- Special contracts

For AT service delivery,
call 1-800-265-4728 or go to www.ndipat.org

Remaining at Home...
Priceless

AN OUTCOME REPORT SPECIFIC TO THE ASSISTIVE TECHNOLOGY COMPONENT OF THE REAL CHOICE PROJECT, *NO PLACE LIKE HOME*



Real Choice Project - No Place Like Home

In August of 2003, the Interagency Program for Assistive Technology (IPAT) was a partner in the Real Choice Project, *No Place Like Home*, funded by the Department of Human Services. One component of this project was to ensure a systematic exploration and delivery of assistive technology (AT) devices and services for state residents who were at risk of moving to an institution and/or those living in institutions. This outcome report addresses the particulars of the AT component delivered by IPAT.

It is widely recognized that individuals with disabilities and/or long term illnesses who are interested in remaining in their home or moving out of an institution need various types of support. Assistive technology is one of the essential support services for this population, and yet it is NOT widely recognized or acknowledged. Thus, the potential impact of AT devices and services goes unrealized. IPAT's role in this project was to make the AT option available to these individuals by providing the necessary AT services and purchasing the AT devices. The premise being that if AT devices and services are made available, the probability of remaining at home or returning to a less restrictive environment increases.

Delivering AT Services

IPAT developed the Assistive Technology Client Profile Form as a tool to help identify potential AT needs of an individual. The form was designed as a checklist to be completed by individuals independently or with their family members and/or service providers. It required no prior knowledge of assistive technology and served as the referral tool for the project. The form identified potential AT needs in the areas of home safety, daily living, mobility, dexterity, communication, hearing, seeing, and problem solving tasks. Once completed, the forms were submitted to IPAT for review and follow-up.

IPAT selected applicants who wanted to delay or eliminate having to enter an institutional setting or had a desire to move to a less-restrictive environment. IPAT also sought to represent diversity in age, location, disability, and AT device needs in project participants. Upon receiving a referral which met project criteria, IPAT contacted the individual and/or family member to schedule an AT assessment. This typically involved meeting the individual in need of AT services at their residence, with family members and/or service providers present. The initial meeting started the AT assessment process where AT needs were identified and prioritized, based upon the individual's input. Subsequent onsite visits were scheduled to discuss, demonstrate, or try-out selected AT devices and/or home modification options to determine feature match and individual preference. When final AT device choices were made, IPAT used *No Place Like Home* project dollars to purchase them.

Once the devices were purchased, IPAT provided the necessary AT follow-up services. These included delivery and set-up of the equipment, as well as specific training on the assistive technology devices, so that the individual recipients, family members and direct care providers would know how to use them.

Profile of the Participants

The AT component of the *No Place Like Home* project met the AT device and service needs of 20 North Dakota residents with disabilities or long-term illnesses. The individuals represented 10 communities: Fargo, West Fargo, Bismarck, Mandan, Minot, Williston, Park River, Grafton, Wilton and Center. There were 12 women and 8 men, who ranged in age from mid-thirties to mid-eighties. One person resided in a group home, three were in apartments, and 16 lived in single family dwellings. The people served exhibited disabilities in the areas of hearing, mobility, blindness, quadriplegia, cognitive limitations as a result of traumatic brain injury, deafness, or had been diagnosed with long-term illnesses resulting in continued loss of abilities (multiple sclerosis, Parkinson's disease and rheumatoid arthritis).

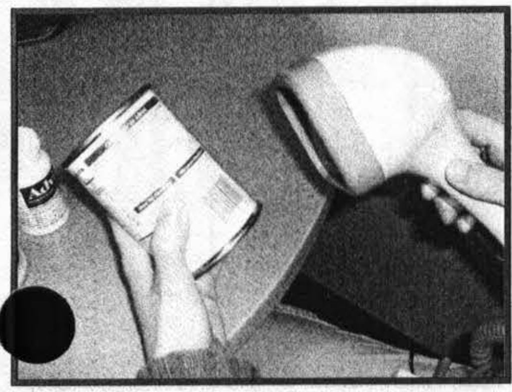
IPAT's initial goal was to serve 15 people with the funds made available through the *No Place Like Home* project but was actually able to serve 20 people. A sampling of their stories follows.

- Cost of AT device: $1,358.75
- Cost of AT service: $694.79
- Average cost of assisted living care: $19,726/year
- Average cost of nursing facility care: $43,815/year
- Having the choice to remain at home: **PRICELESS**

A retired rancher living with his wife took part in the project. He had lost the full use of his legs and arms due to a muscle-wasting disease, but could speak and had good head and breath control. His wife worked outside the home, leaving him alone for a good portion of the day. They both had concerns about how he could get help if something happened while she was at work, and his wife also wondered how he could turn on a light once it got dark. She forgot to leave a light on once when leaving for work and came home later that evening to find him sitting alone in the dark. To ease the concerns of both parties, a hands-free, infrared environmental control system, the Relax II, was purchased with project funds. This system, with the addition of a chin switch mounted to his wheelchair, allowed him to answer his phone, place a phone call, turn the TV on and off, change channels and adjust the volume, as well as, control the room lights independently.

". . . don't get me wrong, nursing homes are needed and are fine places for some people. I just want to stay home and do as much as I can for myself for as long as I can, keep my wife company and be part of my family. The technology you found for me lets me do that, thank you."

Participant with quadriplegia – Bismarck, North Dakota

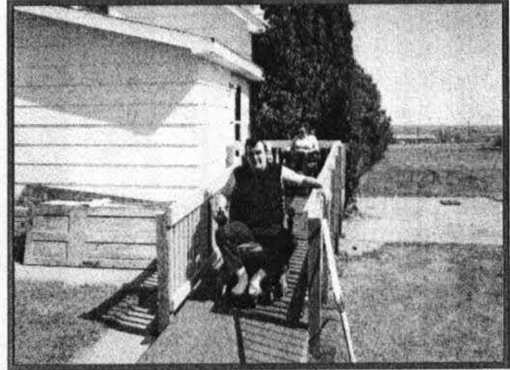


- Cost of AT device: $1,624
- Cost of AT service: $356.25
- Average cost of assisted living care: $19,726/year
- Average cost of nursing facility care: $43,815/year
- Having the choice to remain at home: **PRICELESS**

A middle-aged woman who has been blind since birth and lives alone with her cats was referred to the project. There was assistance available to help her do her shopping (food, medicine, clothing) when out in the community, but when it came time to cook, take medication, do laundry, or get dressed, she was on her own. This lead to frequent frustration and safety concerns when wrong choices were made. Without vision, she found it difficult to determine which pill bottle was blood pressure medicine, which soup can was tomato, or which laundry items needed to be washed in cold water. To help make living alone with blindness less frustrating and safer, the i.d.-mate II Bar Code Scanner was purchased for her with project dollars. This device reads the item label and other item specific information (contents, weight, dosage) aloud as she moves the infrared scanner over the product barcode. She can then distinguish between medicine bottles, food products, clothing care instructions, and other coded information independently.

". . . I take the i.d. mate II to the grocery store to identify the contents of canned goods, bottles, boxes, and bags before purchase. Once home, I can prepare meals independently and without waste by using the scanner to identify the container contents, and 'read' the directions for preparation on the package. No more opening a can of peaches when I wanted kidney beans for chili, or adding too much water to a rice dish and ending up with an icky rice soup."

Participant with blindness – Minot, North Dakota



- of AT device? $1,204.15
- st of AT service? $658.68
- Average cost of assisted living care: $19,726/year
- Average cost of nursing facility care: $43,815/year
- Having the choice to remain at home: **PRICELESS**

A married couple, who both use wheelchairs for mobility, were selected to be project participants. They were living in a house without a ramp, which rendered them prisoners in their own home – once inside, there was no safe way to get outside. A ramp was purchased for their home, making it possible for them to go in and out as they chose.

". . . thank you for all the work and assistance you gave us in getting a wheelchair ramp built. We feel so much more safe and independent since we have had it – we can even get out to empty our own garbage again.

Participants with mobility issues –Williston, North Dakota

Comments from other Participants:

■ Purchased: EZ Step, jar opener, and bathtub rail
■ Total cost of AT services and devices: $570.83
■ Having the choice to remain at home: **PRICELESS**

". . . I thought I needed a contractor to redo my shower and laundry room space because of the step, now I found out I can use an EZ Step instead for less than $100 – this is great, and my kids will be so much less worried about me falling." ". . . it is nice to know my options, but for now I will just go with the tub-rail and bath bench – if I ever need the hydraulic bath lift, I know where to go."

Participant – Mandan, North Dakota

■ Purchased: Swivel seat and emergency phone dialer
■ Total cost of AT services and devices: $1,111.60
■ Having the choice to remain at home: **PRICELESS**

". . . figuring out what my wife needed was really so simple, but I couldn't do it myself – I didn't know where to start . . . it seemed so big."

". . . now, having my wife wear the Emergency Dialer Telephone pendant gives me peace of mind, and allows me to drive into town to run needed errands when it works out for me rather than making it work with a friend or family member's schedule."

Spouse – Wilton, North Dakota

■ Purchased: Remote control deadbolt, Up-easy Chairlift, & an x-10 module
■ Total cost of AT services and devices: $708.23
■ Having the choice to remain at home: **PRICELESS**

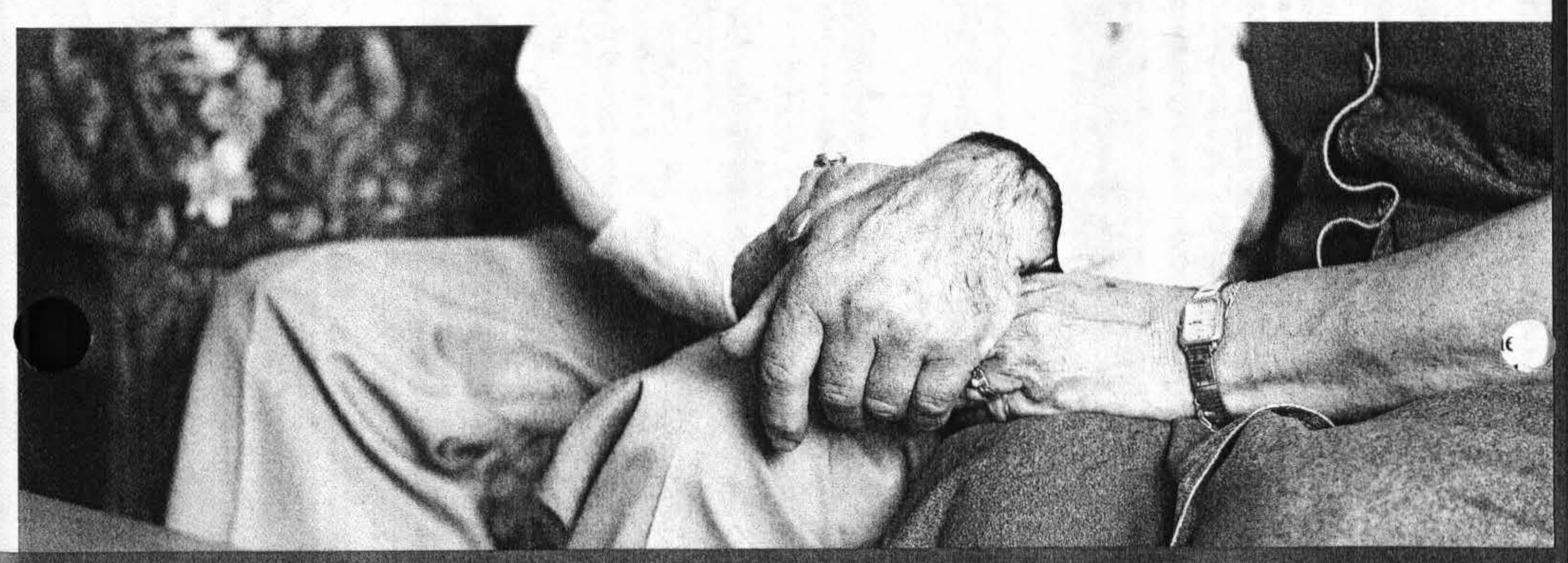
". . . with my arthritis, using a key to unlock my door was difficult and painful, so many times I just left the door unlocked when I went out. When my kids found out I did that, they were not happy! So, what I want to say is that for me and them, this remote controlled deadbolt is a godsend."

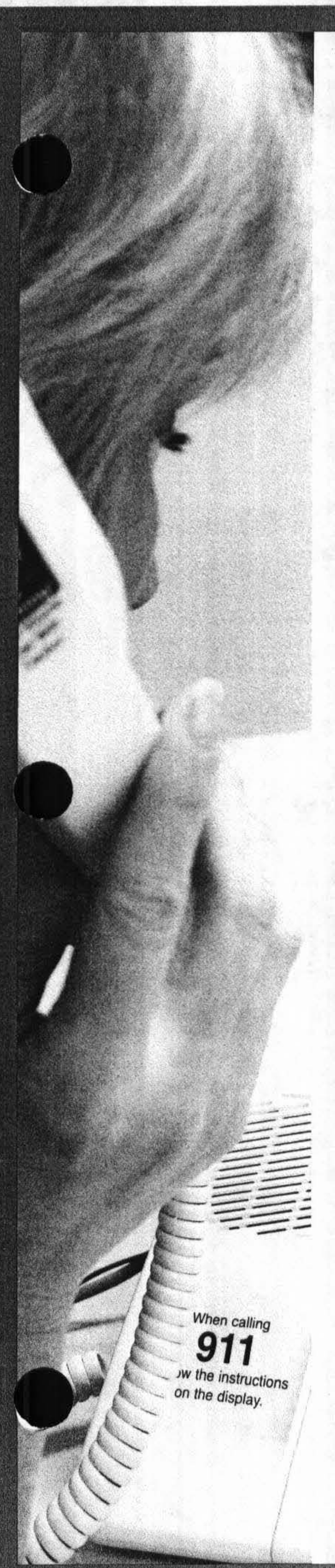
Participant – Bismarck, North Dakota

■ Purchased: Wireless keyboard and mouse, Palm ZIRE 72 with keyboard, 2 threshold ramps, and a wheelchair tray.
■ Total cost of AT services and devices: $2,215.23
■ Having the choice to remain at home: **PRICELESS**

"...My husband and I would like to sincerely thank you and IPAT for the assistive devices he has received. Each and every one is truly an item that was so needed and we are so appreciative. We are most anxious to be able to use the threshold ramp so he can get in and out of the patio door to the back yard. With spring around the corner, it is such an uplifting thought for him to be able to make the transition from indoors to outdoors on his own. The wireless keyboard and mouse are so neat...no more wires getting caught in his feet under the desktop either.

Participant – Fargo, North Dakota





Types of Assistive Technology Services Delivered

IPAT provided the services necessary for the participants to select, obtain, and use the assistive technology needed to accomplish the activities they identified as priority. These services included: developing and administering a screening tool; completion of the assessment process; ordering and purchasing the equipment; set-up of the equipment in the individual's home; and necessary training specific to the devices purchased.

Types of Assistive Technology Devices Purchased

A total of 45 assistive technology devices were purchased to help the participants remain living where they chose. These devices fell into six equipment categories: Home or Building Access; Vehicle/Vehicle Access; Seating, Positioning and Personal Mobility; Vision Equipment; Health, Safety and Daily Living Equipment; and Computer and Related Computer Access Equipment.

Costs of the Assistive Technology Components

The total amount awarded to IPAT to complete the assistive technology activities identified in the *No Place Like Home* project was $33,518.34. The following is a breakdown of expenditures.

Total Cost of AT Devices: $13,625.84
Range of device cost per participant: $153.13 to $1,624.00
Average AT device cost per participant: $681.29

Total Cost of AT Services to participants: $11,042.51
Range of AT service cost per participant: $190.60 to $1447.84
Average AT service cost per participant: $552.12

Total Cost of General Training & Awareness: $1,182.73

Total Cost of Other IPAT Services: $7,463.06
Other services included: product development; review of all applications; management of service process; coordinate/research purchases of equipment; budget management; and costs related to project administration.

The average cost per participant for AT devices and services was lower than projected; consequently, funds were available to meet the assistive technology device and service needs of 5 additional people.

Average cost for nursing home care in North Dakota is $43,815 per year and the average cost for assisted living care in North Dakota is $19,726 per year. The average cost of the AT devices and services for an individual participating in this project is $1,233.41.

Related Assistive Technology Programs, Senior AT Safety Program and Telecommunications Equipment Distribution Program

At the same time that IPAT implemented the *No Place Like Home* project, they also administered the Senior Assistive Technology Safety Program (SATS) and the North Dakota Telecommunications Equipment Distribution Program (TEDP). Some of the participants of the *No Place Like Home* project were also in need of specialized telephone equipment, medication dispensers, and AT safety equipment. IPAT was able to coordinate and extend resources by accessing funding from SATS and TEDP to provide those devices. This freed up money to buy other equipment for the participants and allowed 5 additional people to participate in the *No Place Like Home* project.

It is worth noting that in addition to the 45 devices provided through the *No Place Like Home* project that 588 medication devices (32 different types) were distributed through the SATS program from 2003-2005. Many notes and comments were received by IPAT regarding the differences they made. A typical comment "... our biggest concern for our mother living alone was that she mixes up her medicines and forgets to take them or takes them at the wrong time. After getting the MedReady, she now takes her medicine like she is supposed to and I now feel much more comfortable with her staying in her own home."

The SATS program distributed a total of 5130 pieces of AT safety equipment to 3508 people living in their homes. The TEDP program distributed a total of 510 telephones and 61 telephone accessories to 537 North Dakota residents. Although these folks have not been followed like the *No Place Like Home* participants, it is a fact the AT devices are assisting them to live 'safely' and remain in their own homes. A note from a Milton resident, "Thank you for all of the items... It's a wonderful program and will help many of us to stay at home."

Outcomes

The people served through the AT component of the *No Place Like Home* project had a number of services in place, but were still struggling to remain at home. The provision of AT devices and services had not been considered as part of their service plan prior to this project, and yet it was one of the decisive factors in making remaining home possible for them. The average cost of a participant to receive the assistive technology devices and services necessary to help them remain living at home was $1,233. The average yearly cost for an individual to reside in a nursing home in North Dakota is $43,815 and $19,726 for assisted living care.

A year later, 17 of the 20 people are still in their own homes. They have delayed, and will possibly avoid, entering an institutional setting. They continue to live with their families, are more independent and safer as a result of the AT devices and services received through this project.

One individual moved away from North Dakota. She received services but no equipment, and her whereabouts are unknown.

Two of the individuals who participated in this project passed away approximately one year after receiving their AT devices and services. After their passing, IPAT received calls from family members stating what a huge difference the assistive technology made, especially in helping their family member to stay home the last months of their life. Recognizing the importance of AT, one family has donated the devices back to IPAT so someone else can benefit from their use.

Conclusion

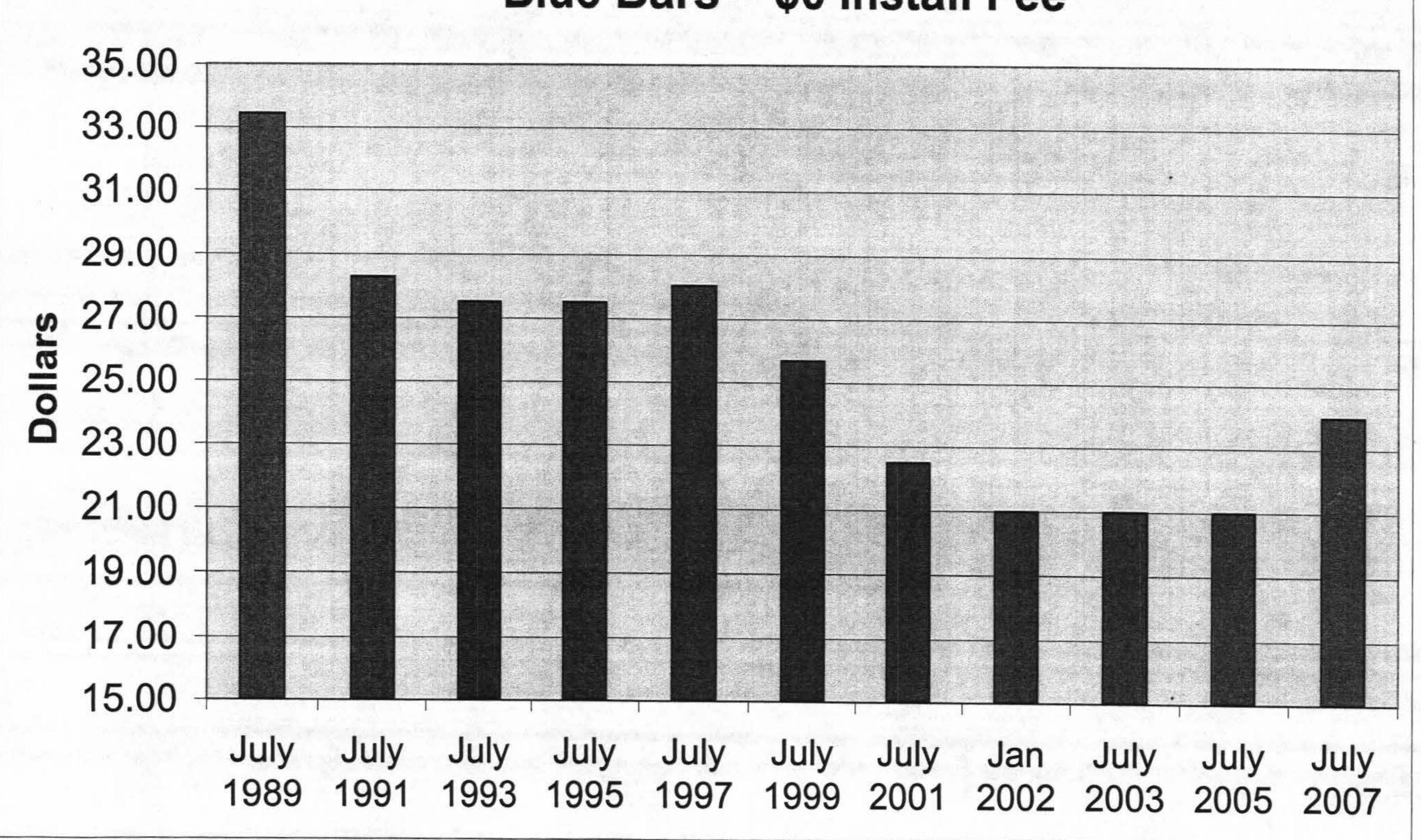
This project showed that when the assistive technology provision is part of the service delivery plan, it can delay institutional or other high-cost placements. This in turn, enables people of all ages with disabilities or long term illnesses to have a choice as to where they live, which everyone can agree is PRICELESS.

"... We are still looked at as neighbors, husband and wife, parents and grandparents, rather than a woman alone with a husband living off in a separate facility as a member of the disabled community. Making changes to our living space and using assistive technology was more cost-effective for us and it allows us to be together. We stay active together. The quality of our lives is so much richer."

Spouse of a *No Place Like Home* Committee Member
Bismarck, North Dakota

Funded by the North Dakota Department of Human Services and
the Interagency Program for Assistive Technology (IPAT)
September 1, 2003 – August 31, 2005

Submitted by:
Judie Lee, Program Director
1-800-265-4728


Monthly Telephone Device Fee
Red Bars ~ Add $70 One-Time Install Fee
Blue Bars ~ $0 Install Fee
Dollars
35.00
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27.00
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July 1989
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July 2003
July 2005
July 2007

North Dakota Department of Human Services
Aging Services Division

- Carol K. Olson, Executive Director
  - 4130 3085/4396 16 — J. Hoesel, Director, Program & Policy
    - 4053 0153/3284 15 — L. Wright, Director, Aging Services (dotted line: Regional Aging Services Program Administrators)
      - 4034 0284/3412 12 — S. Pfliger, HSPA IV
        - 4033 0090/3222 11 — S. Hague, HSPA III
      - 4034 0679/3752 12 — L. Jacobson, HSPA IV
        - 4026 0225/3353 12 — H. Funk, CAPA II
        - 4033 2034/4062 11 — B. Fredrickson, HSPA III
      - 0952 0148/3279 11 — F. Tschosik, Admin Staff Officer II
      - 4034 0043/3176 12 — J. Tschider, HSPA IV
        - 4030 0105/3237 7 — A. Senger, HSPS
      - 0041 0274/3402 6 — S. Graf, Admin Assistant I

Revised 1/16/07

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 10, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Linda Wright, Director of the Aging Services Division, Department of Human Services. I am here today to provide you an overview of the Aging Services Division budget.

Programs

The Aging Services Division provides home and community based service options to maintain individuals in their homes and communities and assists in protecting the health, safety, welfare and rights of residents of long term care settings and vulnerable adults in the community. This includes administration of Older Americans Act federal funds services, the Telecommunications Equipment Distribution program, State Funds to Providers, the Long-Term Care Ombudsman program, the Alzheimer's Demonstration grant, the Real Choice Systems Change grant, the Guardianship program for vulnerable adults, the Senior Community Service Employment Program, Qualified Service Provider Training, and support for the Governor's Committee on Aging.

The Aging Services Division is a federally designated single planning and services area, which requires the Division to carryout the responsibilities of the State Unit on Aging and the Area Agency on Aging as set forth in the Older Americans Act (OAA). Among the requirements in the 2006 re-authorization of the OAA is the following: "require state agencies to promote the development and implementation of a state system of long-term care that enables older individuals to receive long term care in home

and community based settings in accordance with the individual's needs and preferences."

Customer Base/Trends

- In 1980, 12.3% of the state's population base was 65 and older, in 2000, the proportion had increased to 14.7%. It is projected that by 2020 this proportion will be 23% or nearly one out of every four North Dakota residents.
- North Dakota has the highest proportion in the nation of older residents 85 years and older (2.6%).
- If current trends continue, the number of people age 65 and older will grow by 58.3% over the next 20 years and will represent 23% of the state's population. Further, the number of the oldest old (85 and older) will grow by nearly two-thirds (64.7%) and will represent 3.7% of the state's population. (North Dakota State Data Center)

Table 1: North Dakota Population by Age Cohort (North Dakota State Data Center)

AGE	1980 CENSUS (652,717)	1990 CENSUS (638,800)	2000 CENSUS (642,200)	2003 ESTIMATE (633,840)	PERCENT CHANGE FROM 1980 TO 2003	PERCENT OF TOTAL ESTIMATED 2003 POPULATION
65+	80,445	91,055	94,478	93,837	+16.7%	14.8%
60+	108,387	118,195	118,985	119,636	+10.4%	18.9%
60-74	75,089	74,799	70,408	69,700	-7.2%	11.0%
75-84	25,158	32,244	33,851	33,820	+34.4%	5.3%
85+	8,140	11,152	14,726	16,116	+98.0%	2.6%
MEDIAN AGE	28.1	32.4	36.2	---	---	---

Table 2: North Dakota Population Projections by Age Cohort (Source: North Dakota Data Center)

AGE	2000 CENSUS (642,200)	2003 EST. (633,840)	2005 PROJ. (640,200)	2010 PROJ. (645,325)	2015 PROJ. (648,972)	2020 PROJ. (651,291)	PROJ. % CHANGE 2000-2020
65+	94,478	93,837	97,771	110,229	127,263	149,566	+58.3%
60+	118,985	119,636	124,043	144,137	168,978	194,002	+63.1%
60-74	70,408	69,700	70,503	83,283	102,400	120,744	+71.5%
75-84	33,851	33,820	38,251	42,027	43,918	49,000	+44.8%
85+	14,726	16,116	15,289	18,827	22,660	24,258	+64.7%

- The leading edge of the baby boom population is currently entering the pre-retirement years. This means the state needs to prepare itself for a significant elderly growth boom. In 2000, 53,433 North Dakota residents were in the pre-retirement age category (i.e. ages 55-64). The number of pre-retirees in the state is expected to grow by nearly 23,000 people in less than 10 years and by 32,250 people within 20 years.
- According to research conducted by the Lewin Group there is a significant decline nationally (13.9%) in the use of nursing facilities among the oldest old. Much of the decline has to do with the growth of alternative residential settings.
- North Dakota still ranks among the top states in the nation regarding residents age 65 and over per 1,000 in nursing homes, and among the lowest in the nation regarding the percentage of the Medicaid budget spent on home and community based care (under 10%). Our neighbor to the east, Minnesota, spends 25% to 35% of their Medicaid budget on home and community based services.

- In Federal Fiscal Year (FFY) 2006, 30,819 older persons received Older Americans Act funded services which includes home-delivered meals, congregate meals, outreach, health maintenance and transportation services, national family caregiver program services, legal services, in-home safety, senior companion services, vulnerable adult protective services, and long-term care ombudsman services.

Older Americans Act – Title III Programs	
SERVICE	UNITS OF SERVICE
Assistive Safety Devices	1,201 devices
Congregate Meals	771,548 meals
Home-Delivered Meals	521,481 meals
Health Maintenance	169,301 units
Information & Assistance	1,944 units
Legal Assistance	18,798 units
Outreach	122,343 units
Senior Companion	6,620 units
Transportation	130,146 rides

Vulnerable Adults Program	
New cases	466
Closed cases	430
Information/referral	318
Brief Services	203
Hours	6,471

Family Caregiver Support Program	
Unduplicated New Caregivers Served	308
Unduplicated New Grandparents Served	5
Respite Care Provided	49,184 hours

Long-Term Care Ombudsman Program	
Number of Complaints	1,143
Number of Cases Opened	795

- The Qualified Service Provider (QSP) training program under contract with Lake Region State College has trained 263 QSPs to date for provision of in-home care. The training is provided by 62 nurses statewide. There is currently a freeze on any additional training for the remainder of the biennium due to the expenditure of all appropriated funds.
- The Senior Community Service Employment Program will provide on the job training to 73 low-income individuals over the age of 55. The Division is contracting with Experience Works (formerly Green Thumb) to provide direct service to the enrollees. Experience Works serves an additional 283 enrollees in North Dakota through a national contract with the Department of Labor.

Major Program Changes/Accomplishments

The following significant changes have impacted the Aging Services Division:

1. The addition of the state portion of the Senior Community Service Employment Program, which was previously administered by Job Service. This is 100% federal funds.
2. Beginning January 1 of this year all transportation services for older persons that were formerly funded by the Older Americans Act will be funded by the Department of Transportation. This has allowed the Division to offset federal funding limitations and to place the funding in other Older American Act Services.
3. The Aging Services Division assisted older persons to apply for Medicare Part D through contracts with OAA service providers. During the first enrollment period 7,879 consumers were assisted.
4. The Division applied for and received a 3 year $300,000 grant to establish and market a legal assistance hotline for low-income

senior citizens. Particular efforts will be targeted to Native Americans, immigrants, rural senior citizens and those with disabilities.

5. In coordination with the Guardianship Task Force, Aging Services developed Standards of Practice for Guardianship Services for Vulnerable Adults. Draft Administrative Rules have also been developed. A request for proposals was issued for the provision of direct services with no bidders. The division is in the process of re-bidding.

The Older Americans Act, which was re-authorized by Congress in 2006, contained several changes. The full impact of those changes is unknown at this time, however one change authorizes the establishment of Aging and Disability Resource Centers (ADRC's) in every state. Forty-three states have established ADRC's. Senate Bill 2070 will provide the authority for our state to apply for federal funding to establish an ADRC. ADRC's serve as integrated points of entry into the long-term care system, commonly referred to as a "one stop shop," and are designed to address many of the frustrations consumers and their families experience when trying to access needed information, services and supports. The research and preliminary findings from the Real Choice Change Grant strongly indicates that establishing an ADRC will provide the opportunity to move another step forward in providing ease of access to information and services for consumers.

Our intent is to apply for funding to establish ADRC's. I have contacted the Administration on Aging regarding our intent to apply and Carol Olson has written a letter to Senator Kent Conrad asking for his support. Senator Conrad's response was as follows, " The Older Americans Act

Amendments of 2006, which was signed into law (P.L. 109-365) on October 17, 2006, requires the AoA to make ADRC funds available to all states. Specifically, if states submit a competitive application for ADRC funds that meets the AoA guidelines, the state should receive these funds." Senator Conrad also stated that due to the fact that Congress has not acted on the appropriations budget for Health and Human Services, increased appropriations for the ADRC program are not available at this time.

Attachment A is a summary of the Real Choice Grant. Attachment B summarizes the services and accomplishments that have been provided through the Alzheimer's Disease Demonstration project.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	1,011,583	1,175,655	164,072
Operating	10,634,503	12,008,094	1,373,591
Capital Assets	1,883	194	(1,689)
Grants	470,070	250,000	(220,070)
Total	12,118,039	13,433,943	1,315,904
General	1,114,861	1,448,511	333,650
Federal	10,854,778	11,575,432	720,654
Other	148,400	410,000	261,600
FTEs	10.00	10.00	-

Salary:

- Net increase of $164,072. The Governor's pay plan increased the budget by $83,581. The remaining increase of $80,491 is for the

payout for the future retirement of 1 staff person and to continue the salaries of the ten employees for the 2007-2009 biennium.

Operating Expenses – net increase of $1,373,591 based mainly on the following:

- $280,000 – increase in State Funds to Providers
- $1,023,290 – for a new program that was transferred from Job Service, the Senior Community Service Employment Program
- $176,600 – increased funding for the Telecommunications Equipment Distribution program that is a result of additional revenue generated by the relay service charge.

Capital Assets:

- $1,689 – decrease to pay for the share of the bond payment for staff at Southeast Human Service Center.

Grants – Net decrease of $220,070 based mainly on the following:

- $20,070 – decrease due to the Alzheimer's demonstration project, which is ending this year.
- $200,000 – decreased funding for the Single Point of Entry grant, which is ending in 2007.

If you have any questions, I would be happy to answer them.

Attachment A

North Dakota Real Choice Rebalancing Grant

"Choice and Self-Directed Community Resource Delivery for the Elderly and People with Disabilities"

AUGUST 16, 2006

North Dakota was awarded a *Real Choice Systems Change Grant – Rebalancing Initiative* from the Centers for Medicare and Medicaid (CMS) in September, 2004.

Real Choice Systems Change Grants were implemented in order to comply with the President's *New Freedom Initiative* and the *Olmstead Decision*, which call upon states to improve access and choice of continuum of care services for the elderly and people with disabilities.

Olmstead Decision and New Freedom Initiative

The United States Supreme Court's *Olmstead v. L.C.* (1999) decision calls upon states to integrate people with disabilities and to provide community-based services. On June 18, 2001, President Bush directed government agencies to work together to "*tear down the barriers*" to community living for the elderly and people with disabilities. These agencies need to provide supports necessary to:

- learn and develop skills,
- engage in productive work,
- choose where to live, and
- fully participate in community life.

Current North Dakota Statistics

- Three in five ND AARP members are extremely concerned with maintaining independent.[1]
- ND has the highest proportion in the nation of elderly 85 years and older. The number of elderly people in the state is projected to increase by 58% over the next 20 years and will represent 23% of the population.[2]
- North Dakota's 2005 Medicaid Continuum of Care Expenditures included 95% spent on Nursing Home Institutional Services and 5% spent on Home and Community Based Services.[3]

Purpose of the Grant

The overall purpose of the North Dakota Real Choice Systems Change Grant – Rebalancing Initiative (RCR) is to take an in-depth look at the continuum of care system in the state and how North Dakota can better implement the Olmstead Decision and the New Freedom Initiative. Specifically, the RCR Grant goals are:

1. To increase access to, and utilization of, home and community-based services for the elderly and people with disabilities;
2. To provide a finance mechanism for home and community-based programs and services;
3. To increase choice and self-direction for the elderly and people with disabilities;
4. To decrease reliance on institutional forms of care; and
5. To a develop quality management mechanism for service delivery.

Alternative formats available upon request: (800) 233-1737

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Key Definitions

Rebalancing (CMS Definition) —reaching "a more equitable balance" between the proportion of total Medicaid used for institutional services (i.e., Nursing Facilities [NF] and Intermediate Care Facilities for the Mentally Retarded [ICFs-MR]) and those used for community-based supports under its State Plan and waiver options."
"offers individuals a reasonable array of balanced options, particularly adequate choices of community and institutional options."

Single Point of Entry—a system that provides consumers streamlined access to long term and supportive services through one agency/organization.

Research Conducted

Focus Groups/Personal Interviews

In October, November, and December 2005, RCR Project staff conducted over forty focus groups and personal interviews to gather information about current perceptions and suggestions for improving choice and self-direction, quality, and access to continuum of care services for the elderly and people with disabilities.

Questionnaires

In addition to the focus groups and personal interview, project staff also distributed questionnaires to hospital discharge planners and consumers of continuum of care services throughout the state. The questionnaire data is being analyzed and the final reports will be available at a later date.

Current and future information and reports can be obtained by contacting the project director or are available on the DHS website at:

http://www.nd.gov/humanservices/info/pubs/ltccontinuum.html

This project's consumer and stakeholder-dominated process will gather information and work to build consensus on three key issues:

1. A Plan or *road map*

   This plan will include information for the development of:

   - a system to provide a single point of entry for continuum of care services,
   - a mechanism to balance state resources for continuum of care services to strengthen opportunities for choice and self-direction,
   - Integrated utilization of the Medicaid Management Information System (MMIS), and
   - Service quality management protections.

2. Draft legislation: Drafting bills for consideration by the ND Legislative Assembly to direct the implementation of the Plan/Roadmap and financial resources for its implementation.

3. Public Information Services: Development of practical and sustainable public information services for all continuum of care services in North Dakota.

If you are interested in hearing more about the North Dakota Real Choice Rebalancing Initiative please contact:

Amy Armstrong, Project Director
North Dakota Center for Persons with Disabilities
at Minot State University
Email: amy.armstrong@minotstateu.edu
Phone: 1-800-233-1737

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1 2004 AARP ND Member Survey: Support Services.

2 Center for Rural Health, & North Dakota State Data Center. (2002). *Needs Assessment of Long Term Care, North Dakota: 2002, Initial Report & Policy recommendations.*

3 Burwell, B., Sredl, K., & Eiken, S. (2004). *Medicaid Long-Term Care Expenditures in FY 2004.*

Attachment B

North Dakota Alzheimer's Disease Demonstration Grant Update

The Department of Human Services, Aging Services Division, was awarded a three-year Alzheimer's Demonstration grant in the amount of $261,150 (per year) from the Administration on Aging, U.S. Department of Health and Human Services, to develop and implement a systems-change approach to save public expenditures by activating disease management efforts and helping families use community-based supports to significantly delay out of home placement of individuals with Alzheimer's disease and related dementias.

The North Dakota Alzheimer's Disease Demonstration Grant Project focuses on building an alliance between the medical community, the community services network, and the North Dakota Family Caregiver Support Program to increase early dementia identification, treatment options, and caregiver respite.

The Department of Human Services, Aging Services Division, has contracted with the Alzheimer's Association of Minnesota/North Dakota, Lake Region State College, MeritCare Medical Group, and St. Alexius Medical Center, to implement the project. Dakota Medical Foundation is providing cash match in the amount of $150,000 over the three-year grant period.

Outcomes to Date

- 2005: Lake Region State College and the ND Family Caregiver Support Program completed 16 trainings throughout the state entitled "Training for Caregivers of Individuals with Dementia". A total of 276 individuals received training. Of that number, 84 were primary caregivers; 54 were family members; and 138 were respite care providers. Pre/post tests indicate 98% maintained or showed improvement in knowledge and skills in caring for an individual with dementia.

  2006: As of 6/30/2006, the ND Alzheimer's Association and the ND Family Caregiver Support Program completed "Training for Caregivers of Individuals with Dementia" in 18 locations throughout the state. A total of 200 individuals received the training. Of that number, 79 were primary caregivers; 35 were family members; 47 were respite care providers; and 39 were staff from agencies. Pre/post tests indicate 97% maintained or showed improvement in knowledge and skills in caring for an individual with dementia.

  Feedback from the participants was excellent. Family caregivers who completed the training are eligible to receive increased respite care through the ND Family Caregiver Support Program.

- 2005: A total of 58 caregivers received the Alzheimer's enhanced respite care service; a total of 3,960 hours of respite care were provided.

  2006: For the period of 1/1/2006 through 6/30/2006, 63 caregivers were enrolled in the Alzheimer's enhanced respite care service; a total of 8,779 respite care hours were provided. A high of 80 caregivers have accessed the respite service during this period (an average of 67 per month access the service).

- 2006: Through 6/30/2006, a total of 38 surveys have been sent to caregivers no longer receiving the service; 28 were returned. Of that number, 100% indicated reduced stress due to the services received. Of that number, 86% perceived that they were able to provide care for a longer period of time due to the services provided.

- 2005: The ND Alzheimer's Association completed 18 educational sessions to raise community awareness about dementia; a total of 217 individuals attended. Thirteen professional trainings, "Responding to Dementia through Early Detection and Diagnostic Referral" were held with the primary audience being parish nurses, district health nurses, and county social service workers. A total of 230 individuals attended.

  2006: The focus for this contract period is staff from Older Americans Act funded projects and other community service providers.

- 2005: The ND Alzheimer's Association and MeritCare Medical Group co-sponsored two sessions entitled the *"Alzheimer's Caregiver Conference".* A total of 150 individuals attended; 92% indicated improvement in knowledge/skills.

  2006: Similar sessions are scheduled for November 6 and 13, 2006.

- 2005: The St. Alexius Center for Integrated Medicine, conducted memory loss screening clinics on 22 dates. A total of 363 individuals were screened. Of the individuals screened, 60 were referred to their primary physician for memory loss, 57 were referred for depression, and 22 were referred for both memory loss and depression.

  2006: As of 6/30/2006, six screening clinics were held. A total of 144 individuals were screened. Of the individuals screened, 28 were referred to their primary physician for memory loss, 18 were referred for depression, and 5 were referred for both memory loss and depression.

  All participants scoring below normal are encouraged to receive additional care from their primary care physician.

- 2005: The St. Alexius Medical Center provided two educational opportunities for medical providers: "Differentiating Between Early Dementia and Depression in the Elderly" was presented using the BTWAN (bio-terrorism network). There were 51 participants; on post evaluation, 90% indicated ability to recognize the early signs of dementia; 98% indicated an understanding of the treatment options.

  "Agitation Syndromes in the Elderly: The "Black Hole of Dementia Care" was presented to an audience of 24 participants; 96% indicated ability to recognize the early signs of dementia and an understanding of the treatment options.

  2006: As of 6/30/2006, the St. Alexius Center for Integrated Medicine conducted 11 trainings on *Memory Loss: Screening and Prevention* for medical providers. Eight of the sessions were conducted via the BTWAN (bio-terrorism network). A total of 603 participated; 98% indicated an increase in knowledge and skills.

- 2005: MeritCare Medical Group developed and implemented a 'dementia assessment protocol' and adapted it to the medical group's software system. The tool is accessible to over 600 providers at MeritCare Health Systems. Training on use of the tool/protocol was conducted for primary care providers.

  2006: During the first quarter of 2006, 38 physicians, physician assistants, and nurse practitioners used the electronic assessment tool/protocol to complete 68 assessments.

- 2005: The MeritCare Medical Group conducted training on identification and screening for dementia for 25 parish nurses. Four dementia assessments were completed.

  MeritCare Medical Group conducted a full day seminar "Advances in the Assessment and Management of Dementia" for physicians, practitioners, nurses, social workers, and therapists. There were 263 participants.

- 2006: MeritCare Medical Group is exploring the development of a DVD and accompanying training manual for parish nurses and mid-level providers on dementia assessment.

dditional outcomes of the grant include increased information and referral between partners, increased calls the Alzheimer's Help-Line and the ND Senior Info-line, and the development of telephone support groups in the western part of the state.

Aging Services

Detail of Budget Account Code 621000 - Operating Fees & Services

Operating Fees & Services	Amount	General	Federal/Other
Guardianship	40,000	40,000	
Ombudsman	23,567		23,567
QSP Training	30,000	30,000	
State Funds to Providers	1,000,000	1,000,000	
Telecommunications	325,000		325,000
Preventive Health	211,858		211,858
Community Supportive Services	2,328,786		2,328,786
congregate Nutrition	2,858,228		2,858,228
Home Delivered Meals	1,800,856		1,800,856
Alzheimer's' Project	226,725		226,725
Senior Employment	1,023,290		1,023,290
Nutrtion Services	1,203,996		1,203,996
Single Point of Entry	30,000		30,000
National Family Caregiver	776,048		776,048
Other Miscellaneous Fees & Services	7,300	2,875	4,425
Total Operating Fees & Services Budget Account Code	11,885,654	1,072,875	10,812,779

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Linda Wright, Director of the Aging Services Division, Department of Human Services. I am here today to provide you an overview of the Aging Services Division budget.

Programs

The Aging Services Division provides home and community based service options to maintain individuals in their homes and communities and assists in protecting the health, safety, welfare and rights of residents of long term care settings and vulnerable adults in the community. This includes administration of Older Americans Act federal funds services, the Telecommunications Equipment Distribution program, State Funds to Providers, the Long-Term Care Ombudsman program, the Alzheimer's Demonstration grant, the Real Choice Systems Change grant, the Guardianship program for vulnerable adults, the Senior Community Service Employment Program, Qualified Service Provider Training, and support for the Governor's Committee on Aging.

The Aging Services Division is a federally designated single planning and services area, which requires the Division to carryout the responsibilities of the State Unit on Aging and the Area Agency on Aging as set forth in the Older Americans Act (OAA). Among the requirements in the 2006 re-authorization of the OAA is the following: "require state agencies to promote the development and implementation of a state system of long-term care that enables older individuals to receive long term care in home

and community based settings in accordance with the individual's needs and preferences."

Customer Base/Trends

- In 1980, 12.3% of the state's population base was 65 and older, in 2000, the proportion had increased to 14.7%. It is projected that by 2020 this proportion will be 23% or nearly one out of every four North Dakota residents.
- North Dakota has the highest proportion in the nation of older residents 85 years and older (2.6%).
- If current trends continue, the number of people age 65 and older will grow by 58.3% over the next 20 years and will represent 23% of the state's population. Further, the number of the oldest old (85 and older) will grow by nearly two-thirds (64.7%) and will represent 3.7% of the state's population. (North Dakota State Data Center)

Table 1: North Dakota Population by Age Cohort (North Dakota State Data Center)

AGE	1980 CENSUS (652,717)	1990 CENSUS (638,800)	2000 CENSUS (642,200)	2003 ESTIMATE (633,840)	PERCENT CHANGE FROM 1980 TO 2003	PERCENT OF TOTAL ESTIMATED 2003 POPULATION
65+	80,445	91,055	94,478	93,837	+16.7%	14.8%
60+	108,387	118,195	118,985	119,636	+10.4%	18.9%
60-74	75,089	74,799	70,408	69,700	-7.2%	11.0%
75-84	25,158	32,244	33,851	33,820	+34.4%	5.3%
85+	8,140	11,152	14,726	16,116	+98.0%	2.6%
MEDIAN AGE	28.1	32.4	36.2	---	---	---

Table 2: North Dakota Population Projections by Age Cohort (Source: North Dakota Data Center)

AGE	2000 CENSUS (642,200)	2003 EST. (633,840)	2005 PROJ. (640,200)	2010 PROJ. (645,325)	2015 PROJ. (648,972)	2020 PROJ. (651,291)	PROJ. % CHANGE 2000-2020
65+	94,478	93,837	97,771	110,229	127,263	149,566	+58.3%
60+	118,985	119,636	124,043	144,137	168,978	194,002	+63.1%
60-74	70,408	69,700	70,503	83,283	102,400	120,744	+71.5%
75-84	33,851	33,820	38,251	42,027	43,918	49,000	+44.8%
85+	14,726	16,116	15,289	18,827	22,660	24,258	+64.7%

- The leading edge of the baby boom population is currently entering the pre-retirement years. This means the state needs to prepare itself for a significant elderly growth boom. In 2000, 53,433 North Dakota residents were in the pre-retirement age category (i.e. ages 55-64). The number of pre-retirees in the state is expected to grow by nearly 23,000 people in less than 10 years and by 32,250 people within 20 years.
- According to research conducted by the Lewin Group there is a significant decline nationally (13.9%) in the use of nursing facilities among the oldest old. Much of the decline has to do with the growth of alternative residential settings.
- North Dakota still ranks among the top states in the nation regarding residents age 65 and over per 1,000 in nursing homes, and among the lowest in the nation regarding the percentage of the Medicaid budget spent on home and community based care (under 10%). Our neighbor to the east, Minnesota, spends 25% to 35% of their Medicaid budget on home and community based services.

- In Federal Fiscal Year (FFY) 2006, 30,819 older persons received Older Americans Act funded services which includes home-delivered meals, congregate meals, outreach, health maintenance and transportation services, national family caregiver program services, legal services, in-home safety, senior companion services, vulnerable adult protective services, and long-term care ombudsman services.

Older Americans Act – Title III Programs	
SERVICE	UNITS OF SERVICE
Assistive Safety Devices	1,201 devices
Congregate Meals	771,548 meals
Home-Delivered Meals	521,481 meals
Health Maintenance	169,301 units
Information & Assistance	1,944 units
Legal Assistance	18,798 units
Outreach	122,343 units
Senior Companion	6,620 units
Transportation	130,146 rides

Vulnerable Adults Program	
New cases	466
Closed cases	430
Information/referral	318
Brief Services	203
Hours	6,471

Family Caregiver Support Program	
Unduplicated New Caregivers Served	308
Unduplicated New Grandparents Served	5
Respite Care Provided	49,184 hours

Long-Term Care Ombudsman Program	
Number of Complaints	1,143
Number of Cases Opened	795

- The Qualified Service Provider (QSP) training program under contract with Lake Region State College has trained 263 QSPs to date for provision of in-home care. The training is provided by 62 nurses statewide. **The current budget of $30,000 coupled with $11,000 from Minot State University has already been expended. Additional funding of $10,000 from SPED funding will allow the training program to continue to meet demand for the remainder of the current biennium.**
- The Senior Community Service Employment Program will provide on the job training to 73 low-income individuals over the age of 55. The Division is contracting with Experience Works (formerly Green Thumb) to provide direct service to the enrollees. Experience Works serves an additional 283 enrollees in North Dakota through a national contract with the Department of Labor.

Major Program Changes/Accomplishments

The following significant changes have impacted the Aging Services Division:

1. The addition of the state portion of the Senior Community Service Employment Program, which was previously administered by Job Service. This is 100% federal funds.
2. Beginning January 1 of this year all transportation services for older persons that were formerly funded by the Older Americans Act will be funded by the Department of Transportation. This has allowed the Division to offset federal funding limitations and to place the funding in other Older American Act Services.
3. The Aging Services Division assisted older persons to apply for Medicare Part D through contracts with OAA service providers. During the first enrollment period 7,879 consumers were assisted.

4. The Division applied for and received a 3 year $300,000 grant to establish and market a legal assistance hotline for low-income senior citizens. Particular efforts will be targeted to Native Americans, immigrants, rural senior citizens and those with disabilities.
5. In coordination with the Guardianship Task Force, Aging Services developed Standards of Practice for Guardianship Services for Vulnerable Adults. Draft Administrative Rules have also been developed. A request for proposals has been issued twice for the provision of direct services with no bidders. The division is in the process of determining if we have any other options due to the very prescriptive nature of the state law and the limited funding in the budget.

The Older Americans Act, which was re-authorized by Congress in 2006, contained several changes. The full impact of those changes is unknown at this time, however one change authorizes the establishment of Aging and Disability Resource Centers (ADRC's) in every state. Forty-three states have established ADRC's. Senate Bill 2070 will provide the authority for our state to apply for federal funding to establish an ADRC. ADRC's serve as integrated points of entry into the long-term care system, commonly referred to as a "one stop shop," and are designed to address many of the frustrations consumers and their families experience when trying to access needed information, services and supports. The research and preliminary findings from the Real Choice Change Grant strongly indicates that establishing an ADRC will provide the opportunity to move another step forward in providing ease of access to information and services for consumers.

Our intent is to apply for funding to establish ADRC's. I have contacted the Administration on Aging regarding our intent to apply and Carol Olson has written a letter to Senator Kent Conrad asking for his support. Senator Conrad's response was as follows, " The Older Americans Act Amendments of 2006, which was signed into law (P.L. 109-365) on October 17, 2006, requires the AoA to make ADRC funds available to all states. Specifically, if states submit a competitive application for ADRC funds that meets the AoA guidelines, the state should receive these funds." Increased appropriations for the ADRC program are dependent on Congress acting on the 2007 budget for the Department of Health and Human Services.

Attachment A is a summary of the Real Choice Grant. Attachment B summarizes the services and accomplishments that have been provided through the Alzheimer's Disease Demonstration project.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	1,011,583	164,072	1,175,655	-	1,175,655
Operating	10,634,503	1,373,591	12,008,094	-	12,008,094
Capital Assets	1,883	(1,689)	194	-	194
Grants	470,070	(220,070)	250,000	-	250,000
Total	12,118,039	1,315,904	13,433,943	-	13,433,943
General	1,114,861	333,650	1,448,511	-	1,448,511
Federal	10,854,778	720,654	11,575,432	-	11,575,432
Other	148,400	261,600	410,000	-	410,000
FTEs	10.00	-	10.00	-	10.00

Budget Changes from Current Budget to Executive Budget:

Salary:

- Net increase of $164,072. The Governor's pay plan increased the budget by $83,581. The remaining increase of $80,491 is for the payout for the future retirement of 1 staff person and to continue the salaries of the ten employees for the 2007-2009 biennium.

Operating Expenses – net increase of $1,373,591 based mainly on the following:

- $280,000 – increase in State Funds to Providers.
- $1,023,290 – for a new program that was transferred from Job Service, the Senior Community Service Employment Program.
- $176,600 – increased funding for the Telecommunications Equipment Distribution program that is a result of additional revenue generated by the relay service charge.

Capital Assets:

- $1,689 – decrease to pay for the share of the bond payment for staff at Southeast Human Service Center.

Grants – Net decrease of $220,070 based mainly on the following:

- $20,070 – decrease due to the Alzheimer's demonstration project, which is ending this year.
- $200,000 – decreased funding for the Single Point of Entry grant, which is ending in 2007.

Senate Changes:

The Senate made no changes to the Aging Services Division budget.

If you have any questions, I would be happy to answer them.

#3

Testimony on SB 2012
Senate Appropriations Sub-Committee
January 17, 2007

Chairman Fischer and members of the Senate Appropriations Sub-Committee on SB 2012, thank you for the opportunity to testify in support of SB 2012. My name is Shelly Peterson; I'm President of the North Dakota Long Term Care Association. I would like to make some brief comments and then introduce a member of our Association, Kurt Stoner of Bethel Lutheran Home in Williston. Kurt will address issues related to staffing and care of their residents. Our primary request this legislative session is a 5% annual inflationary adjustment for basic care and nursing facility rates.

I would like to touch upon the nursing facility payment system. I've prepared a handout for you, to better understand the payment system.

Through my very brief explanation, I'd like you to take away three points:

1. The state controls rate setting for all facilities.
2. The legislature is the only entity that can solve our funding issues.
3. The annual inflator you provide is the amount facilities will give to staff for their annual wage increase.

Review Payment System.

The last item I would like to touch upon is staffing. For that discussion, I have a second handout entitled, "Who Will Care?"

The cost to go from a 3% inflator to a 5% inflator for basic care and nursing facilities is $2.35 million. Think of it this way, for every dollar you appropriate, approximately 75 to 80% goes out to individuals working in long term care facilities. From nurses and therapist to the person who scrubs the floor – to over 10,000 people. For every dollar you provide, the federal government kicks in another two. What an opportunity to invest in North Dakotan's and the important people they are caring for.

Thank you again for your kind attention and I would like to call upon Kurt Stoner.

Shelly Peterson, President
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Testimony on SB 2012
House Appropriations – Human Resources Division
February 28, 2007

Chairman Pollert and members of the House Appropriations – Human Resource Division, thank you for the opportunity to testify in support of SB 2012. My name is Shelly Peterson; I'm President of the North Dakota Long Term Care Association. Our primary need this legislative session is a 5% annual inflationary adjustment for basic care and nursing facility staff.

To best understand our need, it is helpful to have knowledge of the nursing facility payment system. I've prepared a handout that briefly describes the payment system.

Through my brief explanation, I'd like you to take away three points:

1. The state controls rate setting for all facilities.
2. The legislature is the only entity that can solve our funding issues.
3. The annual inflator you provide is the amount facilities will give to staff for their annual wage increase.

Review of handout on the Payment System.

The next item I would like to touch upon is staffing. For that discussion, I have a second handout entitled, "Who Will Care?"

The cost to go from a 4% inflator to a 5% inflator for basic care and nursing facilities is $1.2 million. For every dollar you appropriate, approximately 75 to 80% goes out to individuals working in long term care facilities. From nurses and therapist to the person who scrubs the floor – to over 10,000 people. For every dollar you provide, the federal government kicks in another two. What an opportunity to invest in North Dakotan's and the important people they are caring for.

The last item I would like to address is the nursing facility property limits. Property limits were last rebased in 1994, thirteen years ago. Although they've been inflated each year by the CPI, they've fallen drastically below the cost of renovation and construction. Some physical plants need replacing and upgrading to meet life safety codes. CMS has proposed full sprinkling in all nursing facilities and today twenty-one nursing facilities do not meet this requirement. Hillsboro Medical Center has air quality problems that need immediate attention. SB 2012 contains the necessary funding, $195,948 in state general funds to address this issue.

In summary, the state controls 94% of payments to nursing facilities, with the federal government controlling the remaining 6% (Medicare). Twenty years ago, you made this landmark decision called Equalization of Rates. Nursing facility residents rely upon the legislature to adequately fund the care they need. We are obligated to continue providing quality of care for our residents, yet we can not increase prices in response to an increase in our labor costs, energy costs, etc. Only you can help us receive the resources we need to deliver quality care. We need 5% and request on behalf of residents and staff you make available the necessary funds.

Thank you again for your kind attention and I would be happy to answer any questions you may have.

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NURSING FACILITY PAYMENT SYSTEM

MINIMUM DATA SET FOR PAYMENT

Effective January 1, 1999 the state adopted the Minimum Data Set (MDS) for its payment system. The MDS provides a wide array of information regarding the health status of each resident. Using the MDS for payment purposes is optional to states. The payment system has thirty-four rates. The system is able to recognize the costs of caring for individuals and can accurately account for the time and resources necessary to care for certain medical problems. Reviews to determine if any changes in care needs have occurred are conducted at least every three months on every resident.

EQUALIZATION OF RATES

The legislature implemented equalization of rates between Medicaid residents and self pay residents for nursing facilities in 1990. Equalization of rates requires all residents be charged the same rate for comparable services. Minnesota and North Dakota are the only states in the nation with equalization of rates. Nursing facilities are the only providers/private business subjected to an equalization rate system in the State of North Dakota.

RATE CALCULATIONS

The determination of rates is the sum of four components: direct care, other direct care, indirect care and property. Today's rates and limits are calculated based on the June 30, 2003 cost report and inflated each year. The 2005 legislature directed that rates and limits would be increased by 2.65% in 2006 and in 2007.

Direct Care Rate. Costs in the Direct Care Category include: nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. The limit (the maximum that will be paid) is established by utilizing the 2003 cost report of all Medicaid nursing facilities, arraying the facilities from least expensive to most expensive, selecting the facility at the mid-point (median facility) and then adding 20% to the cost of that median facility. On January 1, 2007 the direct care limit was set at $98.10 per day. Six nursing facilities currently exceed this limit. The six nursing facilities over the limit are spending $759,881.00 in nursing that will never be recouped.

Other Direct Care. Costs in the Other Direct Care Category include: food, laundry, social service salaries, activity salaries and supplies. The limit is established by utilizing the 2003 cost report, arraying the facilities from least expensive to most expensive, selecting the facility located at the mid-point (median facility) and then adding 20% to the cost of that median facility. On January 1, 2007 the other direct care limit was set at $18.75 per day. Seven nursing facilities currently exceed this limit. The seven nursing facilities exceeding the limit are spending $216,142.00 in food and social service and activity staff that will never be recouped.

Indirect Care. Costs in the Indirect Care Category include: Administration, pharmacy, chaplin, housekeeping salaries, dietary salaries, housekeeping and dietary supplies, medical records, insurance, and plant operations. The limit is established by utilizing the 2003 cost report, arraying the facilities from least expensive to most expensive, selecting the facility located at the mid-point (median facility) and then adding 10% to the cost of that median facility. On January 1, 2007 the indirect limit was set at $46.43 per day. Twenty-one nursing facilities currently exceed this limit. The twenty-one nursing facilities exceeding the limit are spending $1,564,438.00 in indirect care expenses. These costs will never be recouped.

Property rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The property limit was established in 1994 and is inflated by the CPI annually. Today, one nursing facility exceeds the property limitation. With aging/outdated plants, new life safety requirements and upgrades to meet the space and privacy needs of residents it is anticipated many more nursing facilities will begin exceeding this limitation. The limitation was established thirteen years ago and is in need of rebasing and updating. SB 2012 contains funding to rebase the property limitation.

Occupancy Limitation – In the June 30, 2006 cost reporting period, nineteen rural nursing facilities reported twelve month occupancy averages at less than 90%. Together they incur $937,933.00 in penalty costs because they operate under 90% occupancy.

Incentives - A reward is provided to nursing facilities who are under the limits in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to indirect limits. Facilities are able to receive .70 cents for every dollar they are below limits up to a maximum of $2.60 per resident day. In 2007, 57 nursing facilities received an incentive, with the average per day incentive at $2.17. Of the 57 nursing facilities receiving an incentive, they ranged from $0.47 to $2.60 per resident per day.

Operating Margin - All nursing facilities receive an operating margin of three percent based on their historical direct care costs and other direct care costs (up to limits). The operating margin provides needed cash flow to cover up front salary adjustments, replacement of needed equipment, unforeseen expenses, and dollars to implement ever increasing regulations. The operating margin covers the gap between the cost report and the effective date of rates (this can be up to 18 months). In 2007, the average operating margin is $2.86 per resident per day.

Inflation - Rates are adjusted for inflation annually. Inflation is a rise in price levels, generally price levels long term care facilities can not control. Examples of price level increases include tripling of general liability insurance and significant increases in fuel. To attract and retain adequate staff nursing facilities need to offer salary and benefit packages that reward people. Approximately 75% of a nursing facility's budget is dedicated to personnel costs. Adequate inflation adjustments are critical for salary and benefits so nursing facilities can compete in the market place. Turnover of certified nurse assistants, the largest pool of employees was 66% in 2000. In 2003, CNA turnover was at 35%. Today CNA turnover is reported at 53%. We need to offer competitive wages or turnover will continue on an upward path.

When the current system was created almost twenty years ago, it was recommended by the Department, consumers, and providers, that inflation for nursing facility expenses be properly recognized and funded. It was recommended that Data Resources Incorporated (DRI), a national forecasting inflation firm, be utilized to track price adjustments. DRI had the capability to track inflation specific to the nursing home industry. The 2005 legislature repealed the statute requiring rates and limits be adjusted by the DRI/CPI average. The legislature set annual adjustment at 2.65% for 2006 and 2007. The legislature retains the authority to establish annual adjustments every legislative session.

Rebasing – Limits, the maximum a facility can be paid, is based upon the 2003 cost report. The 2005 legislature enacted legislation requiring that rates be rebased and updated at least every four years. The next time rates will be rebased is 2009, and the 2006 cost report will be utilized to establish those limits.

North Dakota
Long Term Care
ASSOCIATION

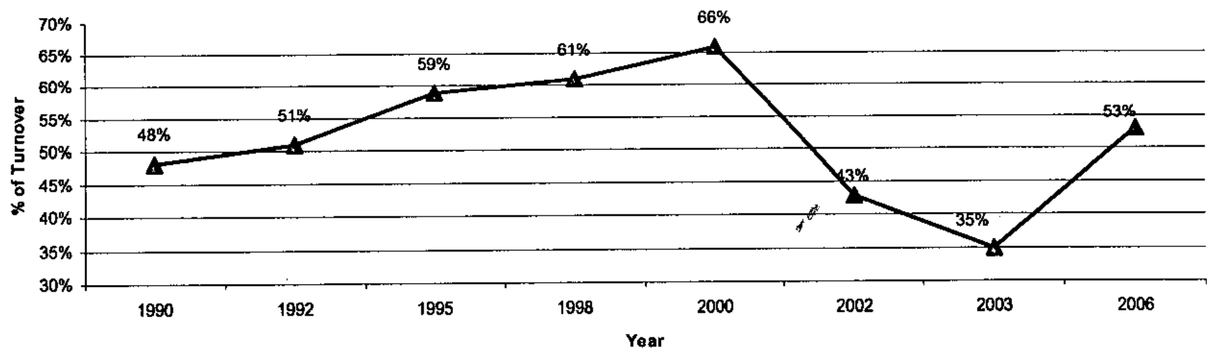
WHO WILL CARE?

Who Will Care for My Parents and Yours?

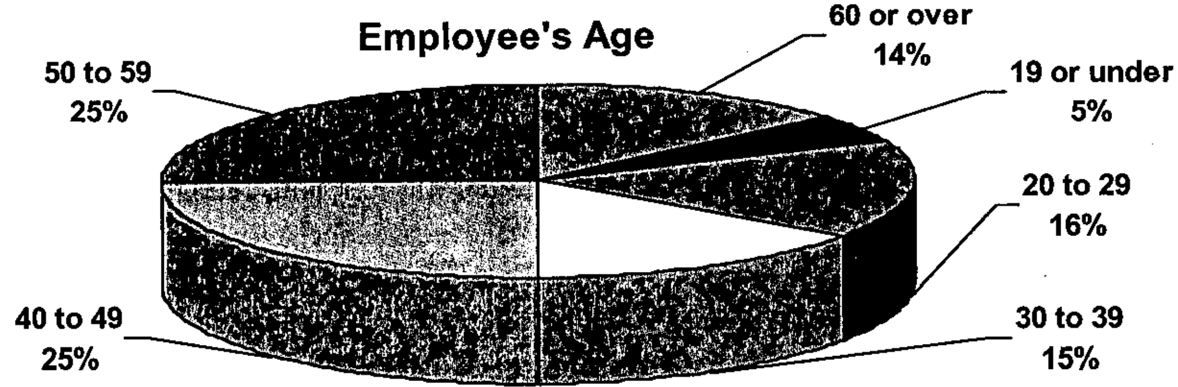
On behalf of residents and the staff who care for them, provide a 5% annual inflationary adjustment.

The top concern expressed by residents & families in an independent 2006 survey: adequate numbers of staff

SB 2012 determines the salary increase to nursing facility and basic care staff. This is the minimum amount necessary to stabilize our workforce.



Our Long Term Care Workforce is Aging:



- 1 out of 7 employees are age 60+.
- Almost 2/3 of employees (64%) are over the age of 40.
- Almost 2 out of 5 employees are age 50+ (39%).
- In the next 5 years, 25% of our workforce will be at or over retirement age.
- Fourteen percent of current employees are over 60 years old, with our oldest RN at 81 years old, CNA at 85 years old and a dietary aide at 86 years old.

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Basic Care and Nursing Facility Salaries - 2007

Basic Care								
	CNA		LPN		RN		Nurse Assistant	
	Entry	Average	Entry	Average	Entry	Average	Entry	Average
All Basic Care Facilities	$8.52	$9.75	$12.76	$15.37	$17.80	$20.38	$7.62	$8.54

Nursing Facilities								
	CNA		LPN		RN		Nurse Assistant	
	Entry	Average	Entry	Average	Entry	Average	Entry	Average
All Nursing Facilities	$9.15	$10.47	$13.33	$15.73	$17.54	$21.18	$7.96	$8.64

- The most common salary increase provided in 2006 was 3%; however, almost 1 out of 3 nursing facilities (31.4%) found it necessary to provide an extra salary enhancement just to retain their current nursing staff.

- Two-thirds of nursing facilities report difficulty in recruiting staff. The majority are either on the verge of a staffing crisis or already experiencing severe shortages.

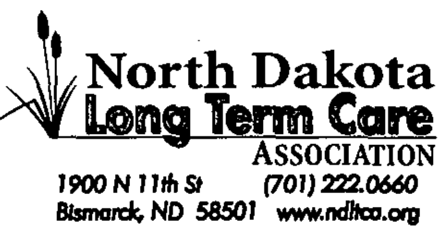
- In 2006, the Center for Rural Health reported it takes an average of 32 weeks to fill nursing positions in nursing facilities in rural North Dakota.

- Fifteen percent of nursing facilities stopped admissions in 2006 due to the difficulty in finding staff.

- Needs and acuity level of residents continue to grow. Residents fall into one of four categories:

  1. Hospice
  2. Heavy Rehab
  3. Mid and later stage dementia
  4. Intensive daily needs who require assistance with bathing, feeding, and transferring.

- Twenty-five percent of all residents admitted to a nursing facility return to their own home.



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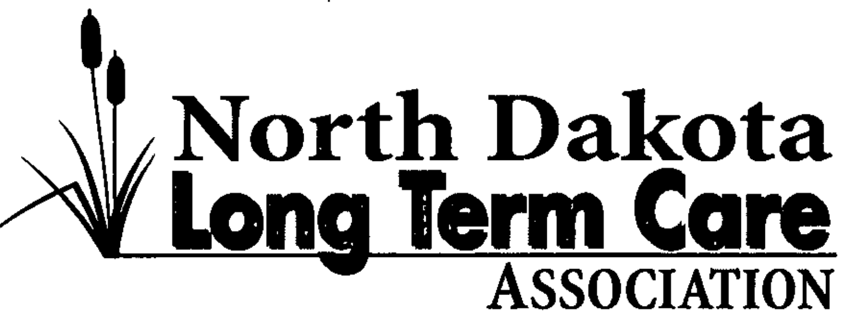
Satisfaction Survey Summary

with customized survey items

Prepared for the



Contact the association for a copy

by

This report, based on Resident and Family Satisfaction Surveys submitted in 2006, provides information needed to assess the level of satisfaction and explore family/caregiver placement decisions in nursing facilities.

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Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 9, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services. I am here today to provide you with an overview of the Long-Term Care Continuum budget.

Programs

The long-term care services included in this area of the budget are Nursing Facilities, Basic Care Facilities, and the Home and Community-Based Services Programs, which have the following funding sources: Service Payments for the Elderly and Disabled (SPED); Expanded SPED; Personal Care; Targeted Case Management; and the Medicaid Aged and Disabled and Traumatic Brain Injury Waivers. The Developmentally Disabled Community-Based Care is now located in this area of the budget.

The Long-Term Care Continuum encompasses a wide range of medical and support services for individuals who lack some capacity for self-care, and are expected to need care for an extended period of time.

Program Trends

Nursing Facilities

The percentage of Medicaid-eligible individuals in nursing facilities remains fairly constant at 56-57 percent. For September 2006, 17

facilities were below 90 percent occupancy. The average occupancy for these 17 facilities is 77 percent. The Department continues to believe that a moratorium on the number of nursing facility beds should remain.

The number of individuals receiving hospice service in Nursing Facilities continues to increase. As you can see on Attachment A (Nursing Facility Hospice), this number, from all funding sources, has doubled since January 2003.

Basic Care

Overall, the Basic Care program has seen very little change over the interim. However, you may have heard recently about the Department being involved in efforts to transition individuals from Redwood Village in Wilton, ND. Redwood Village is a Basic Care facility operated by Pride, Inc. During the interim, the Department became aware that Redwood Village was operating outside of the allowable rules for Medicaid payments, because they meet the Federal definition of an Institution for Mental Disease. Efforts are being made to ensure Redwood Village comes into compliance with the Federal Regulations and the Department will be initiating Administrative Rules to address the unique needs of Basic Care facilities that serve this population.

Home and Community-Based Services (HCBS)

The Aged and Disabled Waiver was set for renewal this fall. At that time, a decision was made to combine the Traumatic Brain Injury Waiver and the Aged and Disabled Waivers into one Waiver, now titled Home and Community-Based Waiver. Since this decision was made after the budget

was submitted, the Executive Budget reflects the waiver as separate categories.

The Department is working closely with the Centers for Medicare and Medicaid Services to ensure home and community-based services are available for individuals who are ventilator dependent. The Deficit Reduction Act offers an opportunity to provide these services in a more efficient manner.

The budget reflects a change in functional eligibility criteria for the Service Payments for the Elderly and Disabled (SPED) program. Previously if an individual had impairments with five Instrumental Activities of Daily Living (IADLs), he/she was functionally eligible for SPED. The Executive Budget proposes that individuals must be impaired in at least one Activity of Daily Living (ADL), in addition to the five IADLs, in order to be deemed functionally eligible for SPED. All currently enrolled individuals would be grandfathered in to SPED. The budget also reflects a proposed cap on enrollment for the ExSPED program at 141 individuals. Both of these decisions were made during the Department's budget preparation and review processes. You will see a decrease in the overall funding request for the HCBS Programs; however, a good share of this decrease is related to decreases in utilization of many of the services.

In October, the Centers for Medicare and Medicaid Services offered Medicaid Transformation Grants to State Medicaid Agencies. North Dakota applied for funding in several areas, and two of them potentially impact this program area. The first transformation request would allow the implementation of a telemonitoring program that would allow individuals who need regular, sometimes daily, monitoring of health

conditions to stay in their home and receive such services via telemonitoring equipment. The second request involves a nursing facility that has proposed to go "Beyond Our Doors" and provide home-based services to individuals, utilizing existing nursing facility staff. We expect to hear about the grant funding later this month.

In November, the Department submitted an application for the Money Follows the Person Demonstration Grant. If funded, this grant offers the opportunity to build an infrastructure to assist individuals at the Developmental Center and in Nursing Facilities in moving to non-institutional settings. We expect to hear about the grant application this month.

Developmental Disabilities

According to the Research and Training Center on Community Living at the University of Minnesota:

- The national average rate of placement in residential settings for persons with Intellectual Disabilities (ID)/Developmental Disabilities (DD) in 2005 was 138.7 persons per 100,000 of the general population. North Dakota ranked number one with 317.1 persons per 100,000 state residents.

- Nationally, the combined average Intermediate Care Facilities for the Mentally Retarded (ICF/MR) and Home and Community-Based Services (HCBS) utilization rate was 184.0 persons per 100,000 of the population. North Dakota ranked number one with 579.1 persons per 100,000 state residents.

- Nationally, 149.7 persons per 100,000 of the population received HCBS. North Dakota ranked number one with 483.3 persons per 100,000 state residents.

- 95.4 percent of all North Dakotan's with ID/DD received ICF/MR and HCBS in the community. The national average was 88.8 percent.

Accomplishments in this area during the interim include:

- The Department implemented the Medicaid HCBS Self-Directed Supports waivers for families and individuals July 2006.

- 4,814 persons received developmental disabilities case management services in SFY 2006.

- 2,102 persons received residential and/or day services and 1,854 families received family support program services.

- 3,299 persons with developmental disabilities received home and community-based services in waiver year ending March 31, 2006.

Developmentally Disabled – Challenges - For people of all ages with developmental disabilities, direct support staff are the key to living successfully in their home communities. Retention and recruitment issues threaten the ability to provide adequate supports. Unable to find adequate assistance, people find their health, safety, and sometimes, their lives in jeopardy. Concerned about the shortage of direct support

professionals supporting persons with intellectual disabilities and other developmental disabilities, Congress requested the Department of Health and Human Services (HHS) conduct a study including an examination of the root causes associated with high vacancy and turnover rates, and an examination of the impact this shortage may be having on services for people with intellectual disabilities/ developmental disabilities. For your convenience, attached to my testimony (Attachment B) is a synopsis of relevant findings from the report HHS prepared for Congress.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Nursing Homes	343,013,040	378,455,376	35,442,336
Basic Care	13,301,971	14,401,246	1,099,275
TBI Waiver	2,865,642	1,748,881	(1,116,761)
Aged & Disabled Waiver	3,399,903	5,007,179	1,607,276
SPED	13,021,263	9,101,518	(3,919,745)
Ex-SPED	838,037	667,992	(170,045)
Personal Care	15,508,384	19,357,368	3,848,984
Targeted Case Management	2,064,693	892,602	(1,172,091)
DD - Comm. Based Care	211,329,320	267,128,377	55,799,057
DC Transition Funds	50,000	-	(50,000)
Total	605,392,253	696,760,539	91,368,286
General	221,915,185	258,494,777	36,579,592
Federal	378,413,045	435,545,744	57,132,699
Other	5,064,023	2,720,018	(2,344,005)

- Nursing Facility services account for about 54 percent of the budget for the long-term care continuum. (Compare to 57 percent for 2005-2007 Budget)

- Basic Care accounts for about two percent of the budget for the long-term care continuum. (Compare with two percent for 2005-2007 Budget)

- Home and Community-Based Services account for about five percent of the expenditures for the long-term care continuum. (Compare to six percent for the 2005-2007 Budget)

- DD Grants account for about 39 percent of the expenditures for the long-term care continuum. (Compare to 35 percent for the 2005-2007 Budget)

- This portion of the budget also contains an inflationary increase for providers at three percent each year of the Biennium.

- The impact of the decline in the Federal Medical Assistance Percentage on general funds for the Long-Term Continuum is $4.96 million.

Nursing Facilities

- The Executive Budget request for nursing facilities totaled $378.4 million, of which $136.4 million are general funds. The current budget for nursing facility services is $343 million of which $120.8 million are general funds. This $35.4 million increase is related to: Cost increases, including rebasing in 2009 ($22.8 million), Caseload and Utilization increases ($2.4 million), the three percent inflationary increase ($9.7 million), and an increase to the Nursing

Facility Building Limits ($.5 million). Attachment C shows historical information on expenditures and average daily Nursing Facility Rates.

- The Executive Budget for nursing facilities was based on Medicaid occupancy of 3,609 beds per month. The occupancy includes 3,400 - nursing facility; 9 – Dakota Alpha; 14 – Geropsych Unit; 60- Swing Bed; 68 – Hospice Room and Board; and 58 – Out of State.

Basic Care

- Expenses for Basic Care are expected to be $1.1 million more than the current budget. This is primarily due to an increase in caseload and utilization, and to the three percent inflationary increase for all providers.

Home and Community- Based Services

Again this area includes many funding sources such as the various Medicaid waivers, personal care services, SPED, etc. The details of the cost changes by specific funding source are something we can further discuss as we continue the review of the budget. Collectively the net change is a decrease of $0.9 million. The contributing factors to that decrease are cost increases of $6.3 million; $1.2 million for the three percent inflationary increase for each year of the biennium; offset by utilization decreases of $8.4 million.

- The TBI Waiver has served fewer individuals than was expected when the 2005-2007 Budget was prepared. For 2007-2009, the

Medicaid Waiver for Individuals with Traumatic Brain Injury has been budgeted for an average of 27 individuals per month. (The 2005-2007 Budget was built on an average of 50 individuals per month.)

- When the 2007-2009 Budget for the Aged and Disabled Waiver was prepared, several services were added: attendant care (for individuals who are ventilator dependent), nurse management services, home-delivered meals for disabled adults under 60 years of age, and an additional payment for Adult Family Foster Care providers who provide care for more than one individual. The vent-dependant service is set to be implemented soon; however, the other services will not be implemented until budget approval is received. The Medicaid Waiver for the Aged and Disabled has been budgeted for an average of 239 individuals per month, which is a decrease from the average of 421 which was budgeted for 2005-2007.

- The SPED budget reflects a decrease in cases due to the change to the functional eligibility criteria. In addition, there is a decrease in the caseload based on the individuals not presenting for services, as anticipated when the 2005-2007 Budget was prepared.

- The Expanded SPED program was built with a cap of 141 individuals. The 2005-2007 Appropriation was based on an average of 202 persons per month. The average number of persons actually receiving ExSPED services for the current biennium is 125; therefore, it is not likely that the cap will be reached.

- When the 2005 -2007 Budget for Personal Care Services was prepared, the Centers for Medicare and Medicaid Services had not approved the Medicaid State Plan. The budget was built with the best information available at the time, which was based on an average cost per person of $906.44. Based on cost information for Personal Care services provided in the current biennium, we are estimating an average cost per person of $1,190.49 for the 2007-2009 Budget.

- Targeted Case Management has also experienced a decline in utilization. The 2005-2007 Budget was based on 509 individuals and an average cost of $169.15 per person per month. The 2007-2009 Budget was built on 340 individuals per month and an average cost of $109.40 per person per month. For the first four months of State Fiscal Year 2007, the average number of individuals receiving Targeted Case Management services was 351.

Developmental Disabilities

The increases of approximately $55.8 million in the DD Grants are from four areas:

- $22.3 million is due to changes in the caseload that occurred during the 2005-2007 Biennium and must be sustained in the 2007-2009 Biennium. This increase also reflects anticipated increases in caseloads during the 2007-2009 Biennium due to graduations from high school and the birth of children with developmental disabilities. The increase consists of $7.5 million in general funds and $14.8 million in federal funds.

- $11.6 million is due to cost changes that occurred during the 2005-2007 Biennium, which must be sustained during the 2007-2009 Biennium. The cost change increase consists of $3.4 million in general funds and $8.2 million in federal funds.

- $11.2 million is due to a three percent inflationary increase each year of the 2007-2009 Biennium. The increase consists of $4.1 million in general funds and $7.1 million in federal funds.

- $10.7 million is due to a 60 cent per hour increase for the DD staff. Of this, $3.9 million is general funds and $6.8 million is federal funds.

I would be happy to answer any questions you may have.

Attachment A

NURSING FACILITY HOSPICE

120
100
80
60
40
20
0

Jan-03 Mar-03 May-03 Jul-03 Sep-03 Nov-03 Jan-04 Mar-04 May-04 Jul-04 Sep-04 Nov-04 Jan-05 Mar-05 May-05 Jul-05 Sep-05 Nov-05 Jan-06 Mar-06

Hospice

"***The Supply of Direct Support Professionals Serving Individuals with Intellectual Disabilities and Other Developmental Disabilities: Report to Congress***" was issued by the U.S. Department of Health and Human Services in response to a congressional request for a study on the shortage of direct support professionals. Congress asked for an examination of the root causes associated with high vacancy and turnover rates, and an examination of the impact this shortage may have on services for people with intellectual disabilities/developmental disabilities (ID/DD).

- Congress has addressed the needs of people with ID/DD in a variety of laws, including the ADA, the DD Act, and the Rehabilitation Act. The first finding of the DD Act acknowledges "the right of individuals with developmental disabilities to live independently, to exert control and choice over their own lives, and to fully participate and contribute to their communities through full integration and inclusion in the economic, political, social, cultural and educational mainstream of the United States" (42 USC 15001 (a)(14)).

- Decentralization of community support services has greatly increased the challenges faced by DSPs in fulfilling their roles. Increasing use of in-home services, supported living arrangements, and small group homes require much greater skill, judgment and personal accountability on the part of DSPs.

- This shift has produced roles with greater autonomy and responsibility, and increasingly this autonomy and responsibility is applied in support of persons with greater levels of intellectual, behavioral, health and functional impairments.

- DSPs today are called on to provide medication supports, implement behavioral plans, teach new self-care skills, design and implement augmentative communication systems, and provide a wide range of other sophisticated supports that require substantial skills on the part of the DSPs.
- These demanding responsibilities are given primarily to people without college degrees in a discipline relevant to their specific work responsibilities.

- Minimally competent DSP performance involves mastery of dozens of specific skill areas ranging from supporting people in understanding and realizing their basic rights to responding effectively to complex behavioral crises.

- Recent national studies have used more sophisticated methods to study factors associated with turnover. DSP turnover was associated with pay, support needs of individuals, facility size, ratios of DSPs to people supported, ICF/MR certification, urban versus rural location, how long the site had been open, and eligibility for paid leave or health benefits.

- Other factors associated with turnover were age of people supported, public versus private operation, supervisor tenure,

unionization, hours of training provided, and the use of shift versus live-in employees.

- Recruitment problems can result in increased overtime of existing staff. High turnover can also have a negative impact on DSPs. If replacement workers are not found quickly for those who have left, the remaining DSPs will experience an increased workload. While this is not troublesome on an occasional basis, chronic vacancy rates suggest that DSPs are working under increased pressure most of the time. This can cause remaining DSPs to become frustrated and contribute to job burnout, further contributing to the retention challenge.

- High turnover hinders the development and maintenance of relationships, the development of mutual respect between DSPs and individuals who receive support and their family members, and the development of trust between supported individuals and every new DSP that enters their life.

- Without DSP continuity, quality, commitment, and competence, the opportunity for persons with ID/DD to become full citizens and active community members is greatly diminished.

- In a 2002 review of 50 years of research on DSP turnover and associated factors, studies showed that DSP performance had direct affects on challenging behavior, communication, treatment success, and successful placement in community residential settings.

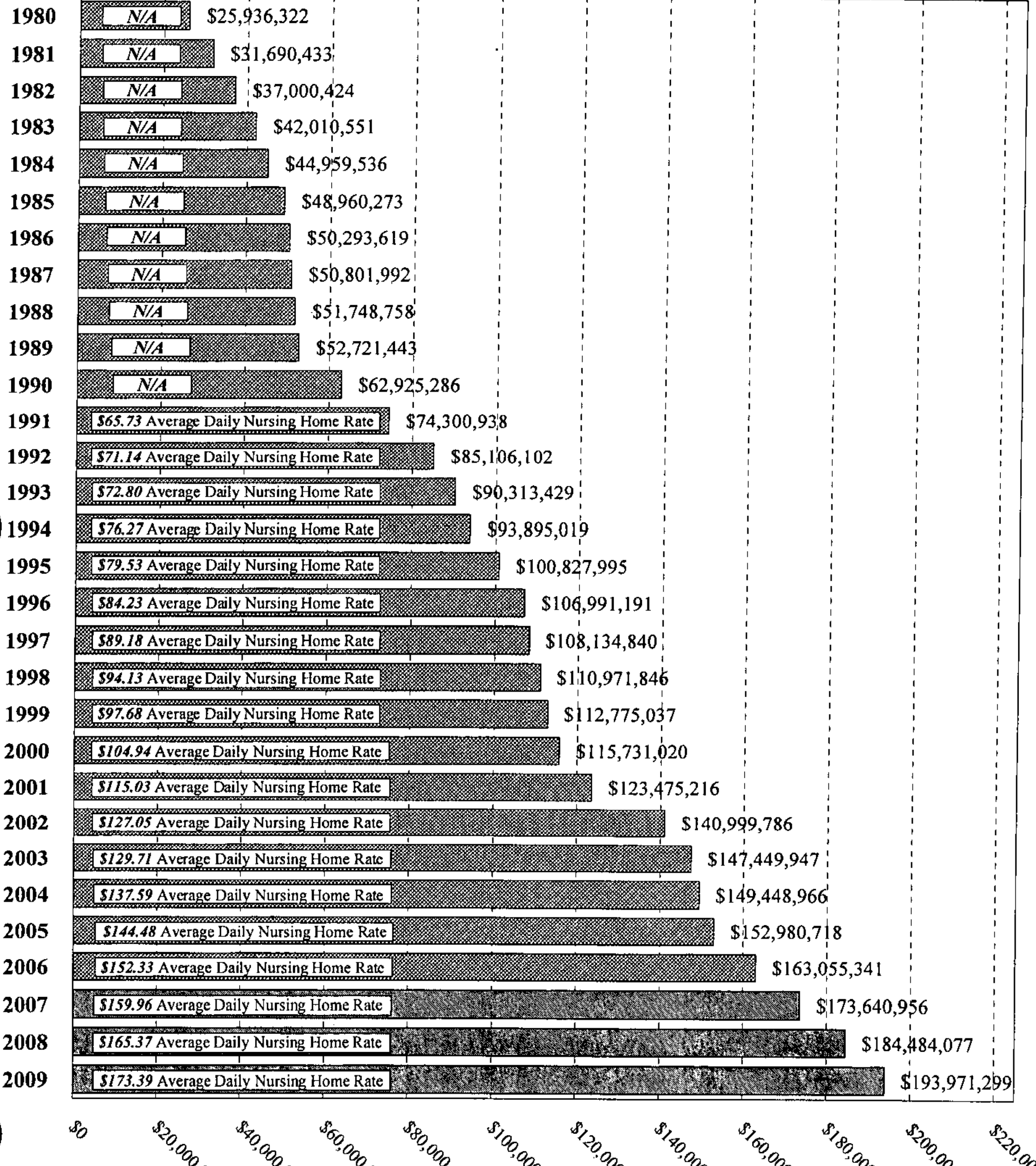
- Turnover produces a continuing loss of people trusted for basic and often intimate assistance. People receiving supports become more vulnerable because the people caring for them do not know their unique needs and vulnerabilities.

- Vacancies are causing families with members with ID/DD in the family home to do without basic family support services as available DSPs are first allocated to residential and vocational programs for which there are no alternative care providers. Families caring for members with ID/DD in their home have reported more stress, income and job loss, and severe financial problems than other families.

- Providers need time to fill openings and new direct care staff require time to know the consumers and learn their needs. Continually establishing new relationships affects consumers as well; they regularly experience the loss of continuity in their services as well as the personal loss of familiar staff who assist them.

Attachment C

North Dakota Department of Human Services
Nursing Home Facilities
Fiscal Years 1980 - 2009 *
Senate Bill 2012
2007 - 2009 Biennium



* 1980 through 2006 represents actual expenditures.
2007 represents four months actual and eight months estimated expenditures.
2008 and 2009 represents estimated expenditures included in the Governor's budget.
The average daily nursing home rate is effective January 1 of each year as indicated.

FA-12/27/06-cj-0709legis\ltc

Department of Human Services * Summary by Major Division, Bgt_Lvl and Dept_ID with FTEs and Funding Sources
2007 - 2009 Biennium Budget as submitted to to the House (CHM2)

Major Division1: 300 PROGRAM AND POLICY

Budget Level: 300-10 LONG TERM CARE

	Actual Expenditures 2003-2005	Current Budget 2005-2007	Total Budget Chgs	To OMB 2007-2009	Executive Budget Recomm.	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
Dept_ID: 3646 Basic Care								
3646 32573 Grants-Medical Assistance	10,892,535	13,301,971	777,848	14,079,819	321,427	14,401,246	265,890	14,667,136
3646 32590 Totals	10,892,535	13,301,971	777,848	14,079,819	321,427	14,401,246	265,890	14,667,136
3646 32591 General Funds	2,482,192	5,374,918	721,551	6,096,469	226,903	6,323,372	117,490	6,440,862
3646 32592 Federal Funds	6,128,120	5,484,596	214,392	5,698,988	94,524	5,793,512	148,400	5,941,912
3646 32594 Retained Funds	2,282,223	2,284,362	--	2,284,362	--	2,284,362	--	2,284,362
3646 32596 IGT Funds	--	158,095	(158,095)	--	--	--	--	--
Dept_ID: 3652 SPED								
3652 32573 Grants-Medical Assistance	11,665,339	13,021,263	(4,308,171)	8,713,092	388,426	9,101,518	1,167,010	10,268,528
3652 32590 Totals	11,665,339	13,021,263	(4,308,171)	8,713,092	388,426	9,101,518	1,167,010	10,268,528
3652 32591 General Funds	10,856,366	12,015,332	(3,737,896)	8,277,436	369,009	8,646,445	1,108,656	9,755,101
3652 32592 Federal Funds	225,720	225,720	(225,720)	--	19,417	19,417	6,561	25,978
3652 32593 Other Funds	583,253	--	--	--	--	--	--	--
3652 32595 County Funds	--	639,780	(204,124)	435,656	--	435,656	51,793	487,449
3652 32596 IGT Funds	--	140,431	(140,431)	--	--	--	--	--
Dept_ID: 3653 Expanded SPED								
3653 32573 Grants-Medical Assistance	1,041,091	838,037	(199,061)	638,976	29,016	667,992	92,349	760,341
3653 32590 Totals	1,041,091	838,037	(199,061)	638,976	29,016	667,992	92,349	760,341
3653 32591 General Funds	1,041,091	823,837	(184,861)	638,976	29,016	667,992	92,349	760,341
3653 32596 IGT Funds	--	14,200	(14,200)	--	--	--	--	--

Department of Human Services * Summary by Major Division, Bgt_Lvl and Dept_ID with FTEs and Funding Sources
2007 - 2009 Biennium Budget as submitted to to the House (CHM2)

Major Divisionl: 300 PROGRAM AND POLICY

Budget Level: 300-10 LONG TERM CARE

	Actual Expenditures 2003-2005	Current Budget 2005-2007	Total Budget Chgs	To OMB 2007-2009	Executive Budget Recomm.	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
Dept_ID: 3636 Nursing Homes								
3636 32573 Grants-Medical Assistance	308,262,033	343,013,040	25,246,293	368,259,333	10,196,043	378,455,376	3,626,542	382,081,918
3636 32590 Totals	308,262,033	343,013,040	25,246,293	368,259,333	10,196,043	378,455,376	3,626,542	382,081,918
3636 32591 General Funds	94,300,780	120,807,641	11,877,528	132,685,169	3,675,483	136,360,652	1,152,926	137,513,578
3636 32592 Federal Funds	213,961,253	221,468,801	14,105,363	235,574,164	6,520,560	242,094,724	2,328,791	244,423,515
3636 32596 IGT Funds	--	736,598	(736,598)	--	--	--	144,825	144,825
Dept_ID: 3637 TBI Waiver								
3637 32573 Grants-Medical Assistance	1,633,486	2,865,642	(1,167,698)	1,697,944	50,937	1,748,881	51,638	1,800,519
3637 32590 Totals	1,633,486	2,865,642	(1,167,698)	1,697,944	50,937	1,748,881	51,638	1,800,519
3637 32591 General Funds	499,081	1,008,021	(396,203)	611,818	18,349	630,167	18,588	648,755
3637 32592 Federal Funds	1,134,405	1,847,703	(761,577)	1,086,126	32,588	1,118,714	33,050	1,151,764
3637 32596 IGT Funds	--	9,918	(9,918)	--	--	--	--	--
Dept_ID: 3639 Aged & Disabled Waiver								
3639 32573 Grants-Medical Assistance	11,150,411	3,399,903	1,461,442	4,861,345	145,834	5,007,179	450,282	5,457,461
3639 32590 Totals	11,150,411	3,399,903	1,461,442	4,861,345	145,834	5,007,179	450,282	5,457,461
3639 32591 General Funds	3,400,182	1,161,726	589,958	1,751,684	5,391	1,757,075	209,333	1,966,408
3639 32592 Federal Funds	7,750,229	2,192,688	916,973	3,109,661	140,443	3,250,104	240,949	3,491,053
3639 32596 IGT Funds	--	45,489	(45,489)	--	--	--	--	--

Department of Human Services * Summary by Major Division, Bgt_Lvl and Dept_ID with FTEs and Funding Sources
2007 - 2009 Biennium Budget as submitted to to the House (CHM2)

Major Division1: 300 PROGRAM AND POLICY

Budget Level: 300-10 LONG TERM CARE

Dept_ID: 9999 BUDGET LEVEL TOTALS

	Actual Expenditures 2003-2005	Current Budget 2005-2007	Total Budget Chgs	To OMB 2007-2009	Executive Budget Recomm.	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
9999 32560 Grants	--	50,000	(50,000)	--	--	--	--	--
9999 32573 Grants-Medical Assistance	533,967,806	605,342,253	57,821,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
9999 32590 Totals	533,967,806	605,392,253	57,771,553	663,163,806	33,596,733	696,760,539	16,611,871	713,372,410
9999 32591 General Funds	171,170,485	221,915,185	24,100,670	246,015,855	12,478,922	258,494,777	6,630,220	265,124,997
9999 32592 Federal Funds	359,931,845	378,413,045	36,014,888	414,427,933	21,117,811	435,545,744	9,759,358	445,305,102
9999 32593 Other Funds	583,253	--	--	--	--	--	--	--
9999 32594 Retained Funds	2,282,223	2,284,362	--	2,284,362	--	2,284,362	--	2,284,362
9999 32595 County Funds	--	639,780	(204,124)	435,656	--	435,656	51,793	487,449
9999 32596 IGT Funds	--	2,139,881	(2,139,881)	--	--	--	170,500	170,500

Department of Human Services * Summary by Major Division, Bgt_Lvl and Dept_ID with FTEs and Funding Sources
2007 - 2009 Biennium Budget as submitted to to the House (CHM2)

	Actual Expenditures 2003-2005	Current Budget 2005-2007	Total Budget Chgs	To OMB 2007-2009	Executive Budget Recomm.	To the Senate 2007 - 2009	Senate Changes	To the House 2007 - 2009
Major Divisionl: 300 PROGRAM AND POLICY								
Budget Level: 300-10 LONG TERM CARE								
Dept_ID: 3657 Personal Care Option								
3657 32573 Grants-Medical Assistance	367,651	15,508,384	3,285,251	18,793,635	563,733	19,357,368	3,313,979	22,671,347
3657 32590 Totals	367,651	15,508,384	3,285,251	18,793,635	563,733	19,357,368	3,313,979	22,671,347
3657 32591 General Funds	119,523	5,446,358	1,325,202	6,771,560	203,116	6,974,676	1,193,775	8,168,451
3657 32592 Federal Funds	248,128	10,009,348	2,012,727	12,022,075	360,617	12,382,692	2,120,204	14,502,896
3657 32596 IGT Funds	--	52,678	(52,678)	--	--	--	--	--
Dept_ID: 3658 Targeted Case Management								
3658 32573 Grants-Medical Assistance	604,516	2,064,693	(1,198,128)	866,565	26,037	892,602	26,319	918,921
3658 32590 Totals	604,516	2,064,693	(1,198,128)	866,565	26,037	892,602	26,319	918,921
3658 32591 General Funds	188,405	725,191	(412,950)	312,241	9,391	321,632	9,469	331,101
3658 32592 Federal Funds	416,111	1,332,438	(778,114)	554,324	16,646	570,970	16,850	587,820
3658 32596 IGT Funds	--	7,064	(7,064)	--	--	--	--	--
Dept_ID: 4180 Med Pymnts-DD Comm Based Care								
4180 32573 Grants-Medical Assistance	188,350,744	211,329,320	33,923,777	245,253,097	21,875,280	267,128,377	7,617,862	274,746,239
4180 32590 Totals	188,350,744	211,329,320	33,923,777	245,253,097	21,875,280	267,128,377	7,617,862	274,746,239
4180 32591 General Funds	58,282,865	74,502,161	14,368,341	88,870,502	7,942,264	96,812,766	2,727,634	99,540,400
4180 32592 Federal Funds	130,067,879	135,851,751	20,530,844	156,382,595	13,933,016	170,315,611	4,864,553	175,180,164
4180 32596 IGT Funds	--	975,408	(975,408)	--	--	--	25,675	25,675
Dept_ID: 4213 Dev. Center Transition Funds								
4213 32560 Grants	--	50,000	(50,000)	--	--	--	--	--
4213 32590 Totals	--	50,000	(50,000)	--	--	--	--	--
4213 32591 General Funds	--	50,000	(50,000)	--	--	--	--	--

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations – Human Resources Division, I am Maggie Anderson, Director of Medical Services, for the Department of Human Services. I am here today to provide you with an overview of the Long-Term Care Continuum budget.

Programs

The long-term care services included in this area of the budget are Nursing Facilities, Basic Care Facilities, and the Home and Community-Based Services Programs, which have the following funding sources: Service Payments for the Elderly and Disabled (SPED); Expanded SPED; Personal Care; Targeted Case Management; and the Medicaid Aged and Disabled and Traumatic Brain Injury Waivers. The Developmentally Disabled Community-Based Care is now located in this area of the budget.

The Long-Term Care Continuum encompasses a wide range of medical and support services for individuals who lack some capacity for self-care, and are expected to need care for an extended period of time.

Program Trends

Nursing Facilities

The percentage of Medicaid-eligible individuals in nursing facilities remains fairly constant at 56-57 percent. For September 2006, 17

facilities were below 90 percent occupancy. The average occupancy for these 17 facilities is 77 percent. The Department continues to believe that a moratorium on the number of nursing facility beds should remain.

The number of individuals receiving hospice service in Nursing Facilities continues to increase. As you can see on Attachment A (Nursing Facility Hospice), this number, from all funding sources, has doubled since January 2003.

Basic Care

Overall, the Basic Care program has seen very little change over the interim. However, you may have heard recently about the Department being involved in efforts to transition individuals from Redwood Village in Wilton, ND. Redwood Village is a Basic Care facility operated by Pride, Inc. During the interim, the Department became aware that Redwood Village was operating outside of the allowable rules for Medicaid payments, because they meet the Federal definition of an Institution for Mental Disease. Efforts have been made to ensure Redwood Village is in compliance with the Federal Regulations and the Department has initiated Administrative Rules to address the unique needs of Basic Care facilities that serve this population.

Home and Community-Based Services (HCBS)

The Aged and Disabled Waiver was set for renewal this fall. At that time, a decision was made to combine the Traumatic Brain Injury Waiver and the Aged and Disabled Waivers into one Waiver, now titled Home and Community-Based Waiver. Since this decision was made after the budget

was submitted, the Executive Budget reflects the waiver as separate categories.

The Department is working closely with the Centers for Medicare and Medicaid Services to ensure home and community-based services are available for individuals who are ventilator dependent. The Deficit Reduction Act offers an opportunity to provide these services in a more efficient manner.

The budget reflects a change in functional eligibility criteria for the Service Payments for the Elderly and Disabled (SPED) program. Previously, if an individual had impairments with five Instrumental Activities of Daily Living (IADLs), he/she was functionally eligible for SPED. The Executive Budget proposes that individuals must be impaired in at least one Activity of Daily Living (ADL), in addition to the five IADLs, in order to be deemed functionally eligible for SPED. All currently enrolled individuals would be grandfathered in to SPED. The budget also reflects a proposed cap on enrollment for the ExSPED program at 141 individuals. Both of these decisions were made during the Department's budget preparation and review processes.

In November, the Department submitted an application for the Money Follows the Person Demonstration Grant. If funded, this grant offers the opportunity to build an infrastructure to assist individuals at the Developmental Center and in Nursing Facilities in moving to non-institutional settings. We expect to hear about the grant application in March.

Developmental Disabilities

According to the Research and Training Center on Community Living at the University of Minnesota:

- The national average rate of placement in residential settings for persons with Intellectual Disabilities (ID)/Developmental Disabilities (DD) in 2005 was 138.7 persons per 100,000 of the general population. North Dakota ranked number one with 317.1 persons per 100,000 state residents.

- Nationally, the combined average Intermediate Care Facilities for the Mentally Retarded (ICF/MR) and Home and Community-Based Services (HCBS) utilization rate was 184.0 persons per 100,000 of the population. North Dakota ranked number one with 579.1 persons per 100,000 state residents.

- Nationally, 149.7 persons per 100,000 of the population received HCBS. North Dakota ranked number one with 483.3 persons per 100,000 state residents.

- 95.4 percent of all North Dakotan's with ID/DD received ICF/MR and HCBS in the community. The national average was 88.8 percent.

Accomplishments in this area during the interim include:

- The Department implemented the Medicaid HCBS Self-Directed Supports waivers for families and individuals July 2006.

- 4,814 persons received developmental disabilities case management services in SFY 2006.

- 2,102 persons received residential and/or day services and 1,854 families received family support program services.

- 3,299 persons with developmental disabilities received home and community-based services in waiver year ending March 31, 2006.

Developmentally Disabled – Challenges - For people of all ages with developmental disabilities, direct support staff are the key to living successfully in their home communities. Retention and recruitment issues threaten the ability to provide adequate supports. Unable to find adequate assistance, people find their health, safety, and sometimes, their lives in jeopardy. Concerned about the shortage of direct support professionals supporting persons with intellectual disabilities and other developmental disabilities, Congress requested the Department of Health and Human Services (HHS) conduct a study including an examination of the root causes associated with high vacancy and turnover rates, and an examination of the impact this shortage may be having on services for people with intellectual disabilities/ developmental disabilities. For your convenience, attached to my testimony (Attachment B) is a synopsis of relevant findings from the report HHS prepared for Congress.

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Nursing Homes	343,013,040	35,442,336	378,455,376	3,626,542	382,081,918
Basic Care	13,301,971	1,099,275	14,401,246	265,890	14,667,136
TBI Waiver	2,865,642	(1,116,761)	1,748,881	51,638	1,800,519
Aged & Disabled Waiver	3,399,903	1,607,276	5,007,179	450,282	5,457,461
SPED	13,021,263	(3,919,745)	9,101,518	1,167,010	10,268,528
Ex-SPED	838,037	(170,045)	667,992	92,349	760,341
Personal Care	15,508,384	3,848,984	19,357,368	3,313,979	22,671,347
Targeted Case Mgmt.	2,064,693	(1,172,091)	892,602	26,319	918,921
DD - Comm. Based Care	211,329,320	55,799,057	267,128,377	7,617,862	274,746,239
DC Transition Funds	50,000	(50,000)	-	-	-
Total	605,392,253	91,368,286	696,760,539	16,611,871	713,372,410
General	221,915,185	36,579,592	258,494,777	6,630,220	265,124,997
Federal	378,413,045	57,132,699	435,545,744	9,759,358	445,305,102
Other	5,064,023	(2,344,005)	2,720,018	222,293	2,942,311
FTEs	-	-	-	-	-

Budget Changes from Current Budget to Executive Budget:

- Nursing Facility services account for about 54 percent of the budget for the long-term care continuum. (Compare to 57 percent for 2005-2007 Budget)

- Basic Care accounts for about two percent of the budget for the long-term care continuum. (Compare with two percent for 2005-2007 Budget)

- Home and Community-Based Services account for about five percent of the expenditures for the long-term care continuum. (Compare to six percent for the 2005-2007 Budget)

- DD Grants account for about 39 percent of the expenditures for the long-term care continuum. (Compare to 35 percent for the 2005-2007 Budget)

- This portion of the budget also contains an inflationary increase for providers at three percent each year of the Biennium.

- The impact of the decline in the Federal Medical Assistance Percentage on general funds for the Long-Term Continuum is $4.96 million.

Nursing Facilities

- The Executive Budget request for nursing facilities totaled $378.4 million, of which $136.4 million are general funds. The current budget for nursing facility services is $343 million of which $120.8 million are general funds. This $35.4 million increase is related to: Cost increases, including rebasing in 2009 ($22.8 million), Caseload and Utilization increases ($2.4 million), the three percent inflationary increase ($9.7 million), and an increase to the Nursing Facility Building Limits ($.5 million). Attachment C shows historical

information on expenditures and average daily Nursing Facility Rates.

- The Executive Budget for nursing facilities was based on Medicaid occupancy of 3,609 beds per month. The occupancy includes 3,400 - nursing facility; 9 – Dakota Alpha; 14 – Geropsych Unit; 60- Swing Bed; 68 – Hospice Room and Board; and 58 – Out of State.

Basic Care

- Expenses for Basic Care are expected to be $1.1 million more than the current budget. This is primarily due to an increase in caseload and utilization, and to the three percent inflationary increase for all providers.

Home and Community- Based Services

Again this area includes many funding sources such as the various Medicaid waivers, personal care services, SPED, etc. The details of the cost changes by specific funding source are something we can further discuss as we continue the review of the budget. Collectively the net change is a decrease of $0.9 million. The contributing factors to that decrease are cost increases of $6.3 million; $1.2 million for the three percent inflationary increase for each year of the biennium; offset by utilization decreases of $8.4 million.

- The TBI Waiver has served fewer individuals than was expected when the 2005-2007 Budget was prepared. For 2007-2009, the Medicaid Waiver for Individuals with Traumatic Brain Injury has

been budgeted for an average of 27 individuals per month. (The 2005-2007 Budget was built on an average of 50 individuals per month.)

- When the 2007-2009 Budget for the Aged and Disabled Waiver was prepared, several services were added: attendant care (for individuals who are ventilator dependent), nurse management services, home-delivered meals for disabled adults under 60 years of age, and an additional payment for Adult Family Foster Care providers who provide care for more than one individual. The vent-dependant service is set to be implemented soon; however, the other services will not be implemented until budget approval is received. The Medicaid Waiver for the Aged and Disabled has been budgeted for an average of 239 individuals per month, which is a decrease from the average of 421 which was budgeted for 2005-2007.

- The SPED budget reflects a decrease in cases due to the change to the functional eligibility criteria. In addition, there is a decrease in the caseload based on the individuals not presenting for services, as anticipated when the 2005-2007 Budget was prepared.

- The Expanded SPED program was built with a cap of 141 individuals. The 2005-2007 Appropriation was based on an average of 202 persons per month. The average number of persons actually receiving ExSPED services for the current biennium is 125; therefore, it is not likely that the cap will be reached.

- When the 2005 -2007 Budget for Personal Care Services was prepared, the Centers for Medicare and Medicaid Services had not approved the Medicaid State Plan. The budget was built with the best information available at the time, which was based on an average cost per person of $906.44. Based on cost information for Personal Care services provided in the current biennium, we are estimating an average cost per person of $1,190.49 for the 2007-2009 Budget.

- Targeted Case Management has also experienced a decline in utilization. The 2005-2007 Budget was based on 509 individuals and an average cost of $169.15 per person per month. The 2007-2009 Budget was built on 340 individuals per month and an average cost of $109.40 per person per month. For the first four months of State Fiscal Year 2007, the average number of individuals receiving Targeted Case Management services was 351.

Developmental Disabilities

The increases of approximately $55.8 million in the DD Grants are from four areas:

- $22.3 million is due to changes in the caseload that occurred during the 2005-2007 Biennium and must be sustained in the 2007-2009 Biennium. This increase also reflects anticipated increases in caseloads during the 2007-2009 Biennium due to graduations from high school and the birth of children with developmental disabilities. The increase consists of $7.5 million in general funds and $14.8 million in federal funds.

- $11.6 million is due to cost changes that occurred during the 2005-2007 Biennium, which must be sustained during the 2007-2009 Biennium. The cost change increase consists of $3.4 million in general funds and $8.2 million in federal funds.

- $11.2 million is due to a three percent inflationary increase each year of the 2007-2009 Biennium. The increase consists of $4.1 million in general funds and $7.1 million in federal funds.

- $10.7 million is due to a 60 cent per hour increase for the DD staff. Of this, $3.9 million is general funds and $6.8 million is federal funds.

Senate Changes:

Provider Inflation - $8.1 million in total funds, of which $3.1 million are general funds were added to provide a 4% annual inflation increase.

Qualified Service Providers (QSPs) - $4.1 million in total funds, of which $2.15 million are general funds were added to establish a fee-for-service method of reimbursing QSPs. Individual QSPs would be reimbursed at $3.16 per 15-minutes and agency QSPs would be reimbursed $4.50 per 15-minutes, before consideration of any inflationary increases.

Personal Care Allowance - $.5 million of total funds, of which $170,500 would be from the Health Care Trust fund and the remaining $329,350 would be federal Medicaid match. This change would increase the

monthly personal care allowance from $50 to $55 per month for individuals residing in nursing homes and intermediate care facilities for persons with mental retardation.

Developmental Center Transition - $2.5 million in total funds, of which $.9 million are general funds were added to assist residents transitioning from the Developmental Center to community programs.

Medically Fragile - $.8 million in total funds, of which $.3 million are general funds were added to increase the payment rates for Medically Fragile children residing at the Anne Carlsen Center For Children.

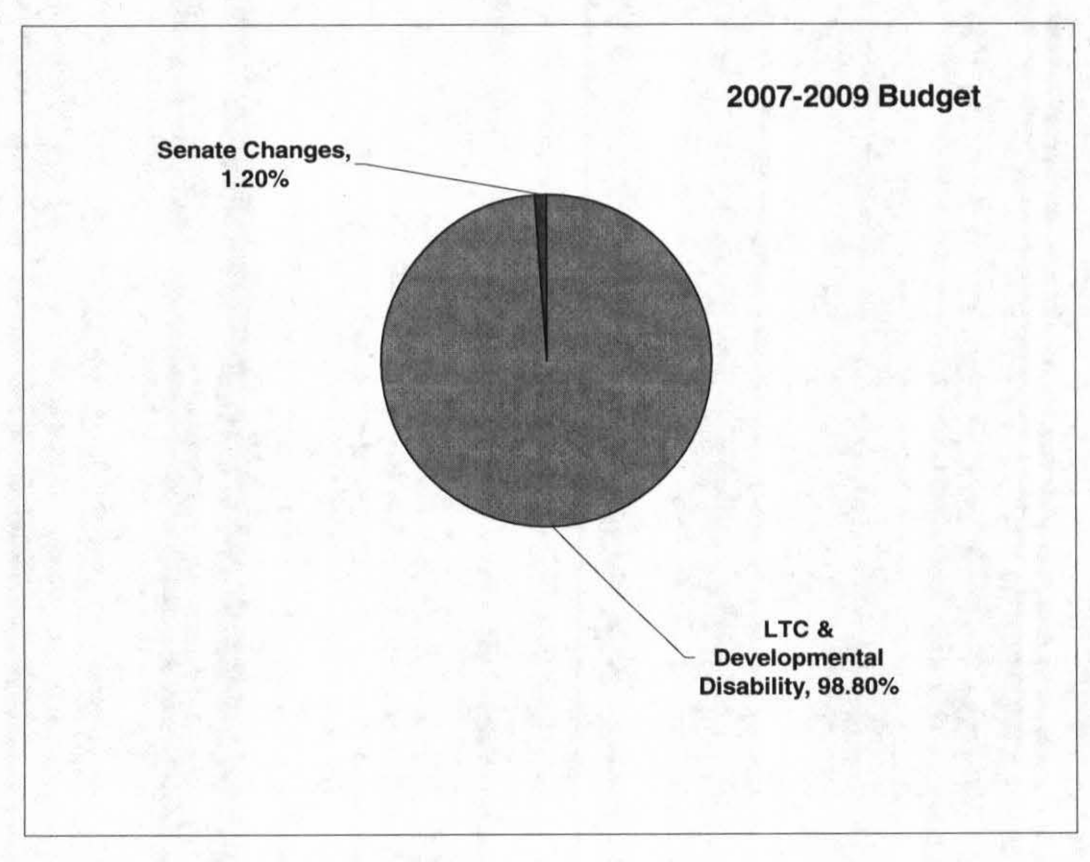
Children with Behavioral Challenges - $.6 million in total funds, of which $.2 million are general funds were added to increase the payment rates for facilities serving children with behavioral challenges.

The Senate also included Amendments in Section 15, and Sections 18 – 21 and Sections 23 and 24 that would require the Department to change the name of the Qualified Service Providers to Home Service Providers. Section 26 would require these Sections to be effective July 1, 2008.

This concludes my testimony of the Long Term Care Continuum.
I would be happy to answer any questions you may have.

North Dakota Department of Human Services
Long Term Care Continuum
2007-2009 Budget to House

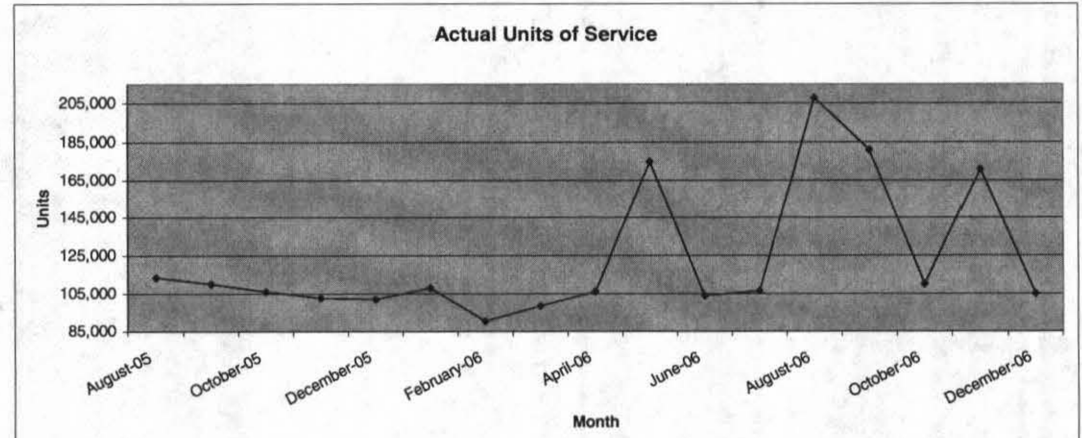
	Budget	% of Budget
Long Term Care Continuum		
Services		
Nursing Homes	$ 381,653,348	53.50%
Basic Care	14,667,136	2.06%
Home & Community Based Services:		
SPED	9,232,664	1.29%
Expanded SPED	677,796	0.10%
Waiver - TBI	1,800,519	0.25%
Waiver - Aged & Disabled	5,154,954	0.72%
TCM - Aged & Disabled	918,921	0.13%
Personal Care Services	19,953,534	2.80%
Developmental Disability Grants:		
Family Subsidy	1,586,772	0.22%
Intermediate Care Fac for Mentally Retarded	99,153,903	13.90%
DD Home & Community Based Services	170,047,554	23.84%
Total of Selected Services	**704,847,101**	**98.80%**
Senate Policy Changes		
QSP Rate Increase	4,138,729	0.58%
Personal Care Allowance	499,850	0.07%
Severely Medically Fragile Children at Anne Carlson	832,871	0.12%
Children with Behavioral Challenges	555,247	0.08%
Developmental Center Transition	2,498,612	0.35%
Total of Senate Policy Changes	**8,525,309**	**1.20%**
Total of Above Services	**713,372,410**	**100.00%**

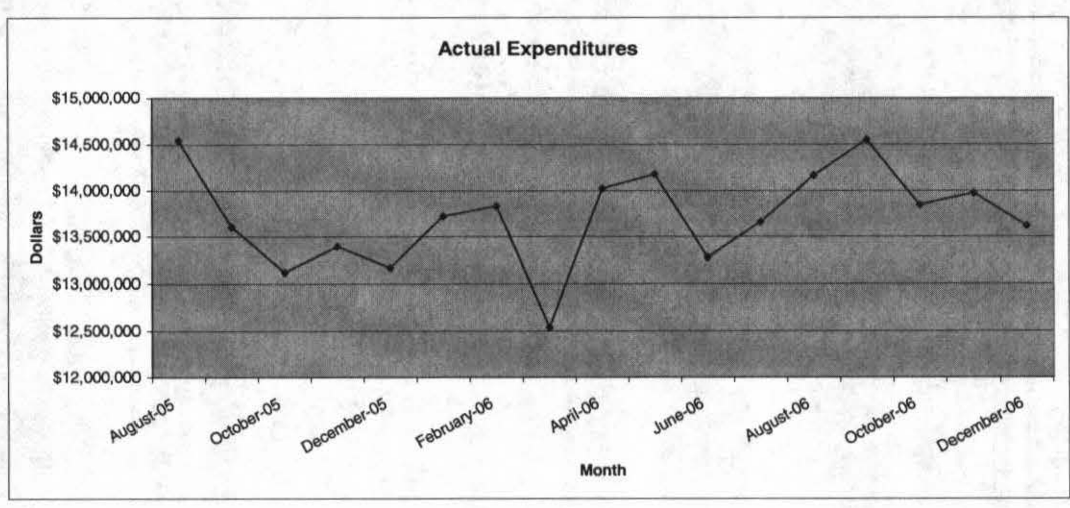


North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

Nursing Homes (Includes Hospice Room & Board)

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	4,038	$3,601.67	113,697	$127.92	$14,543,562
September-05	3,655	3,722.00	110,262	123.38	13,603,892
October-05	3,615	3,628.71	106,195	123.53	13,117,789
November-05	3,897	3,436.34	102,802	130.26	13,391,417
December-05	3,737	3,523.41	102,090	128.97	13,166,994
January-06	4,094	3,351.63	108,042	127.00	13,721,578
February-06	3,850	3,592.90	90,383	153.04	13,832,652
March-06	3,660	3,425.63	98,546	127.23	12,537,816
April-06	3,870	3,623.97	105,999	132.31	14,024,778
May-06	4,047	3,504.46	174,983	81.05	14,182,553
June-06	3,450	3,847.28	103,961	127.67	13,273,122
July-06	3,408	4,007.98	106,502	128.25	13,659,188
August-06	4,236	3,344.72	207,949	68.13	14,168,247
September-06	4,062	3,581.03	181,006	80.36	14,546,127
October-06	3,519	3,934.96	110,177	125.68	13,847,112
November-06	3,776	3,701.90	170,866	81.81	13,978,365
December-06	3,512	3,877.58	105,270	129.36	13,618,059
Monthly Averages	3,790	$3,629.77	123,455	$117.41	$13,718,427



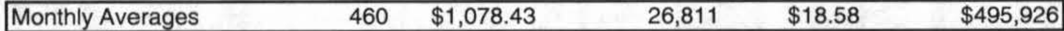


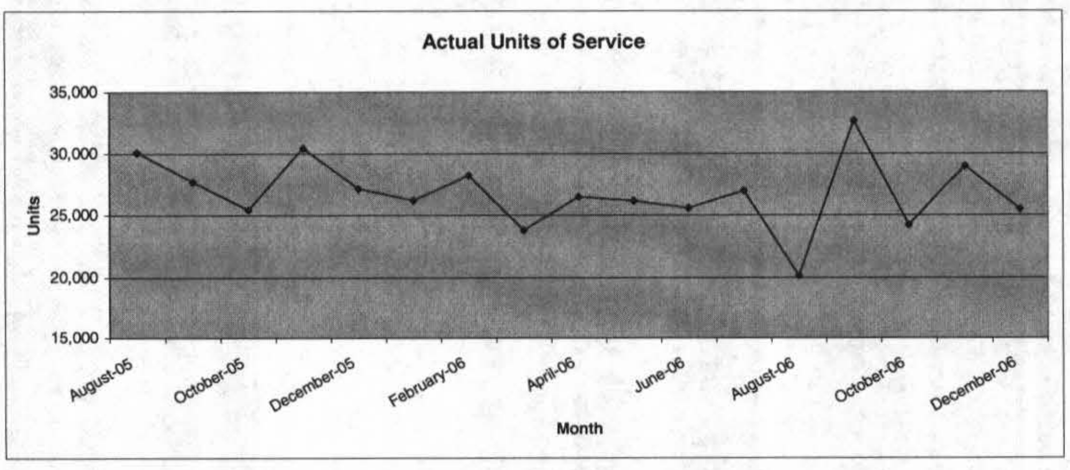
**** Due to system problems expenditures may be understated.

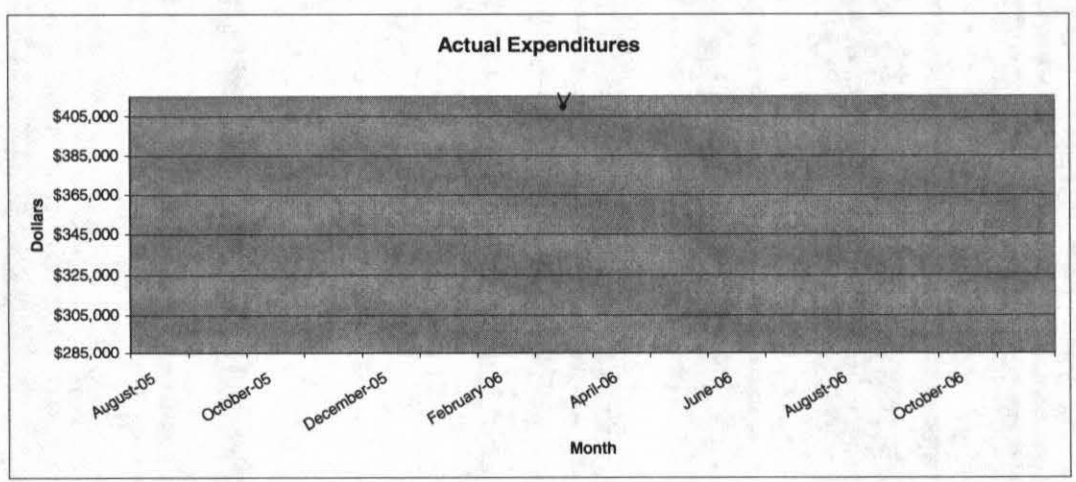
North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

Basic Care

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	529	$1,069.47	30,104	$18.79	$565,750
September-05	487	1,004.80	27,716	17.66	489,338
October-05	473	935.05	25,443	17.38	442,281
November-05	490	1,127.10	30,459	18.13	552,277
December-05	469	1,011.94	27,156	17.48	474,599
January-06	445	1,055.43	26,208	17.92	469,667
February-06	454	1,092.06	28,207	17.58	495,793
March-06	456	898.86	23,778	17.24	409,882
April-06	441	1,054.68	26,504	17.55	465,112
May-06	451	1,024.00	26,167	17.65	461,825
June-06	441	975.57	25,576	16.82	430,228
July-06	451	1,074.46	26,978	17.96	484,580
August-06	454	1,045.33	20,140	23.56	474,582
September-06	463	1,318.60	32,697	18.67	610,514
October-06	453	1,182.42	24,210	22.12	535,634
November-06	431	1,310.89	28,972	19.50	564,992
December-06	437	1,152.59	25,475	19.77	503,680
Monthly Averages	460	$1,078.43	26,811	$18.58	$495,926





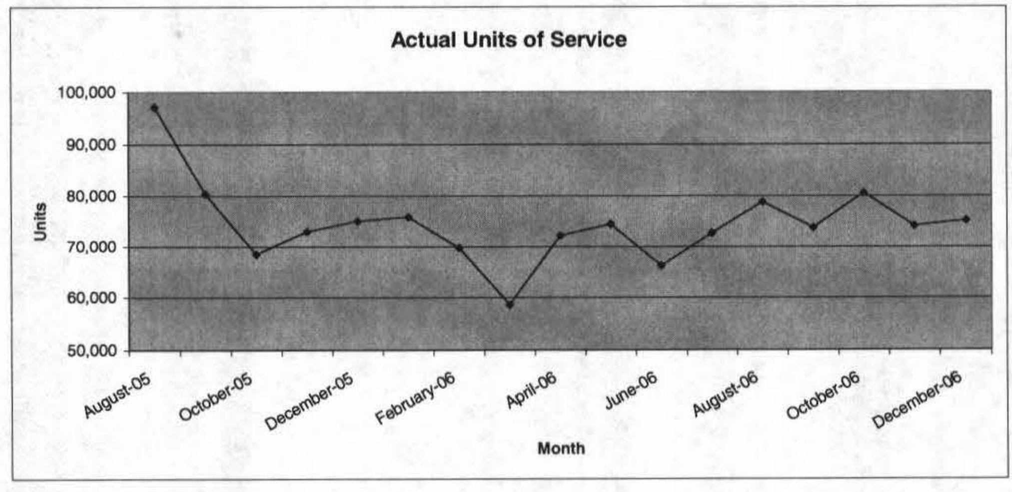


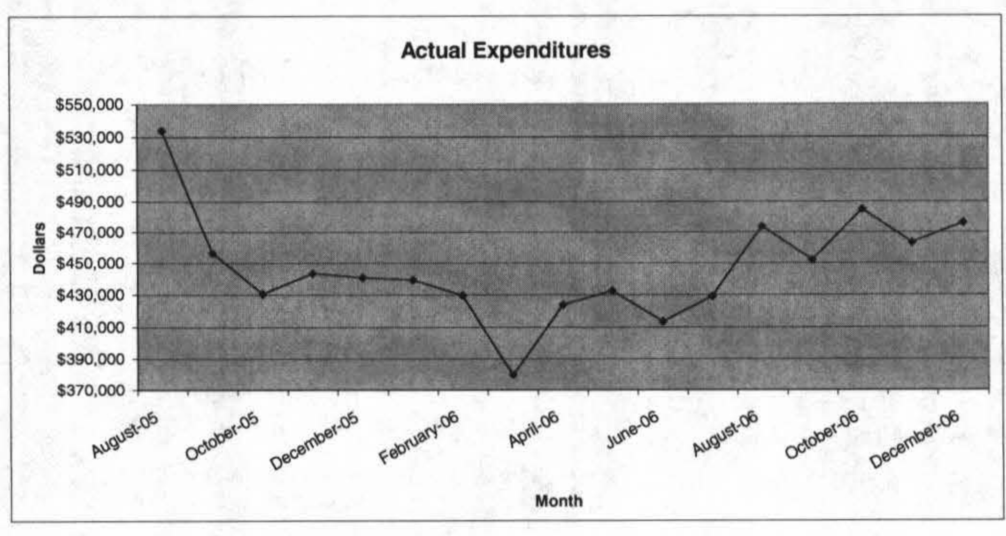
**** Due to system problems expenditures may be understated.

North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

SPED

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	1,303	$409.99	97,167	$5.50	$534,212
September-05	1,183	$386.00	80,454	$5.68	456,641
October-05	1,243	$346.49	68,509	$6.29	430,686
November-05	1,216	$364.72	73,040	$6.07	443,501
December-05	1,218	$361.80	75,098	$5.87	440,676
January-06	1,246	$352.63	75,900	$5.79	439,374
February-06	1,216	$353.30	69,779	$6.16	429,615
March-06	1,242	$305.91	58,649	$6.48	379,942
April-06	1,242	$341.14	72,239	$5.87	423,695
May-06	1,295	$333.95	74,483	$5.81	432,463
June-06	1,220	$338.92	66,230	$6.24	413,486
July-06	1,251	$343.00	72,736	$5.90	429,089
August-06	1,290	$367.24	78,849	$6.01	473,736
September-06	1,279	$353.44	73,828	$6.12	452,049
October-06	1,324	$366.32	80,655	$6.01	485,014
November-06	1,196	$387.27	74,222	$6.24	463,179
December-06	1,329	$358.21	75,242	$6.33	476,056
Monthly Averages	1,253	$357.08	74,534	$6.02	$447,260



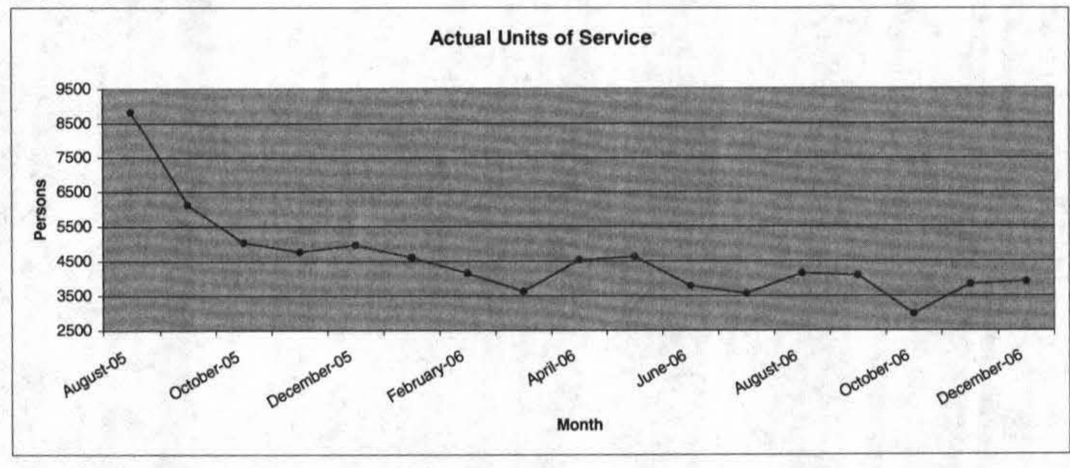


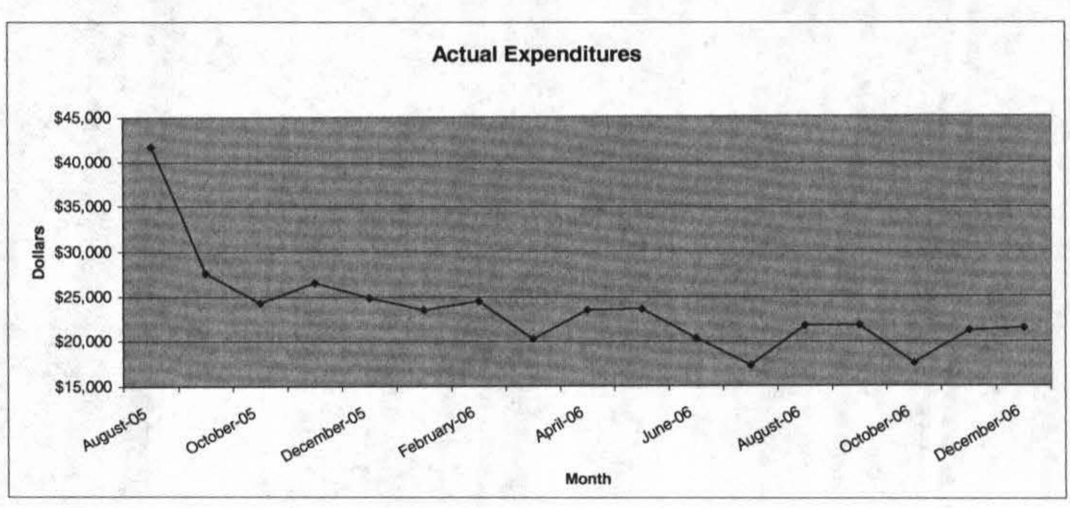
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

ExSPED

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	143	$292.00	8,828	$4.73	$41,756
September-05	120	230.38	6,126	$4.51	27,645
October-05	132	184.26	5,039	$4.83	24,322
November-05	127	209.20	4,772	$5.57	26,569
December-05	127	195.90	4,971	$5.00	24,879
January-06	128	184.00	4,609	$5.11	23,552
February-06	125	196.41	4,162	$5.90	24,551
March-06	124	163.64	3,642	$5.57	20,291
April-06	119	197.71	4,538	$5.18	23,528
May-06	136	173.72	4,626	$5.11	23,626
June-06	120	169.84	3,789	$5.38	20,381
July-06	120	144.26	3,571	$4.85	17,311
August-06	119	183.00	4,151	$5.25	21,777
September-06	125	174.50	4,092	$5.33	21,812
October-06	122	144.27	2,983	$5.90	17,601
November-06	112	189.87	3,841	$5.54	21,265
December-06	122	176.35	3,915	$5.50	21,515
Monthly Averages	125	$188.78	4,568	$5.25	$23,669



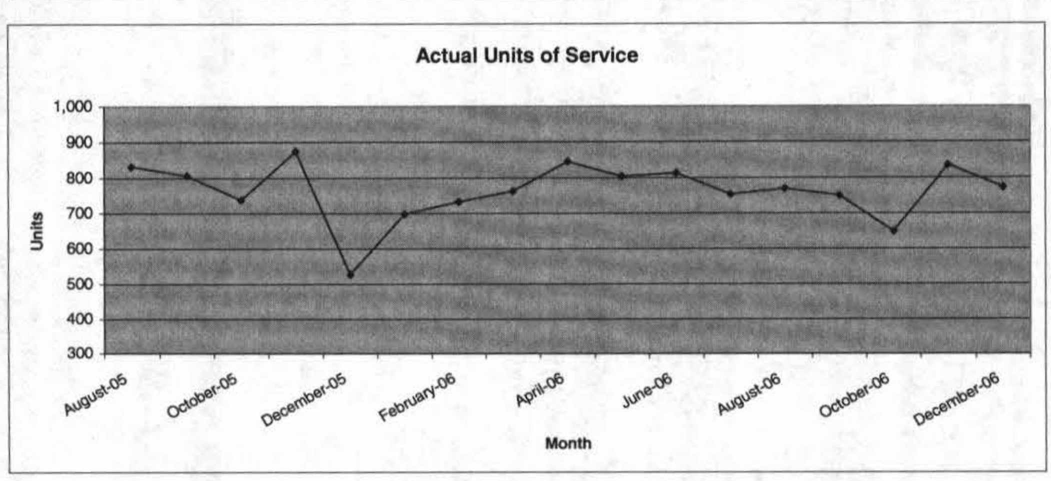


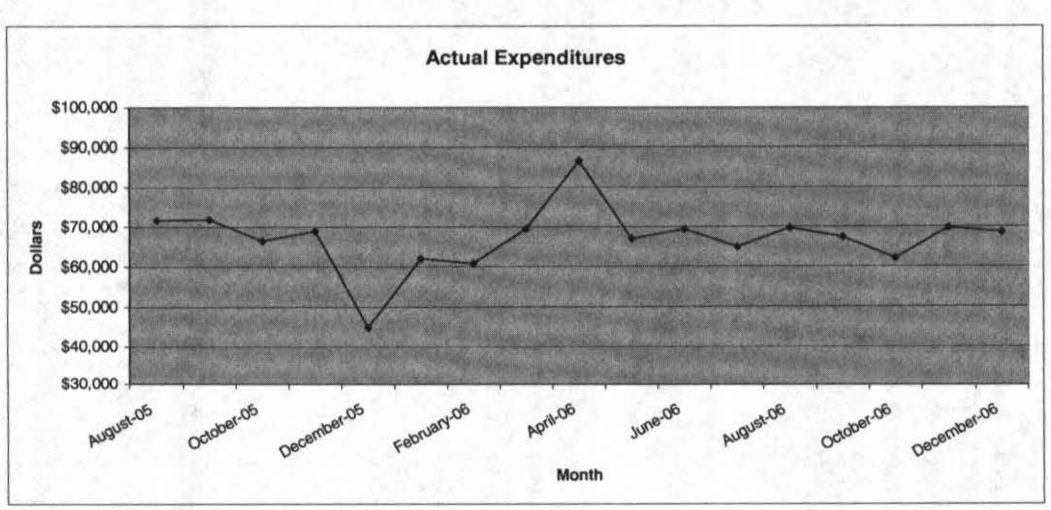
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months with recipients being capped at 141 individuals.

North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

Traumatically Brain Injured Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	28	$2,560.54	833	$86.07	$71,695
September-05	28	2,568.25	808	89.00	71,911
October-05	27	2,463.33	739	90.00	66,510
November-05	26	2,652.42	875	78.81	68,963
December-05	24	1,869.46	527	85.14	44,867
January-06	24	2,582.21	699	88.66	61,973
February-06	24	2,531.38	733	82.88	60,753
March-06	26	2,669.65	764	90.85	69,411
April-06	29	2,984.86	846	102.32	86,561
May-06	28	2,391.93	805	83.20	66,974
June-06	26	2,668.04	814	85.22	69,369
July-06	24	2,703.63	754	86.06	64,887
August-06	23	3,030.13	770	90.51	69,693
September-06	25	2,696.48	751	89.76	67,412
October-06	21	2,954.24	649	95.59	62,039
November-06	25	2,787.20	835	83.45	69,680
December-06	25	2,746.04	774	88.70	68,651
Monthly Averages	25	$2,638.81	763	$88.01	$67,138



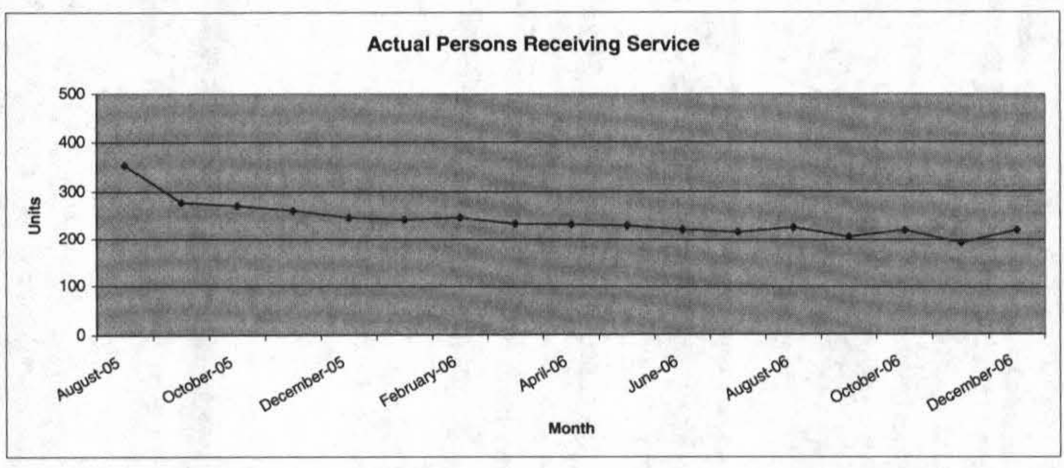


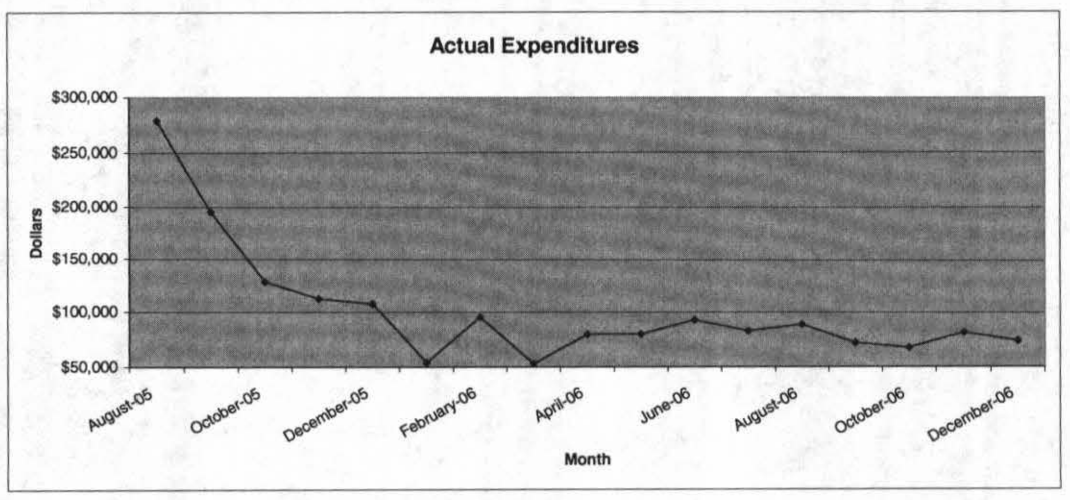
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

Aged & Disabled Waiver

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	354	$787.62	-	-	$278,817
September-05	278	703.96	-	-	195,700
October-05	271	474.68	-	-	128,637
November-05	261	430.78	-	-	112,434
December-05	247	435.67	-	-	107,611
January-06	243	222.54	-	-	54,077
February-06	247	385.70	-	-	95,267
March-06	234	226.41	-	-	52,979
April-06	233	341.12	-	-	79,481
May-06	230	346.30	-	-	79,649
June-06	222	417.67	-	-	92,722
July-06	217	380.94	-	-	82,664
August-06	226	392.21	-	-	88,639
September-06	207	347.17	-	-	71,865
October-06	221	304.93	-	-	67,389
November-06	194	420.11	-	-	81,502
December-06	221	334.35	-	-	73,892
Monthly Averages	242	$408.95	-	-	$102,549



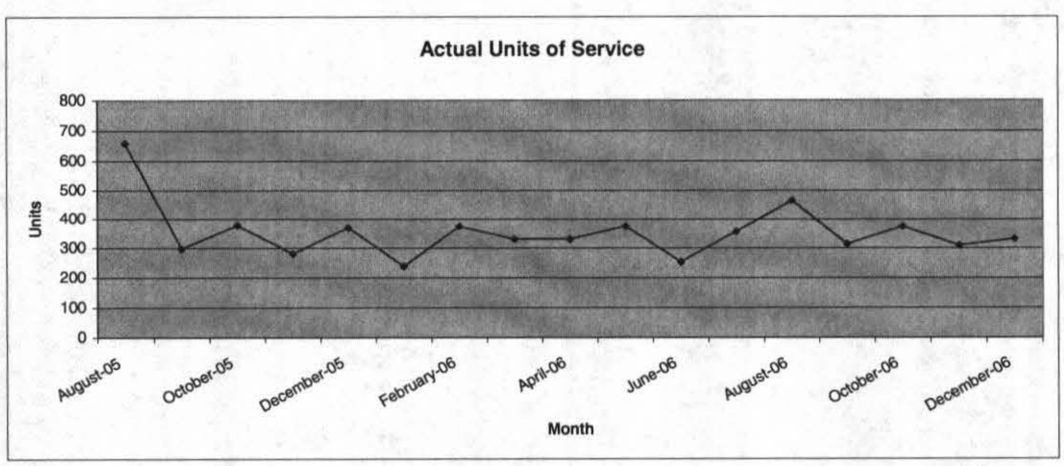


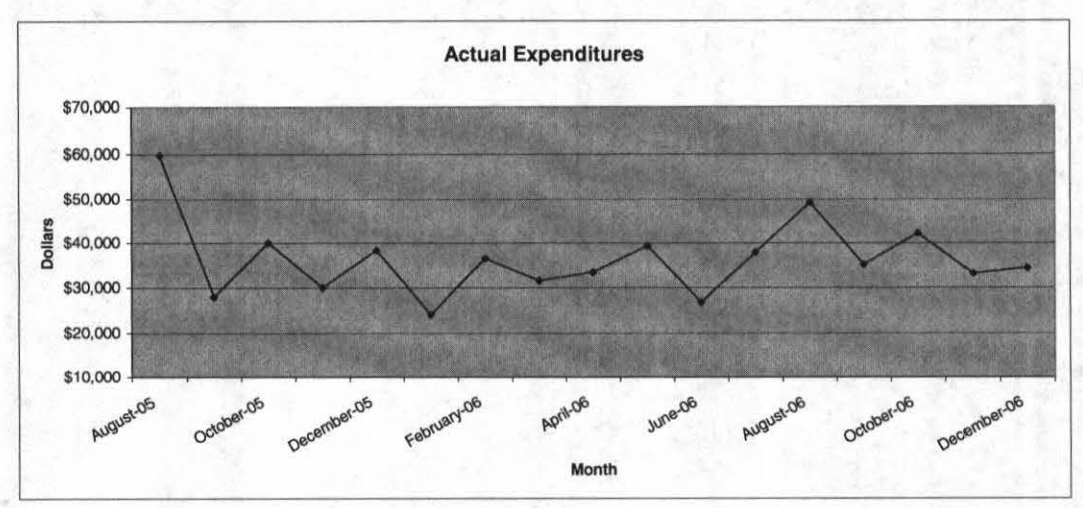
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months with an additional 3 slots for vent people.

North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

TCM Aged & Disabled

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	610	$98.04	659	$90.75	$59,803
September-05	292	96.02	298	94.08	28,036
October-05	375	106.94	378	106.10	40,104
November-05	272	110.35	281	106.82	30,015
December-05	351	109.35	370	103.73	38,381
January-06	250	96.38	239	100.81	24,094
February-06	357	102.33	375	97.42	36,533
March-06	314	100.57	331	95.40	31,578
April-06	323	103.59	331	101.08	33,459
May-06	360	109.35	376	104.70	39,367
June-06	250	106.92	254	105.24	26,731
July-06	344	110.15	358	105.84	37,891
August-06	424	116.32	466	105.84	49,320
September-06	311	112.95	314	111.87	35,128
October-06	368	114.79	376	112.35	42,243
November-06	303	109.51	310	107.04	33,183
December-06	319	107.96	332	103.74	34,441
Monthly Averages	343	$106.56	356	$103.11	$36,489



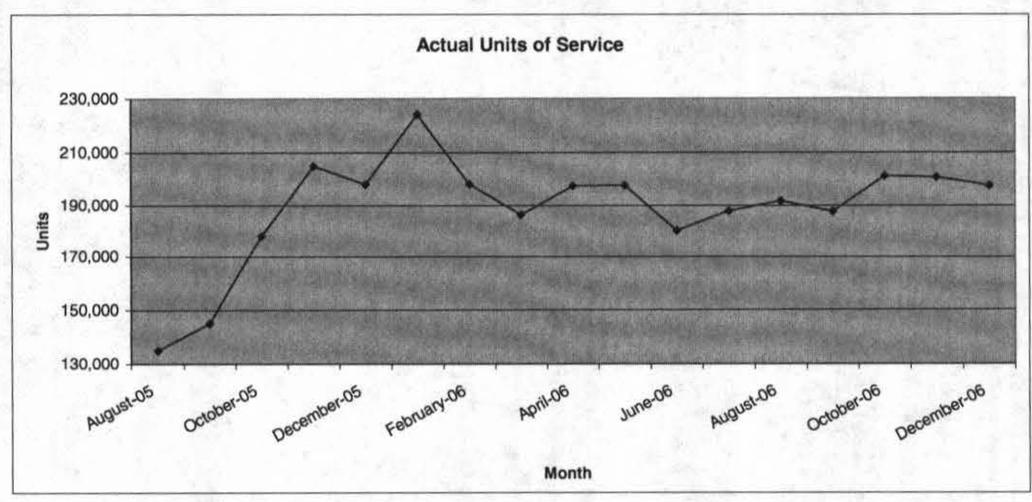


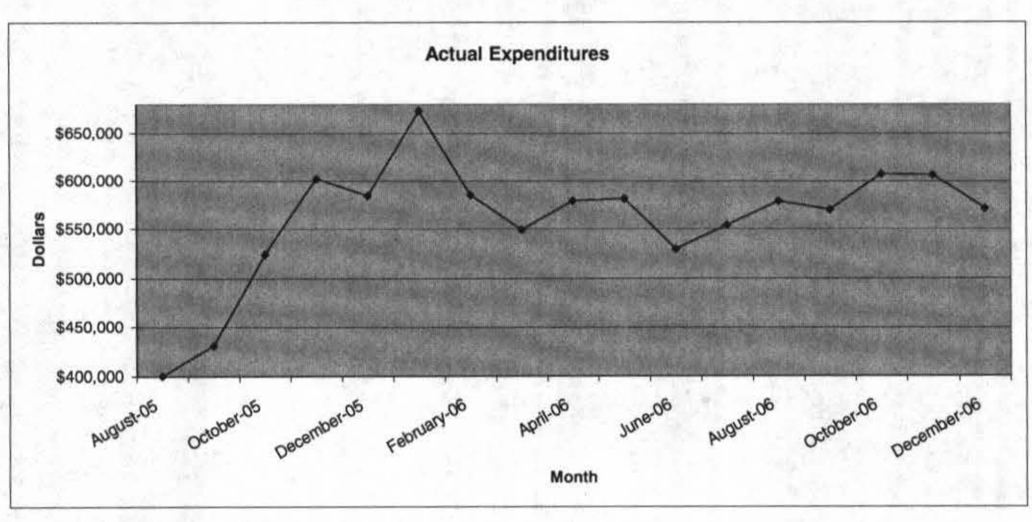
North Dakota Department of Human Services
Long Term Care Continuum
2005-2007 Actual

Personal Care Option

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	343	$1,166.81	135,193	$2.96	$400,216
September-05	401	1,074.67	145,268	2.97	430,943
October-05	466	1,124.58	178,053	2.94	524,054
November-05	503	1,196.93	204,987	2.94	602,058
December-05	523	1,117.40	198,084	2.95	584,401
January-06	576	1,169.99	224,186	3.01	673,915
February-06	543	1,077.96	198,150	2.95	585,333
March-06	556	987.33	186,390	2.95	548,953
April-06	573	1,010.65	197,513	2.93	579,101
May-06	583	997.14	197,744	2.94	581,334
June-06	528	1,002.64	180,408	2.93	529,393
July-06	549	1,008.70	187,938	2.95	553,778
August-06	575	1,006.40	191,728	3.02	578,678
September-06	575	991.38	187,804	3.04	570,041
October-06	596	1,019.58	201,290	3.02	607,668
November-06	561	1,081.20	200,812	3.02	606,555
December-06	563	1,014.91	197,565	2.89	571,393

Monthly Averages	530	$1,061.66	189,007	$2.97	$560,460



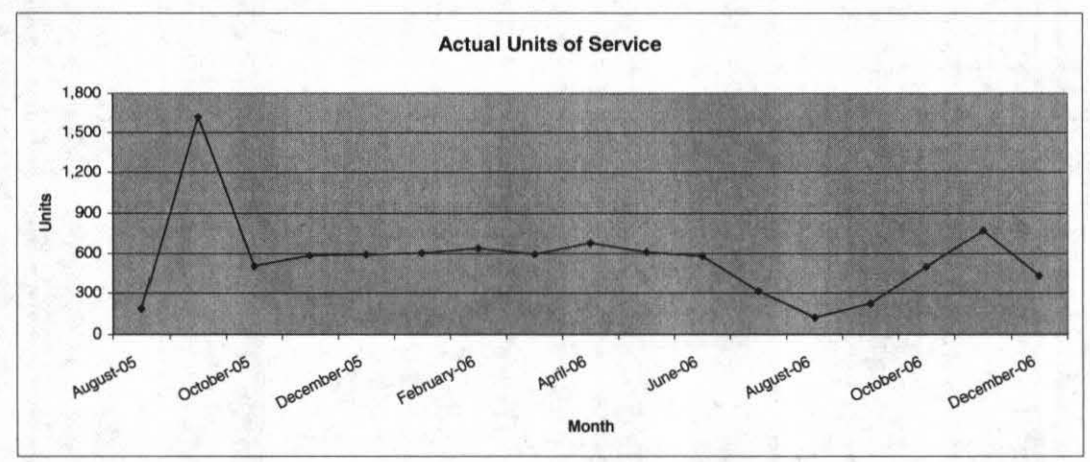


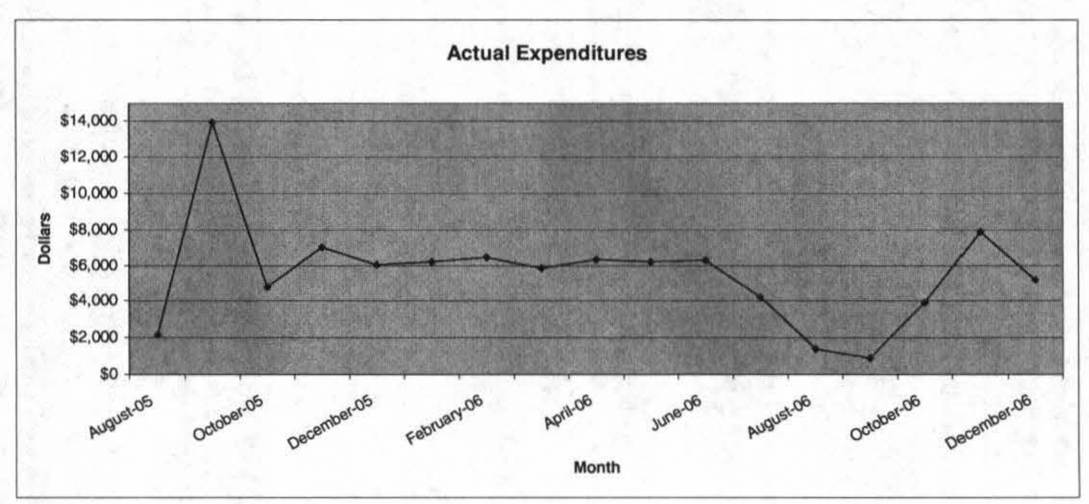
**** Due to system problems expenditures may be understated.
**** 2007-2009 Executive Budget was based on the above hi-lighted nine months.

North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Adult Education Transition Services

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	4	$538.00	185	$11.63	$2,152
September-05	3	4,644.33	1,618	8.61	13,933
October-05	3	1,598.67	505	9.50	4,796
November-05	3	2,350.00	586	12.03	7,050
December-05	4	1,512.75	593	10.20	6,051
January-06	4	1,558.00	605	10.30	6,232
February-06	4	1,618.75	640	10.12	6,475
March-06	4	1,468.25	594	9.87	5,861
April-06	4	1,587.50	679	9.35	6,350
May-06	5	1,245.40	610	10.21	6,227
June-06	5	1,261.00	580	10.87	6,305
July-06	4	1,051.25	315	13.35	4,205
August-06	2	691.00	123	11.24	1,382
September-06	4	221.75	224	3.96	887
October-06	4	976.00	497	7.86	3,904
November-06	5	1,580.60	774	10.21	7,903
December-06	5	1,037.20	432	12.00	5,186
Monthly Averages	**4**	**$1,467.09**	**562**	**$10.08**	**$5,582**

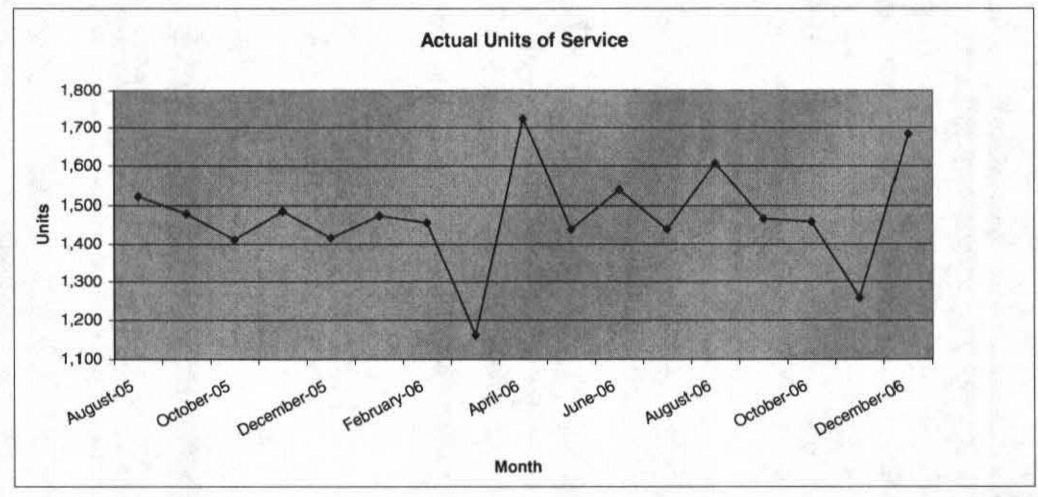


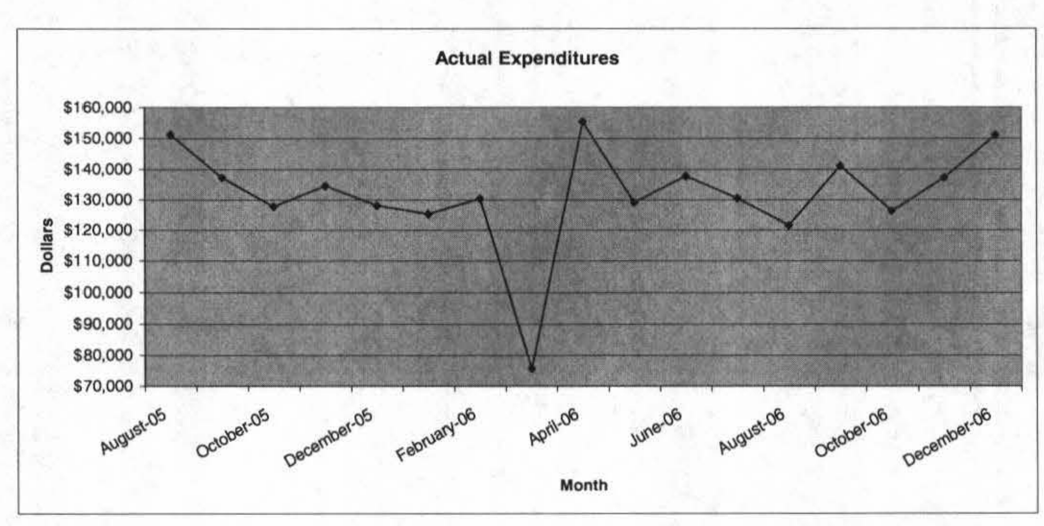


North Dakota Department of Human Services
Developmental Disability
Detail of Selected Services
2005-2007 Actual

DD Grants - Congregate Care

Month	Actual Persons Receiving	Actual Cost Per Person	Actual Units Of Service	Actual Cost Per Unit	Actual Expenditures
August-05	51	$2,964.71	1,523	$99.28	$151,200
September-05	50	2,745.10	1,480	92.74	137,255
October-05	47	2,718.51	1,413	90.42	127,770
November-05	48	2,803.38	1,486	90.55	134,562
December-05	54	2,372.43	1,417	90.41	128,111
January-06	54	2,320.52	1,475	84.95	125,308
February-06	47	2,773.62	1,457	89.47	130,360
March-06	42	1,802.83	1,163	65.11	75,719
April-06	49	3,171.22	1,724	90.13	155,390
May-06	48	2,690.56	1,440	89.69	129,147
June-06	50	2,755.68	1,540	89.47	137,784
July-06	48	2,719.19	1,440	90.64	130,521
August-06	50	2,429.58	1,607	75.59	121,479
September-06	49	2,879.04	1,467	96.16	141,073
October-06	48	2,631.77	1,460	86.52	126,325
November-06	41	3,347.34	1,258	109.09	137,241
December-06	50	3,021.66	1,683	89.77	151,083
Monthly Averages	**49**	**$2,714.54**	**1,473**	**$89.41**	**$131,784**





FUNCTIONAL ELIGIBILITY REQUIREMENTS COMPARISON
North Dakota Department of Human Services

<table>
<tr><th>ExSPED</th><th>MSP-Personal Care Level 1</th><th>SPED</th><th>MSP-Personal Care Level 2</th><th>Waiver</th><th>Nursing Home</th></tr>
<tr>
<td rowspan="2">Services
• Adult Day Care
• Adult Foster Care
• Chore
• Emergency Response System
• Environmental Modification
• Family Home Care
• HCBS Case Management
• Homemaker
• Respite</td>
<td>Service
• Personal Care Services</td>
<td>Service
• Adult Day Care
• Adult Foster Care
• Chore
• Emergency Response System
• Environmental Modification
• Family Home Care
• HCBS Case Management
• Homemaker
• Respite
• Personal Care Services</td>
<td>Service
• Personal Care Services</td>
<td rowspan="2">Service
• Adult Day Care
• Adult Foster Care
• Adult/TBI Residential
• Chore
• Emergency Response System
• Environmental Modification
• HCBS Case Management
• Homemaker
• Non-Med Transportation
• Respite
• Specialized Equipment/Supplies
• Supported Employment
• Transitional Care
• Nurse Management
• Attendant Care Service</td>
<td rowspan="2">Service
24 hour all inclusive care. Including personal care, medical care, social activities etc.</td>
</tr>
<tr>
<td colspan="3">Personal Care Service: Assistance with activities of daily living such as bathing, dressing, toileting, transferring, eating, mobility and incontinence care. Assistance with instrumental activities of daily living may also be provided in conjunction with the tasks for activities of daily living. Personal Care Services allow individuals to live as independently as possible.</td>
</tr>
<tr>
<td rowspan="2">Functional Eligibility
Not severely impaired in ADLs: Toileting, Transferring, Eating
And
Impaired in 3 of the 4 following IADLs:
• Meal Preparation
• Housework
• Laundry
• Medication Assistance
Or
Have health, welfare, or safety needs, including requiring supervision or structured environment
(Eligibility for Basic Care is the same)</td>
<td rowspan="2">Functional Eligibility
Impaired in 1 ADL
Or
Impaired in 3 of the 4 following IADL's
• Meal Preparation
• Housework
• Laundry
• Medication Assistance</td>
<td rowspan="2">Functional Eligibility
Impaired in 4 ADLs, OR in 1 ADL and 5 IADLs
Or
If under age 18, screened for nursing facility care
And
Impairments must have lasted or are expected to last 3 months or more</td>
<td>Functional Eligibility
Impaired in 1 ADL
Or
Impaired in 3 of the following 4 IADL's
• Meal Preparation
• Housework
• Laundry
• Medication Assistance
And
Screened in need of nursing facility level of care (LOC Screening)</td>
<td>Functional Eligibility
Screened in need of nursing facility level of care
(LOC Screening)</td>
<td>Functional Eligibility
Screened in need of nursing facility level of care (LOC Screening)</td>
</tr>
<tr>
<td colspan="3">Level of Care Screening- With a medical need, the individual may qualify. Examples: vent dependent, respiratory services needing the care of a nurse, unstable medical condition, dementia; or if there is no medical need an individual may qualify by having an impairment in 2 ADL's for which they must need constant care with each 60% or more of the time. Complete criteria for LOC Screening - NDAC 75-02-02-09.</td>
</tr>
<tr>
<td>Financial Eligibility
Medicaid Eligible</td>
<td>Financial Eligibility
Medicaid Eligible</td>
<td>Financial Eligibility
Income & Asset Based Sliding Fee Scale
Resources $50,000 or less</td>
<td>Financial Eligibility
Medicaid Eligible</td>
<td>Financial Eligibility
Medicaid Eligible</td>
<td>Financial Eligibility
Medicaid Eligible</td>
</tr>
<tr>
<td>Program Cap
$1285.00 per month</td>
<td>Program Cap
480 units per month</td>
<td>Program Cap
$1285.00 per month</td>
<td>Program Cap
960 units per month</td>
<td>Program Cap
$2570.00 per month
Exceptions-Attendant Care, Nurse Mgmt, Residential Care</td>
<td>Program Cap
Average rate: $4865.00 per month. Range $97.31 to $323.07 per day</td>
</tr>
</table>

ND Department of Human Services
Medical Services Division
Long Term Care Continuum
SB 2012
March 7, 2007

Median Plus Used for establishing Nursing Facility Cost Category Limits

The median rate for the Direct, Other Direct and Indirect category is determined by ranking the category's rates for the 80 nursing facilities from low to high and then determining the rate for the 41st facility in the ranking. The rate for the 41st facility in the ranking is then multiplied by a factor of 1.2 (median plus 20%) for the Direct and Other Direct category and a factor of 1.1(median plus 10%) for the Indirect category. The product of the median plus calculation is the limit rate for the applicable category. The limit rate is increased annually by the inflation factor approved by the legislative assembly until rebasing of the limits occurs. The median plus percentage was implemented for the rate year effective January 1, 2006 and was calculated using the June 30, 2003 cost report. The next rebasing of the limit using the median plus methodology will occur for the January 1, 2009 rate year based on the June 30, 2006 cost report.

Prior to using the median plus, the limit rates were determined based on the rate applicable to the facility ranked at various percentiles within the cost category. This method always resulted in some facilities being over the limit when rebasing occurred whereas a median plus percentage can result in all facilities being below the limit since once the median rate is determined the limit is not dependent upon any other rankings.

The median is the middle of a ranking of the rates and is not the average of rates. In the example shown below, the median rate for the 6th facility is $75.00 and the average rate is $63.91. The median plus 20% rate is $90 (75*1.2). All facilities are below the limit rate of $90 and would receive the actual rate rather than the limit. The median plus 10% establishes the limit at $82.50 (75*1.1) and facilities 9, 10 and 11 rates would be limited to $82.50.

Rank	Rate	
1	30.00	
2	35.00	
3	40.00	
4	45.00	
5	70.00	
6	75.00	Median
7	75.00	
8	76.00	
9	83.00	
10	86.00	
11	89.00	

NURSING FACILITY LIMITED
BASED ON DESK RATES EFFECTIVE JANUARY 1, 2007

SB 2012
March 8, 2007

			LIMITED			
			98.10	18.75	46.43	
Provider Name	City	# of LIMITS	DIRECT	OTHER DIRECT	IN-DIRECT	Facility wide Impact of Limits
North Dakota Veterans Home	Lisbon	3	1	1	1	$599,069
Hillsboro Medical Center	Hillsboro	2		1	1	$195,090
St. Luke's Home	Dickinson	2		1	1	$181,324
Heart of America Medical Center	Rugby	2		1	1	$123,532
Kenmare Community Hospital	Kenmare	2		1	1	$122,972
Trinity Home	Minot	1	1			$177,978
Baptist Home	Bismarck	1	1			$141,622
Devils Lake Good Samaritan Center	Devils Lake	1			1	$125,642
Wedgewood Manor	Cavalier	1			1	$122,432
Jacobson Memorial Hospital Care Center	Elgin	1			1	$118,722
Heartland Care Center	Devils Lake	1	1			$96,111
Ashley Medical Center	Ashley	1			1	$67,115
Missouri Slope Lutheran Care Center, Inc.	Bismarck	1	1			$60,995
Lutheran Sunset Home	Grafton	1			1	$60,670
Westhope Home for the Aged	Westhope	1			1	$47,452
Hill Top Home of Comfort, Inc.	Killdeer	1			1	$42,546
Souris Valley Care Center	Velva	1			1	$37,355
Bethany Home	Fargo	1			1	$36,152
Mountrail Bethel Home	Stanley	1			1	$33,817
Crosby Good Samaritan Center	Crosby	1			1	$30,429
Elim Home	Fargo	1		1		$22,486
St. Rose Care Center	LaMoure	1			1	$21,519
Rock View Good Samaritan Center	Parshall	1			1	$20,637
Garrison Memorial Hospital Nursing Home	Garrison	1			1	$15,417
Tri County Health Center	Hatton	1			1	$14,818
Northwood Deaconess Health Center	Northwood	1	1			$14,605
Aneta Parkview Health Center	Aneta	1			1	$12,018
Presentation Medical Center	Rolette	1		1		$11,548
Larimore Good Samaritan Center	Larimore	1			1	$1,197
Total		35	6	7	22	$2,555,268

North Dakota Department of Human Services
Medical Services Division
SB 2012
Long-Term Care Continuum

Qualified Service Providers (QSP)
Billing on a 15-Minute Increment

	Individuals	**Agencies**
Number of Providers Billing in SFY2006	839	91
Current Low	$1.80 per 15 minutes ($7.20/hr)	$1.90 per 15 minutes ($7.60/hr)
Current High	$3.16 per 15 minutes ($12.64/hr)	$5.01 per 15 minutes ($20.04/hr)
Current Average	$2.48 per 15 minutes ($9.92/hr)	$3.77 per 15 minutes ($15.08/hr)
	74% of units provided by individuals (SFY2006)	26% of units provided by agencies (SFY 2006)
Senate Amendments	$3.16 per 15 minutes (before any inflationary increases)	$4.50 per 15 minutes (before any inflationary increases) (three Providers > $4.50)

QSPs only bill for service time, not windshield time.

For SFY 2006, there are 650 non-15 minute QSPs.

North Dakota Department of Human Services
Medical Services Division

Long-Term Care Continuum
Fee-For-Service Example
SB 2012

Example uses proposed individual QSP increase, prior to any inflationary increases.

	Provider Billed To Private Pay	Provider Billed to Medicaid / HCBS*	Medicaid / HCBS Would Pay**
Provider 1	$5.00 per 15 minutes	$5.00 per 15 minutes	$3.16 per 15 minutes
Provider 2	$2.00 per 15 minutes	$2.00 per 15 minutes	$2.00 per 15 minutes
Provider 3	$3.16 per 15 minutes	$3.16 per 15 minutes	$3.16 per 15 minutes

* Usual and customary.
** Medicaid / HCBS would pay the lesser of billed charges or the fee schedule.

Updated 3-7-07

ND DEPARTMENT OF HUMAN SERVICES
2007-2007 Turnback
Long Term Care Detail

	2005-2007 General Fund Appropriation	2005-2007 General Fund Turnback	Percentage of General Fund Turnback Compared to Appropriation
Nursing Homes	120,807,641	5,707,743	4.7%
TBI Waiver	1,008,021	398,073	39.5%
Aged & Disabled Waiver	1,161,726	397,647	34.2%
Basic Care	5,374,918	329,434	6.1%
DD Community Based Care	74,712,111	602,275	0.8%
SPED	12,015,332	1,722,094	14.3%
Ex-SPED	823,837	301,795	36.6%
Personal Care Option	5,446,358	1,677,157	30.8%
Targeted Case Management	725,191	425,429	58.7%
	222,075,135	11,561,647	5.2%

OAR: TO PARTNER WITH LONG-TERM CARE TO PROVIDE TWO PILOT SPECIAL CARE UNITS FOR SMI POPULATION

Purpose: To expand capacity of residential services for individuals with serious mental illness. This would decrease occupancy at the State Hospital, and provide opportunity for appropriate level of care for some individuals currently living in the community needing supervised living settings.

Bed Cost: Total 30 beds (2 15-bed units)
Average cost $104/day

$104 x 30 beds = $3120 x 365 days = $1,138,800 x 2 years = **$2,277,600**

Staffing: 2 MI Case Manager II FTE's, to be assigned to the HSC in the region providing the piloted programs

$49,959/year x 2 staff = $99,918 x 2 years = **$199,836**

$2,277,600 Bed Cost
199,836 Staffing Cost

Total Cost of OAR = $2,477,436

Long-Term Care Continuum

Line	Description	2005-2007 Appropriation	Cost Changes	Cost to Rebase in January 2009	Caseload/Utilization Changes	FMAP	3%/3% Inflationary Increase	NH Building Limits & $0.60 DD Wage Increase	Total Changes	2007-2009 To Senate	Senate Changes: 4%/4% Inflationary Increase	Senate Changes: QSP, Personal Care Allow, Severly Fragile & Behav. Challenged Children	2007-2009 To House
1	**Nursing Homes**	343,013,040	22,848,643	1,001,800	1,395,850		9,652,045	543,998	35,442,336	378,455,376	3,197,972	428,570	382,081,918
2	**Basic Care**	13,301,971	117,500		660,348		321,427		1,099,275	14,401,246	265,890		14,667,136
	Home & Community Based Services:												
3	SPED	13,021,263	(1,952,457)		(2,355,714)		388,426		(3,919,745)	9,101,518	131,146	1,035,864	10,268,528
4	Expanded SPED	838,037	77,351		(276,412)		29,016		(170,045)	667,992	9,804	82,545	760,341
5	Waiver - TBI	2,865,642	(261,090)		(906,608)		50,937		(1,116,761)	1,748,881	51,638	0	1,800,519
6	Waiver - Aged & Disabled	3,399,903	5,173,847		(3,712,405)		145,834		1,607,276	5,007,179	147,775	302,507	5,457,461
7	TCM - Aged & Disabled	2,064,693	(1,007,807)		(190,321)		26,037		(1,172,091)	892,602	26,319	0	918,921
8	Personal Care Services	15,508,384	4,253,825		(968,574)		563,733		3,848,984	19,357,368	596,166	2,717,813	22,671,347
	Developmental Disability Grants:												
9	Family Subsidy	1,496,194	(390,378)		365,448		48,696	50,856	74,622	1,570,816	15,956	-	1,586,772
10	Intermediate Care Fac. for Mentally Retarded	83,107,954	3,909,665		3,854,021	(12)	4,125,933	2,788,010	14,677,617	97,785,571	1,368,332	1,459,398	100,613,301
11	DD Home & Community Based Services	126,725,172	8,092,634		18,093,603	(1,204)	7,011,248	7,850,537	41,046,818	167,771,990	2,275,564	-	170,047,554
12	Developmental Center Transition											2,498,612	2,498,612
13	**Total**	605,342,253	40,861,733	1,001,800	15,959,236	(1,216)	22,363,332	11,233,401	91,418,286	696,760,539	8,086,562	8,525,309	713,372,410
14	**General Funds**	221,915,185	14,866,871	375,175	3,902,825	4,955,799	8,398,445	4,080,477	36,579,592	258,494,777	3,075,412	3,554,808	265,124,997

Handwritten annotation over "Cost Changes": hi cost reports

Note:
The ICF/MR Senate adjustment for personal care allowance contains $15,240 which is actually attributable to the Developmental Center clients.

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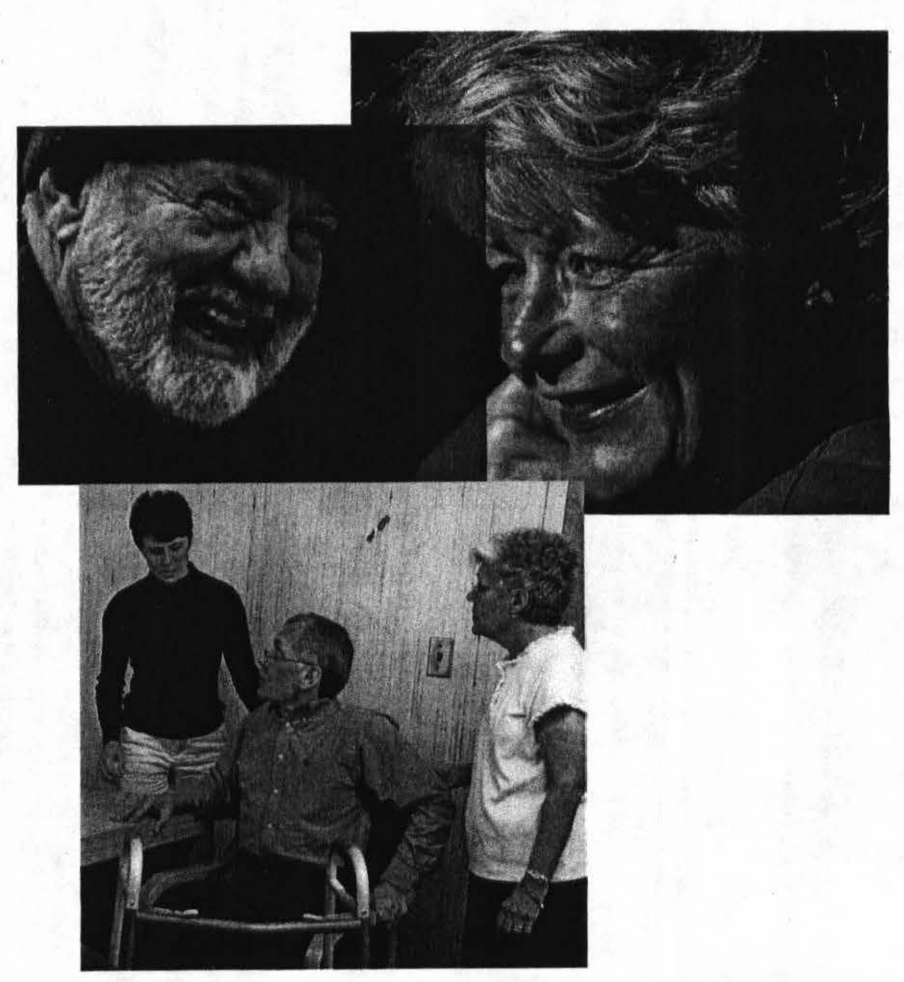
Rebo!

North Dakota Comprehensive Employment Systems

An Overview and Recommendations: *Long-Term Care in North Dakota*



Prepared by David Zentner

February 2007

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This document is available on the Internet at www.ndmig.com

Available in alternative formats upon request.

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LONG-TERM CARE IN NORTH DAKOTA

Current Status

The current delivery of long-term care services in North Dakota (ND) is primarily based on the provision of nursing home services. The majority of resources both public and private are dedicated to this most costly type of care. Long-term care services are delivered in a continuum that includes home and community based services (HCBS), residential services, and skilled nursing facility services.

Home and Community Based Services

HCBS are designed to maintain individuals with long-term care needs in their homes or in a residential setting. These services are generally delivered by non-licensed individuals that provide services to ensure that activities of daily living (ADL) and instrumental activities of daily living (AIDL) are met for their elderly and clients with disabilities. A further description of ADLs and AIDLs can be found in Appendix A. In some instances the services of a nurse or other health care professional are needed to supplement the services delivered by non-licensed providers. The delivery of services at this level tends to be the most economical method of providing long-term care services to this population.

Residential Services

In ND, residential services consist of services provided in basic care facilities and assisted living facilities. Basic care facilities are licensed by the Department of Health and are required to meet standards established through the state administrative rule process in order to receive a license. They provide 24-hour supervision to all residents and payment is based on a daily rate that each resident pays for the service provided by the facility. Facilities receive a personal care payment for those individuals eligible for Medicaid. They may also receive a room and board subsidy that covers all other costs in the facility and the amount of the payment varies depending on the income of the Medicaid eligible individual.

The Department of Human Services licenses assisted living facilities. They consist of apartment like living quarters. In addition, providers must provide or arrange to provide at least some services necessary to allow an individual to function in this setting. Generally payment for services varies based on the amount of service an individual requires. Facilities may receive a personal care payment for services they provide to Medicaid eligible recipients. They receive no room and board subsidy from the state for other services provided by these facilities.

Skilled Nursing Facility Services

Skilled nursing facilities are farthest along the continuum of long-term care. They are licensed by the Department of Health. In addition, they must meet standards established by the federal government in order to receive Medicare and Medicaid funding. They provide 24-hour nursing care to individuals in need of services that cannot ordinarily be provided at home or in a residential setting for various reasons.

Individuals not eligible for federal or state funded programs can also participate in these services. Payment methods vary depending on the service provided and include private pay and long-term care insurance.

FUNDING OF LONG-TERM CARE SERVICES

History of Funding for Long-Term Care Services

Prior to the implementation of the Medicaid Program in 1966, most long-term care services were delivered in the home by family members or in homes for the aged. There was very little public funding for long-term care services. Beginning in 1966, the federal government required Medicaid programs to include skilled nursing facilities for individuals over 21 years of age as a mandatory service for any state wishing to participate in the program. As a result, many nursing facilities were built in the United States and in ND during the late 1960's and throughout the 1970's. This payment mechanism created a new industry and became the primary method of paying for long-term care services in the United States for individuals eligible for Medicaid. It also became widely used for private pay individuals who had resources above the Medicaid eligibility threshold.

In the early 1980's, Congress began to recognize that institutional long-term care costs were rising dramatically. They passed legislation authorizing states to establish home and community based care waivers designed to maintain individuals in their homes and community settings by providing non-medical services to individuals who would otherwise qualify to enter an institution. In 1983, the ND Medicaid Program added two waivers, one for individuals who are developmentally disabled and the other for individuals who are elderly or disabled. The waiver for individuals who are elderly or disabled has been used since that time to provide services to thousands of individuals who would have otherwise likely entered a skilled nursing facility. In 1994, another waiver was added for those individuals with traumatic brain injuries.

In addition to these programs designed to allow individuals to remain in their communities, the ND legislature authorized the Special Payments for the Elderly and Disabled (SPED) during the 1983 session. This state-funded program provided HCBS to those individuals who did not qualify for Medicaid but could not otherwise pay for these needed services or pay for services that were not covered under the Medicaid Program. In 1994, the legislature authorized additional state funding for the Expanded SPED program that pays for alternative services for individuals who otherwise would have been eligible to be admitted to a basic care facility.

During the 2003 session, the legislature added the personal care option to the list of services available to all Medicaid recipients who require such services. Prior to that time, personal care services were only available to individuals participating in the Medicaid waivers. This change also allowed the state to claim federal Medicaid dollars for individuals who were eligible for SPED and Expanded SPED services and were also determined to be eligible for Medicaid. This change greatly reduced funding in the elderly and disabled waiver because most of the cost of this waiver consisted of personal care services.

Funding Sources for Long-Term Care Services

Traditionally, skilled nursing facilities have dominated the funds spent on long-term care services. Figure 1 below shows excerpts of the growth of spending on nursing facility care for the Medicaid Program over the last twenty-five years. If current spending continues at the present rate, nursing facility expenditures will be expected to be over $193 million in 2009.

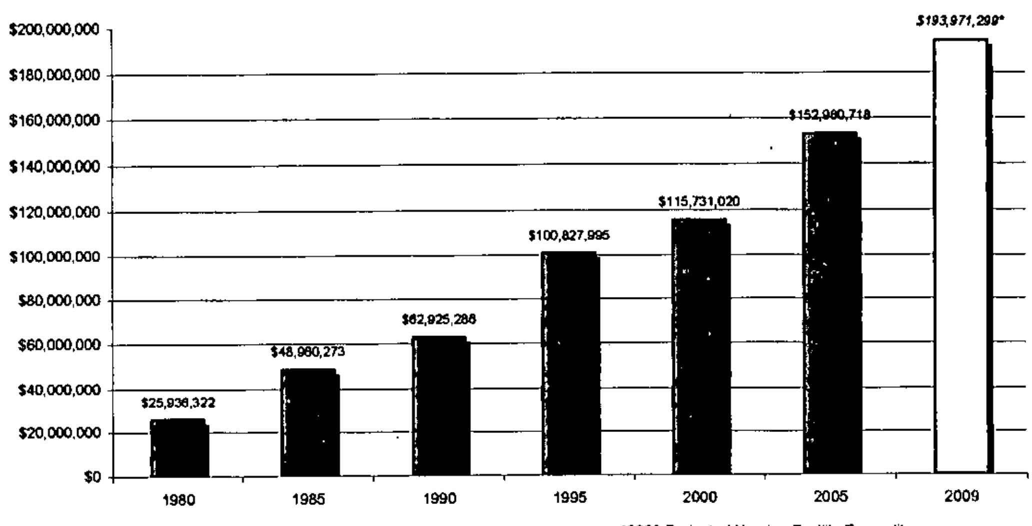

Figure 1: History of Nursing Facility Expenditures

While efforts have been made to increase dollars available for HCBS services, those funds remain a relatively small amount when compared to spending for nursing facility care. Figure 2 below illustrates the appropriations for nursing facility care compared to all other funds within the Department of Human Services budget for other long-term care services.

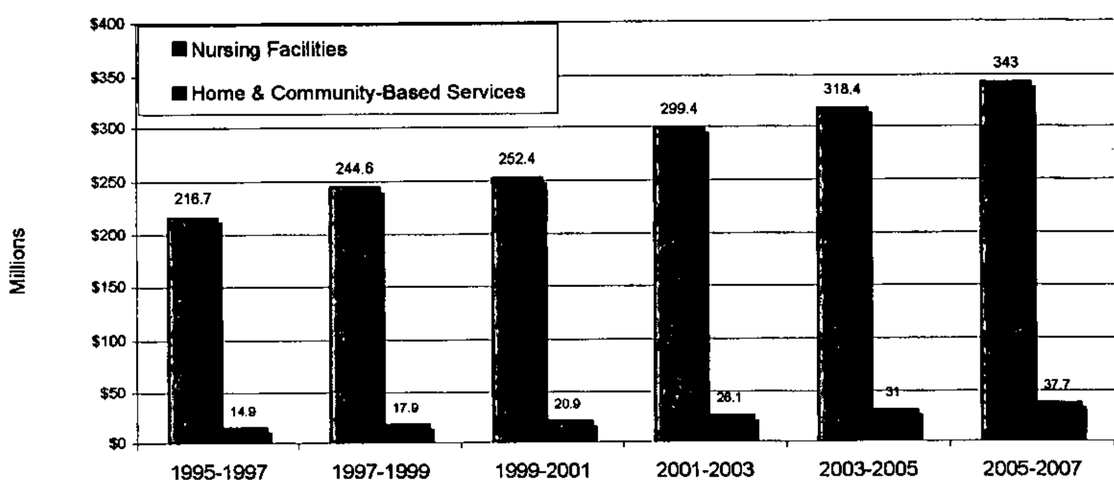

Figure 2: ND Long-Term Care Appropriations 1995-2007

During the 1995-97 biennium, the difference between the amount spent on nursing facility care verses other long-term care services was $201.8 million ($216.7 - $14.9) For the current 2005-07 biennium, the gap between the two areas has increased to $305.3 million ($343 - $37.7) During this ten-year span, HCBS services increased by $22.8 million whereas the appropriation for nursing facility services increased by $126.3 million. This is a difference of $103.5 million. Nursing facilities received 84.7% of the $149.1 million of new monies appropriated by the legislature between 1995-97 and 2005-07. While there was a large percentage increase in the dollars appropriated for HCBS, the gap between the anticipated spending increased by over $120 million during this time period for nursing facility services.

Figure 3 further details that the cost for nursing facility care has also been spread over fewer beds during this period. In 1995, there were 7,109 licensed skilled nursing facility beds in ND. In 2006, that number was reduced to 6,408, a reduction of 701 beds or a reduction of approximately 10%. While the number of beds were reduced during the ten-year period by 10%, the appropriation increased by 58.3%. The chart below shows the number of licensed nursing facility beds from 1995 to the present.

Long-Term Care Licensed Bed Capacity			
Year	**Basic Care**	**Skilled Nursing**	**Total**
1995	1,307	7,109	8,416
1996	1,433	7,146	8,579
1997	1,488	7,124	8,612
1998	1,465	7,010	8,475
1999	1,465	6,997	8,462
2000	NA	NA	NA
2001	1,422	6,950	8,372
2002	1,482	6,644	8,126
2003	NA	NA	NA
2004	NA	NA	NA
2005	1,701	NA	NA
2006	1,511	6,408	7,919

Figure 3: Long-Term Care Licensed Bed Capacity

While costs for nursing facility services continue to climb, the actual number of days of service has declined over time. In fiscal year 1988, Medicaid paid for 1,346,963 days of care in nursing facilities. During the 2005 fiscal year, a total of 1,261,774 days were paid by the Medicaid program, a reduction of 85,189 days or 6.3% fewer days than the paid days in 1988. Furthermore, the average daily nursing home rate has increased from $79.53 per day in 1995 to $159.96 per day in 2007.

Expenditures for Long-Term Care Services

Payments for services provided to individuals living in their own homes or in a community residential setting have increased over time. However, there still remains an enormous chasm between spending on these services and nursing facility care. Figure 4 details expenditures for long-term care for the period August 2005 through June 2006:

Long-Term Care Services and Expenditures (2006)				
Service	Total Expenditures	General	Federal	Other
Nursing Homes	149,396,153	50,588,500	98,807,653	0
Basic Care - Personal Care	3,659,411	0	2,421,009	1,238,402
Waiver - TBI	738,987	250,010	488,977	0
Waiver - Aged & Disabled	1,277,374	430,094	847,280	0
TCM - Aged & Disabled	388,102	131,096	257,006	0
Personal Care Services	6,217,562	1,019,889	5,197,673	0
Total	**$161,677,589**	**$52,419,589**	**$108,019,598**	**$1,238,402**

Figure 4: Long-Term Care Services and Expenditures (2006)

Nursing facility services comprise the bulk of Medicaid long-term care services. Of the $161.7 million expended for long-term care services during the 2006 fiscal year, $149.4 million or 92.4% were nursing facility service costs. The budget submitted to the legislature for the 2007-2009 biennium totals $378.5 million for nursing facilities or an increase of $35.5 million (10.3%). The proposed budget for other long-term care services will remain virtually unchanged from the current biennium. The gulf between these services will grow even wider if the current proposal is adopted by the legislature.

The Future of Long-Term Care Services in ND

What will the landscape of the delivery of long-term care services look like in 2020? If sufficient changes are not made in the near future, ND will likely be facing a major challenge with grave fiscal consequences due to an aging ND population.

North Dakota will be noticeably grayer in 2020. In 2005, there were about 97,700 individuals over the age of 64 of which about 15,300 were over the age of 85. The ND State Data Center estimates that the number of individuals over 64 will grow to about 149,600 individuals by the year 2020. This is an increase of 51,900 elderly or about a 53% increase in this population group. More alarming is the fact that the 85 and over group will increase from about 15,300 to 24,300 during this time period. This is an increase of 9,000 individuals or about a 59% increase in this group. Individuals over 85 years of age are traditionally the group with the most long-term care service needs.

Figure 5 depicts the ND population trend of individuals over the age of 65 from 2005-2020:

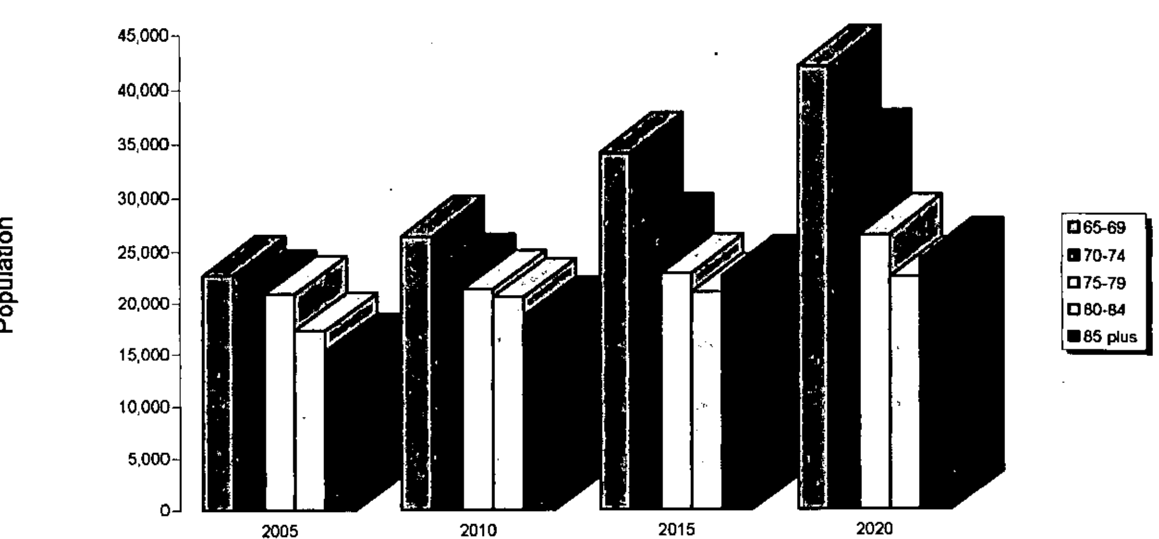

Figure 5: ND Aging Population Trends of People Age 65 and Older

Current Landscape in Skilled Nursing Facility Services

The Department of Human Services provided information concerning the current makeup of individuals residing in nursing facilities for the period July 1 through October 31, 2006. The data included information on 6,460 residents who had been assessed using the Minimum Data Set (MDS) process. Due to the non-mandatory nature of the data collection process a total of 626 of these records did not contain information on the age of the individuals. These residents were not included when analyzing this data. The information indicates that of the 5,834 remaining residents, 3,980 were females and 1,854 were males. The average age of female residents was 85.6 years of age and the average age of male residents was 80.5 years of age. Figure 6 details the ages of the residents in this study group.

Age Range	Females	Males
0 to 64	206	196
65-69	100	106
70-74	181	167
75-79	381	249
80-84	655	366
85 +	2,457	770
Total	3,980	1,854

Figure 6: Study Participant Data

Of the 5,834 individuals with ages listed on the information received from the Department of Human Services, a total of 643 did not contain information on the their case mix

classification due to the non-mandatory reporting requirement of this information on the MDS reporting process. For that reason, the analysis of case mix information was limited to 5,191 residents. The case mix process is a method that is used to match the care needs of a nursing facility resident to the approximate cost of providing those services. It is based on an assessment of the resident and identifies specific issues that influence the type and amount of care needed. It takes into consideration the level of care individuals need in carrying out activities of daily living such as eating and toileting, the behavior of the resident that results in additional staff time; and other factors such as the complexity of the medical conditions of a resident, and the associated services, and care necessary to meet the needs of each resident. Each of the 34 classifications has a relative weight. The weights vary from .62 to 2.62 and the more complicated the care needs of the resident the higher the case mix classification becomes. The relative weight is multiplied by the average direct care cost rate established for each facility. For example, if the direct cost rate was $80 per day for a particular facility and the resident was classified as reduced physical functioning (A1), the direct care cost daily rate would be $49.60. Whereas, the direct care daily rate for the highest needs in the extensive care category would be $209.60 per day. The direct care cost rate is then added to the other average allowable daily costs of each nursing facility to arrive at the total payment rate each resident pays for the services provided by the nursing facility.

The analysis disclosed that many individuals have relatively high functioning levels. A summary of that information is shown in Figure 7.

Classification Category(s)		Relative Weight	Females	Males
Reduced Physical Functioning	A1	.62	301	127
Behavior Only	A1	.63	11	0
Reduced Physical Functioning	A2	.66	6	4
Impaired Cognition	A1	.67	204	103
Reduced Physical Functioning	B1	.68	107	43
Reduced Physical Functioning	B2	.75	6	7
Impaired Cognition	A2	.80	3	1
Reduced Physical Functioning	C1	.84	36	22
Behavior Only	B1	.85	7	1
Reduced Physical Functioning	C2	.86	5	3
Reduced Physical Functioning	D1	.87	615	189
Impaired Cognition	B1	.88	220	117
Reduced Physical Functioning	D2	.95	60	27
Reduced Physical Functioning	E1	.96	431	162
Behavior Only	B2	.97	1	0
Impaired Cognition	B2	.98	18	13
Reduced Physical Functioning	E2	1.04	36	6
Clinically Complex	(6 categories)	1.02 to 1.46	728	376
Special Care	(4 categories)	1.02 to 1.50	309	198
Extensive Services	(4 categories)	1.33 to 2.62	122	85
Rehabilitation	(4 categories)	1.07 to 1.79	311	170
Totals			**3,537**	**1,654**

Figure 7: Classification Categories

It appears that many residents of nursing facilities could be served in a less restrictive environment if adequate housing, medical, and HCBS were available to them. The current case mix system used to classify private pay and Medicaid residents is based on 34 categories. Each category is assigned a relative weight based on the amount of resources necessary to care for the resident. The lower the weight the fewer resources needed to ensure the care needs of each resident is met with a weight of 1.00 being the midpoint. See Appendix B for a listing of the case mix categories and an explanation of the hierarchy of the classification system.

The above analysis indicates that those categories with a relative weight of less than .8 accounts for 919 of the 5,191 case mix classifications. This is 17.7% of the current nursing facility population in the state based on the above analysis. This is the population with the least activity of daily living needs and those with minor issues relating to cognitive impairments or behavior issues. If appropriate supports were in place, many of these individuals could reside at home or in community based settings.

In addition, another 1,219 residents were in case mix categories with relative weights between .8 and .9. These residents represent another 23.5% of the current nursing facility population based on the above analysis. While these individuals have more complex needs, it is likely that a fair number could have those services delivered in an alternative setting if housing and services were available.

Potential Outcomes if Change is Not Initiated

North Dakota will face a major crisis by the year 2020 if action is not taken to strengthen the delivery of HCBS to the citizens of ND. Based on the analysis of available data, at least 3,227 individuals 85 years and older occupy nursing facility beds in ND. In addition, at least 2,205 individuals between the ages of 65 and 84 occupy nursing facility beds. At the present time, about 21% of ND citizens 85 years of age and over reside in nursing facilities. In addition, about 4.2% of citizens between 65 and 84 years of age reside in nursing facilities. If current nursing facility usage continues at the same percentage, in less than 13 years individuals 85 years and older would occupy an additional 1,900 nursing facility beds and those individuals between 65 and 84 years of age would occupy and additional 1,800 beds.

It is likely that the baby boomer generation will enjoy better health and longevity thus delaying the need for long-term care services. However, the implications for the delivery of long-term care services will become overwhelming if ND does not change its method of delivering long-term care services within the next 10 to 13 years.

As noted above, the state currently has about 6,400 nursing facility beds. If changes are not made to the delivery system, the state could be required to add 1,500 to 3,000 nursing facility beds to meet the demand for long-term care services by the year 2020. The cost to the Medicaid Program and private pay individuals would be tremendous. Based on current daily rate payment data, and assuming a 5% yearly increase in daily rates, the additional beds would cost the Medicaid program between $76 and $152 million in 2020 with additional cost increases yearly due to inflation.

Individual Preferences for Long-Term Care Services

A survey conducted by the American Association of Retired Persons (AARP) indicated that most elderly and individuals with disabilities wish to receive long-term care services in the least restrictive setting possible. Many young individuals with physical disabilities wish to exercise control over their own care and live in an environment that best suits their quality of life. The desire to remain in their own homes, apartments, or community residential settings and receive appropriate services is the goal of most individuals in need of long-term care services. While this is their preference, often times it is not reality. Other individuals consider living independently as too risky and/or are concerned about the quality of services the elderly and individuals with disabilities receive in these settings. A balance must be struck between risk, cost, and service quality with the preferences of the individual citizen the paramount issue that should drive the service delivery system in ND.

Recommendations for Long-Term Care Reform in ND

How does the state of ND meet its obligations to provide needed long-term care services to its elderly and citizens with disabilities in the future? It is evident that major issues must be dealt with over the next four to six years in order to avoid problems in the future. These issues are complex but can be solved if all interested parties are willing to work together to provide the most appropriate care necessary to meet the needs of this population.

Classification of Nursing Facility Residents.

Information provided by the Department of Human Services indicates that of the 5,191 individuals in the analysis study, about 919 are in classifications that would likely permit them to live outside a nursing facility environment without incurring undue risk or cost. In addition, another 1,219 individuals in the study have needs that indicate that a percentage of these citizens could receive services outside the facility knowing some risk exists. In many instances these individuals end up in nursing facilities because the individual has no family support mechanism. Typically, it is an elderly widow with no family caregiver or an individual with disabilities with no or limited family supports. In cases like this, family members often turn to nursing care facilities for assistance, although these services could potentially be provided in a HCBS environment. A system that responses to the needs of individuals prior to entry into a nursing facility could reduce the need for nursing facility care for individuals that could be better served in HCBS and thus reserve beds for individuals with serious long-term care needs that generally cannot be met in a home or community based setting.

Equalized Rates.

During the 1987 Legislative session, a law was passed that required the Department of Human Services to develop a system that would result in private pay residents paying the same nursing facility rate as those individuals eligible for the Medicaid program. It also required the program to establish a case mix payment system that would apply to both private pay and Medicaid residents. Minnesota is the only other state to adopt such a system. The payment process was implemented beginning in January 1990 and has been operating since that date. Currently each Medicaid or private pay resident is assessed and placed into one of 34 classifications (see Attachment B). The payment amount varies depending an individual's classification, paying more if the classification indicates a

greater need of resources and less amounts for those needing fewer resources. Residents are reviewed at the time of admission and quarterly thereafter. They are also reviewed following a hospital stay. At the time of the review the classification may change based on the condition of the resident at the time the review is completed.

This payment process may not have necessarily served the citizens of ND well. It was primarily implemented to ensure fairness for private pay residents and to preserve private pay funds so that individuals would remain in private pay status longer. The first argument concerns the fact that the elderly have paid taxes all their lives and therefore when they enter a nursing facility they should not have to further subsidize state government by paying additional dollars to ensure a nursing facility has adequate funds to meet the needs of their residents.

This is an interesting concept but in reality it is not unusual for the general public to subsidize the delivery of health care to those who otherwise cannot afford those services. For example, health insurance rates subsidize the cost of care for individuals who are uninsured. Also, the general public subsidizes non-long-term care services covered by government programs such as Medicaid when fees paid by these programs do not cover the costs of delivering those services. In this situation, ND has chosen to identify nursing facility services as deserving special treatment that in fact all taxpayers of the state must support.

The second major reason raised in 1987 that justified equalized rates was the theory that this payment process would reduce the percentage of individuals eligible for Medicaid because it increases the time an individual would remain in private pay status before applying for Medicaid. During the late 1980's, the percentage of Medicaid recipients residing in nursing facilities was about 55%. Since 2000, the Medicaid percentage has exceeded 57% and in 2005 was 57.96%. The theory that equalized rates would reduce the percentage of residents eligible for Medicaid has not materialized.

The equalized rate process puts tremendous pressure on state government to provide sufficient funding to maintain the viability of the nursing facility industry. While other states have explored the idea of equalized rates, none have adopted the practice since 1990 because they realized the potential cost to the taxpayers of their states if they adopted this process. More than 90% of nursing facility income comes from Medicaid and private pay sources. As a result, the nursing facility industry has, in essence, been guaranteed taxpayer funding to ensure its existence. For the six years (1984 to 1989) prior to rate equalization, nursing facility costs increased an average of 3.4% per year. The average cost increase for the last six years (2001 to 2006) was 4.8%. This commitment of state dollars makes it difficult to initiate such concepts as money follows the individual because of the need to commit increased funding for nursing facility services.

The equalized rate process appears to contradict our commitment to the free enterprise system. Facilities are not permitted to determine what they can charge for the services they provide but must adhere to the rates established by a government entity. Facilities should have the right to determine their own revenue needs rather than relying on the state taxpayers to guarantee their existence.

The current system also creates payment issues with the families of private residents. The state is required to classify all residents into one of the 34 case mix classifications. At the time of the quarterly review changes that affect rates can be dramatic and the

condition that caused the increase may be temporary. However, no change in the rate can occur until the next quarterly review period. While such a system works well for Medicaid because the increases and decreases in rates average out over time, the same is not true for individual private pay residents. Often state officials are blamed for raising a private pay resident's rate when, in fact, it is the system created by the legislature that causes this process to occur.

Serious consideration should be given to repealing equalized rate legislation. It would allow nursing facilities to manage their own operations without government interference and it would relieve the state from having to guarantee the viability of a privately operating industry. Furthermore, it would allow the state to better pursue plans to improve the delivery of HCBS and it would better serve the taxpayers of our state.

Information and Assessment.

It is imperative that all persons in need of long-term care services and their families have access to information necessary to make informed decisions regarding what services are available to meet their needs. In addition, it is important that elderly and individuals with disabilities and their families understand what type of services are available to meet the long-care needs so that cost, risk, and quality issues can be evaluated before a final decision is made on what service would best meet the needs of each individual. Emphasis must be placed on the desire of individuals to remain as independent as possible, while at the same time understanding the risks involved.

It will be necessary to develop a process throughout the state where elderly and individuals with disabilities and their families can obtain necessary information on long-term care services. In addition, the system must be able to assess the needs of an individual seeking services in order to determine what will best meet the individual's care needs in the most appropriate level given cost, risk, and quality concerns.

Each entity must have the capacity to provide information and assessment in a timely manner. The entities could be local or state government agencies, non-profit organizations, or private contractors. Each entity would be required to provide pertinent information about the availability of long-term care services in the area. In addition, staff would be required to perform an assessment to determine what services would best meet the needs of each individual. The team should consist of the professionals necessary to conduct a thorough evaluation of the needs of each person and could consist of social workers, nurses, and occupational therapists depending on the circumstances of each case.

Prior to accessing services, individuals who are elderly or have a disability in a non-emergency situation would be required to obtain an assessment and receive appropriate information about the availability of services to meet the needs of each individual. The individual would then make an informed decision as to how they will obtain the needed services. If an individual chooses to remain outside an institution, case management should be available in order to monitor the delivery of services and to continue to assess the needs of each client on a continuing basis.

If a physician indicates that an immediate emergency exists that could jeopardize the health and safety of an individual, the above process could be waived and an individual could be placed directly into a nursing facility. However, within a prescribed timeframe

(i.e. 14 days from the date of admission) the information and assessment team would be required to follow-up with each admission. The team would first determine through case review if services could potentially be delivered in a less restrictive setting. If it were evident that nursing facility care would best meet the needs of a resident, no further action would be taken by the team. If the review disclosed the potential that other services could meet the needs of the resident, an assessment would be completed and the resident would be advised of the options available to meet his or her care needs including remaining in the nursing facility.

Service Availability.

It is of little value to have an assessment and referral system in place if services are not immediately available to meet the long-term care needs of the elderly or individuals with disabilities. At present, ND depends on Qualified Service Providers (QSP's) to provide the bulk of HCBS. The majority of QSP's are family members, other relatives, friends, or neighbors of individuals in need of services.

Information obtained from the Aging Services Division of the Department of Human Services indicates that 1,518 QSP's provided services to elderly and people with disabilities between January and November 2006. Of that total, 75.6% or 1,148 served only one client. Only 370 providers served more than one person. A total of 63 agencies served 1,928 clients.

While individual QSP's will remain an important component for the provision of home and community based care, agencies will need to play an important role in the delivery of HCBS in the future. Agencies have the ability to react more quickly to the immediate needs of the elderly and persons with disabilities because they have staffing flexibility not available to individual QSP's. In order to prevent unnecessary placements in nursing facilities it is often important that HCBS be available in a relatively short time frame.

QSP's are independent contractors and are paid a fee for service in the same manner as other health care providers. Individual QSP's are self-employed and therefore are responsible to pay the appropriate payroll taxes, as well as transportation and other costs associated with providing services to HCBS clients. In addition, agencies have other administrative overhead costs that must be covered in the fee for service rate paid by the state.

The current average fee paid to individual QSP's is $2.48 per 15-minute time period or $9.92 per hour. As noted above, these fees cover all costs of the service including the time it takes to drive to the client, the transportation costs associated with the service, taxes, and any other costs associated with providing the service.

The current average fee for agency providers was not available, but the average cost of providing services by home health agency providers was about $5.73 per 15-minute unit or $22.92 per hour. The maximum fee paid to agency providers is $20.04 per hour. This cost must cover travel time, transportation, salary, fringe benefits, and all administrative costs associated with the operation of a business.

The current rates are not sufficient to encourage more providers to become QSP's and will likely result in the withdrawal of some providers from program participation. It is imperative that individual QSP's and agency providers receive adequate compensation.

In order to attract and maintain an adequate number of QSP's, rates need to be adequate to cover the cost of providing services given that these providers cannot bill for travel time. Nursing facility rates over the last 10 years have increased an average of 7.75%. Rates for QSP's have been limited to an inflation increase granted by the legislature that has averaged less than 4% per year. In addition, during difficult budget times in the early years of this decade these providers did not always receive planned inflation increases. If we wish to put HCBS on the same level playing field as nursing facilities we must properly compensate these providers and continue to provide fee increases that will allow providers to continue to deliver quality services. An immediate increase of $5 million is needed in the next biennium for QSP services. Thereafter, adequate increases must be provided that at least keep pace with nursing facility increases to include inflation factors and the 3% operating margin routinely provided to nursing facilities in order to ensure the availability of services when and where they are needed in ND.

A crisis is also looming regarding the workforce that will be needed to care for our elderly and individuals with disabilities in the next 15 years. While our elderly population grows dramatically the number of individuals of working age 20 through 64 actually drops by 6.6%. Rural areas will be especially vulnerable as the number of workers continues to decline. An effort must be made to encourage workers to consider caretaker service as a career with a future. We must provide incentives that include adequate payment, training and career growth for individuals who may be deciding on a career choice as they enter the employment market. Incentives may also become necessary to attract individuals from other areas to come to ND to provide these vital services to our elderly and citizens who have disabilities.

Housing Options.

Another indispensable ingredient in the development of the long-term care continuum is the availability of appropriate housing for elderly and people with disabilities. The ultimate desire for these individuals is to remain in their own homes. However, it is not always feasible for individuals to reside at home given their medical conditions and other factors. For that reason, it is important that alternative types of housing be available in order to permit elderly and persons with disabilities to remain in the community.

North Dakota has several housing options included in the long-term care continuum. Individuals can reside in an apartment; a family foster care home, a basic care facility or an assisted living facility. At the present time a room and board subsidy exists for individuals that reside in basic care facilities. No subsidy currently exists for individuals residing in assisted living facilities. Currently, HCBS can be provided to those individuals residing in assisted living facilities if they meet eligibility requirements. Assisted living facilities tend to be expensive and therefore out of reach of most individuals eligible for state assistance.

Housing options are completely separate from the delivery of HCBS. Clients should be able to select the type of environment they wish to reside and the system then should deliver the needed long-term care service. Consideration should be given to providing a reasonable monthly subsidy to individuals who wish to reside in an assisted living facility with the understanding that very expensive facilities will likely still not be affordable for state assisted clients.

In addition, other options should be considered in order to permit individuals to remain in the community. This could include other affordable congregate housing setting where individuals could live in their rented units and receive services as needed including meals, personal care services and other services that will assist in allowing individuals to maintain their independence as long as possible.

Managed Care.

Consideration should be given to developing alternative methods of providing long-term care services for those individuals in need of nursing facility services. One method encouraged by the Centers for Medicare and Medicaid Services (CMS) is the Program of All-Inclusive Care for the Elderly (PACE). States can cover this service through their state plans. PACE combines per member per month payments from both Medicare and Medicaid for those individuals eligible for both programs. Monthly all-inclusive payments are made to the PACE entity who then is obligated to provide all needed medical and long-term care services. PACE entities also provide all necessary alternative long-term care services. It is in the best interest of PACE providers to maintain individuals in their own homes because it is more cost effective and also meets the desire of most individuals to remain in the local community as long as possible. While it is difficult to develop PACE programs in rural areas, this alternative method of delivery of long-term care and medical services would assist in the goal of providing quality long-term care services to the elderly and people with disabilities of our state.

States may also develop managed care options that deal specifically with long-term care services. Entities receive a monthly payment from Medicaid to provide all long-term care services needed by a client. Again the entity is encouraged by the potential for cost savings and the wishes of their clients to provide services that will avoid the need for institutional services for as long as possible. Arizona operates their entire long-term care service delivery system through this managed care mechanism.

North Dakota should consider this process as part of the overall goal of reducing reliance on institutional care to deliver the bulk of services to the elderly and people with disabilities in our state.

CONCLUSIONS

A challenge of epic proportion is facing the citizens of ND. The numbers of individuals that will require long-term care assistance with grow dramatically over the next 13 years. At the same time it is predicted that the workforce necessary to care for these individuals will decline over the same period. How will we provide for the needs of the elderly and people with disabilities in our state?

A system must be developed that provides information and assessment to all individuals in need of long-term care services. An adequate infrastructure of alternative HCBS providers must be developed that can meet the needs of our elderly and people with disabilities in their homes and communities allowing them to remain independent for as long as possible. Adequate funding must be provided to assure that these services are available when they are needed by the citizens of ND.

If these changes are not implemented the state may be faced with the need to expend an ever increasing amount of funds for institutional care to meet the long-term care needs of the elderly and people with disabilities in ND.

Attachment A: Definition of Activities of Daily Living & Instrumental Activities of Daily Living

North Dakota Department of Human Services
Definitions of Activities of Daily Living and Instrumental Activities of Daily Living

Activities of Daily Living (ADL)
The daily self-care personal activities that include bathing, dressing or undressing, eating or feeding, toileting, continence, transferring in and out of bed or chair or on and off the toilet, and mobility inside the home.

Instrumental Activities of Daily Living (IADL)
Activities requiring cognitive ability or physical ability, or both. Activities include preparing meals, shopping, managing money, housework, laundry, taking medicine, transportation, using the telephone and mobility outside the home.

Section 32 - Classifications

1. A facility shall complete a resident assessment for any resident occupying a licensed facility bed, except a respite care, hospice inpatient respite care, or hospice general care resident.

2. A resident must be classified in one of thirty-four classifications based on the resident assessment. If a resident assessment is not performed in accordance with subsection 3, except for a respite care, hospice inpatient respite care, or hospice general inpatient care resident, the resident must be included in group BC1, not classified, until the next required resident assessment is performed in accordance with subsection 3. For purposes of determining standardized resident days, any resident day classified as group BC1 must be assigned the relative weight of one. A resident, except for a respite care, hospice inpatient respite care, or hospice general inpatient care resident, who has not been classified, must be billed at the group BC1 established rate. The case-mix weight for establishing the rate for group BC1 is .62. Days for a respite care, hospice inpatient respite care, or hospice general inpatient care resident who is not classified must be given a weight of one when determining standardized resident days. Therapeutic, hospital, or institutional leave days that are resident days must be given a weight of .62 when determining standardized resident days.

3. Resident assessments must be completed as follows:

   a. The facility shall assess the resident within the first fourteen days after any admission or return from a hospital stay. The day of admission or return is counted as day one. The assessment reference date (A3a) on the MDS must be within the fourteen days.

   b. The facility shall assess the resident quarterly after any admission or return from an acute hospital stay. The quarterly assessment period ends on the day of the third subsequent month corresponding to the day of admission or return from an acute hospital stay, except if that month does not have a corresponding date, the quarterly assessment period ends on the first day of the next month. The assessment reference period begins seven days prior to the ending date of a quarterly assessment period. The assessment reference date (A3a) on the MDS must be within the assessment reference period.

4. A resident's classification is based on resident characteristics and health status recorded on the resident assessment instrument, including the ability to perform activities of daily living, diagnoses, and treatment received. The classification is determined using an index maximizing method. Index maximizing identifies all groups for which a resident qualifies and the resident is then classified in the group with the highest case mix index. The resident is first classified in one or more of seven major categories. The resident is then classified into subdivisions of each major category based on the resident's activities of daily living score and whether nursing rehabilitation services are needed or the resident has signs of depression. A resident meeting the criteria for more than one classification shall be classified in the group with the highest case-mix weight.

5. For purposes of this section:

   a. A resident's activities of daily living score used in determining the resident's classification is based on the amount of assistance, as described in the resident

assessment instrument, the resident needs to complete the activities of bed mobility, transferring, toileting, and eating;

b. A resident has a need for nursing rehabilitation services if the resident receives two or more of the following for at least fifteen minutes per day for at least six of the seven days preceding the assessment:

(1) Passive or active range of motion;

(2) Amputation or prothesis care;

(3) Splint or brace assistance;

(4) Dressing or grooming training;

(5) Eating or swallowing training;

(6) Bed mobility or walking training;

(7) Transfer training;

(8) Communication training; or

(9) Any scheduled toileting or bladder retraining program; and

c. A resident has signs of depression if the resident exhibits at least three of the following:

(1) Negative statements;

(2) Repetitive questions;

(3) Repetitive verbalization;

(4) Persistent anger with self and others;

(5) Self deprecation;

(6) Expressions of unrealistic fears;

(7) Recurrent statements that something terrible is to happen;

(8) Repetitive health complaints;

(9) Repetitive anxious complaints or concerns of nonhealth-related issues;

(10) Unpleasant mood in morning;

(11) Insomnia or changes in usual sleep patterns;

(12) Sad, pained, or worried facial expression;

(13) Crying or tearfulness;

(14) Repetitive physical movements;

(15) Withdrawal from activities of interest; or

(16) Reduced social interaction

6. The major categories in hierarchical order are:

a. Rehabilitation category. To qualify for the rehabilitation category, a resident must receive rehabilitation therapy. A resident who qualifies for the rehabilitation category is assigned a subcategory based on the resident's activities of daily living score.

b. Extensive service category.

(1) To qualify for the extensive services category, a resident must have an activities of daily living score of at least seven and have:

(a) Within the fourteen days preceding the assessment, received intravenous medication in the facility or tracheostomy care or required a ventilator, respirator, or suctioning; or

(b) Within the seven days preceding the assessment, received intravenous feeding; and

(2) A resident who qualifies for the extensive services category must have assigned a qualifier score of zero to five based on:

(a) The presence of a clinical criteria that qualifies the resident for the special care category, clinically complex category, or impaired cognition category;

(b) Whether the resident received intravenous medications or intravenous feeding while in the facility;

(c) Whether the resident received tracheostomy care and suctioning; or

(d) Whether the resident required a ventilator or respirator.

c. Special care category.

(1) To qualify for special care category, a resident must have one or more of the conditions for the extensive care category with an activities of daily living score of less than seven or have at least one of the following conditions or treatments with an activities of daily living score of at least seven:

(a) Multiple sclerosis, cerebral palsy, or quadriplegia with an activities of daily living score of at least ten;

(b) Respiratory therapy seven days a week;

(c) Treatment for pressure or stasis ulcers on two or more body sites;

(d) Surgical wound or open lesion with treatment;

(e) Tube feedings that comprise at least twenty-six percent of daily calorie requirements and at least five hundred and one milliliters of fluid through the tube per day, and be aphasic;

(f) Radiation therapy; or

(g) A fever in combination with dehydration, pneumonia, vomiting, weight loss or tube feeding.

(2) A resident who qualifies for the special care category is assigned a subcategory based on the resident's activities of daily living score.

d. Clinically complex category.

(1) To qualify for the clinically complex category, a resident must have one or more of the conditions for the special care category and an activities of daily living score of less than seven or have at least one of the following conditions, treatment, or circumstances:

(a) Comatose;

(b) Burns;

(c) Septicemia;

(d) Pneumonia;

(e) Internal bleeding;

(f) Dehydration;

(g) Dialysis;

(h) Hemiplegia with an activities of daily living score of at least ten;

(i) Chemotherapy;

(j) Tube feedings that comprise at least twenty-six percent of daily caloric requirements and at least five hundred and one milliliters of fluid through the tube per day;

(k) Transfusions;

(l) Foot wound with treatment;

(m) Diabetes mellitus, with injections seven days per week and two or more physician order changes in the fourteen days preceding the assessment;

(n) Oxygen therapy in the fourteen days preceding the assessment; or

(o) Within the fourteen days preceding the assessment, at least one physician visit with at least four order changes or at least two physician visits with at least two order changes.

(2) A resident who qualifies for the clinically complex category is assigned a subcategory based on the resident's activities of daily living score and whether the resident has signs of depression.

e. Impaired cognition category. To qualify for the impaired cognition category, a resident must have a cognition performance scale score of three, four, or five and an activities of daily living score of less than eleven. A resident who qualifies for the impaired cognition category is assigned a subcategory based on the resident's activities of daily living score and the resident's need for nursing rehabilitation services.

f. Behavior only category.

(1) To qualify for the behavior only category, a resident must have exhibited, in four of the seven days preceding the assessment, any one of the following behaviors:

(a) Resisting care;

(b) Combativeness;

(c) Physical abuse;

(d) Verbal abuse;

(e) Wandering; or

(f) Hallucinating or having delusions.

(2) A resident who qualifies for the behavior only category is assigned a subcategory based on the resident's activities of daily living score and the resident's need for nursing rehabilitation services.

g. Reduced physical functioning category. To qualify for the reduced physical functioning category, a resident may not qualify for any other group. A resident who qualifies for the reduced physical functioning category is assigned a subcategory based on the resident's activities of daily living score and the resident's need for nursing rehabilitation services.

7. Except as provided in subsection 2, each resident must be classified into a case-mix class with the corresponding group label, activities of daily living score, other criteria, and case-mix weight as follows:

Group	Classification Category Score	ADL Score	Qualifier	Nursing Rehabilitation	Signs of Depression	Relative Weight
RAD	Rehabilitation	17-18				1.79
RAC	Rehabilitation	14-16				1.54
RAB	Rehabilitation	9-13				1.26
RAA	Rehabilitation	4-8				1.07
SE3	Extensive Services	7-18	4-5			2.62
SE2	Extensive Services	7-18	2-3			1.72
SE1	Extensive Services	7-18	0-1			1.56
SSA	Extensive Services	4-6	0-5			1.33
SSC	Special Care	17-18				1.50
SSB	Special Care	15-16				1.39
SSA	Special Care	7-14				1.33
CA1	Special Care	4-6				1.02
CC2	Clinically Complex	17-18			Yes	1.46
CC1	Clinically Complex	17-18			No	1.27
CB2	Clinically Complex	12-16			Yes	1.18
CB1	Clinically Complex	12-16			No	1.17
CA2	Clinically Complex	4-11			Yes	1.08
CA1	Clinically Complex	4-11			No	1.02
IB2	Impaired Cognition	6-10		Yes		0.98
IB1	Impaired Cognition	6-10		No		0.88
IA2	Impaired Cognition	4-5		Yes		0.80
IA1	Impaired Cognition	4-5		No		0.67
BB2	Behavior Only	6-10		Yes		0.97
BB1	Behavior Only	6-10		No		0.85
BA2	Behavior Only	4-5		Yes		0.69
BA1	Behavior Only	4-5		No		0.63
PE2	Reduced Physical Functioning	16-18		Yes		1.04
PE1	Reduced Physical Functioning	16-18		No		0.96
PD2	Reduced Physical Functioning	11-15		Yes		0.95
PD1	Reduced Physical Functioning	11-15		No		0.87
PC2	Reduced Physical Functioning	9-10		Yes		0.86
PC1	Reduced Physical Functioning	9-10		No		0.84
PB2	Reduced Physical Functioning	6-8		Yes		0.75
PB1	Reduced Physical Functioning	6-8		No		0.68
PA2	Reduced Physical Functioning	4-5		Yes		0.66
PA1	Reduced Physical Functioning	4-5		No		0.62

8. The classification is effective the date the resident classification must be completed (the final day of the assessment reference period) in all cases except an admission or for a return from an acute hospital stay. The classification for an admission or for a return is effective the date of the admission or return.

9. A facility complying with any provision of this section that requires a resident assessment must use the minimum data set in a resident assessment instrument that conforms to standards for a resident classification system described in 42 CFR 413.333.

My name is Valerie Eide. I am currently the Administrator of Rock View Good Samaritan Center in Parshall which is a 42 bed skilled center and the New Town Good Samaritan Center which is 7 assisted living apartments and 18 basic care beds. I have been at Parshall and New Town for 2 years and a licensed nursing home administrator for over 20 years. I have served in 6 different facilities in ND over those 20 years. Certainly there have been challenges in my 20 year career but nothing like the challenges I have faced these last 2 years. Parshall and New Town are both located on the Fort Berthold Indian Reservation.

I am here on behalf of our residents and staff. One of the residents who was an employee of the state department of human services and the Ward county department of human services for over 30 years said to tell you that he knows his wife cares for him and loves him but "these girls who work here spoil me and deserve higher wages."

In the 9 year period from 1996 to 2005 there were 7 administrators and 14 Directors of Nursing at Parshall. Turnover of those 2 key positions has created chaos and the current staff and I are determined to bring stability to Parshall. The overall staff turnover at Rock View has been between 43 and 55% over the last six years while the overall staff turnover for the other 13 Good Samaritan Centers in ND has been between 27 and 35%. Turnover is expensive and we are committed to lessening it to have better stability. Offering higher wages along with other strategies will help to lessen turnover. We have only had a positive net revenue once in the last 6 years. Turnover is expensive. There is an estimate that the turnover of one person costs at least $3000. We turned over 35 staff in 2006. That represents $105,000. Wages along with health insurance, and the right equipment are some of the reasons why people leave. All of those things cost money.

Regulations state that we must provide Registered Nurse coverage at least 8 continuous hours per day, 7 days a week. In the fall of 2005 we had an RN leave to take another position and in January of 2006 another RN retired. That left us with no RN's to work on the floor so the Director of Nursing, I and the MDS or assessment nurse took turns providing weekend RN coverage until June of 2006 when we had an RN apply to work at Rock View. We were desperate. Her salary expectations were $4/hour over what our salary schedule was and resulted in my giving $4/hour raises to those 3 RN's. Since that was done last June we will not realize those costs until January of 2008. In January 2007 our rates increased by about 2 ½ %. Last Monday LPN's received a 10% raise and the rest of the staff received 5% because we are in dire need of more staff. We have raised our standards and refuse to hire just anybody. We need competent, caring staff to care for our elders and others in need and we will not settle for less than that. We need to hire 3 Certified Nursing Assistants and 2 nurses immediately. Very shortly we will also need to hire staff to work while vacations are being taken this summer. We are covering the shortage now by hiring "pool" or temporary staff. We spent over $60,000 on pool staff last year and $10,000 in January of this year and are determined to stop using them. They are providing us with an opportunity to find the right people for our open positions. We have had to borrow money twice in the last 18 months to meet payroll. We are also competing in an area where there is a lot of oil activity. Although our industry is made up of mostly female employees and the oil industry is made up of mostly male employees. The higher paying jobs in the oil fields often mean that the females in the household no longer feel the need to work. We need to offer higher salaries to attract more people to our Centers.

Some of you may be asking—why do you continue the struggle if it's such a difficult placement and there is such chaos. There is a great need for long term care on the Fort Berthold reservation and the Good Samaritan Society is committed to caring for the least, the lost, the lonely and others in need. Rock View is a beautiful center and the next nearest facility is 45 to 50 miles away. All of those centers are full. It is a privilege and a pleasure to be a part of finding solutions to the problems there and to care for the elders and others in need in that area. We need your help in providing the financial resources to do that. I urge your support of the 5% inflation for the next 2 years for long term care facilities in North Dakota. Our residents deserve the best care possible and we are currently doing that. We will only be able to continue if we are able to pay our staff competitive wages. Thank you for your consideration.

North Dakota Nursing Facility Property Limits

- Property limits were set in 1994 and inflated each year by the CPI.
- Construction costs have increased far more dramatically then the CPI – from 2000 to 2006 nursing home construction costs have increased 24.5%.
- At least one facility (Hillsboro) has a life safety concern that warrants immediate attention.
- Woodside Village in Grand Forks is the only facility that exceeds the current limit and that is because they rebuilt immediately following the 1997 flood.
- In 2007, it is anticipated CMS will require full sprinkling in all nursing facilities. Currently, 25% of nursing facilities or 21 do not meet this requirement.
- Nursing facilities were built from 15 to 100 years ago and some physical plants need replacing and upgrading to meet life safety codes and community standards.
- Health Department indicates (11-21-06) waivers to meet life safety codes will not be an allowed in the future. All facilities will need to meet current building standards.

North Dakota Property Limits are Far Below Building Standards and Minnesota's Limits:

	NDs Current	MN Limits	Limits Funded in SB 2012
Double	$69,525	$101,806	$ 86,535
Single	$93,165	$152,710	$129,804

- SB 2012 provides $195,948 in state general funds to increase the property limits.
- Critical projects have been delayed in hopes of getting this limit increased in the 2007 session.
- Your support of the proposed building limits in SB 2012 and the amendment to make Woodside Village in Grand Forks whole is appreciated.

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AMENDMENT TO SB 2012

NORTH DAKOTA CENTURY CODE
TITLE 50. PUBLIC WELFARE
CHAPTER 50-24.4. NURSING HOME RATES.

50-24.4-15 Property-related costs.

1. The department shall include in the ratesetting system for nursing homes a payment mechanism for the use of real and personal property which provides for depreciation and related interest costs. The property cost payment mechanism must:

a. Recognize the valuation basis of assets acquired in a bona fide transaction as an ongoing operation after July 1, 1985, limited to the lowest of:

(1) Purchase price paid by the purchaser;

(2) Fair market value at the time of sale; or

(3) Seller's cost basis, increased by one-half of the increase in the consumer price index for all urban consumers (United States city average) from the date of acquisition by the seller to the date of acquisition by the buyer, less accumulated depreciation.

b. Recognize depreciation on land improvements, buildings, and fixed equipment acquired, as an ongoing operation over the estimated useful remaining life of the asset as determined by a qualified appraiser.

c. Recognize depreciation on movable equipment acquired as an ongoing operation after August 1, 1995, over a composite remaining useful life.

d. Provide for an interest expense limitation determined by the department and established by rule.

e. Establish a per bed property cost limitation considering single and double occupancy construction.

f. Recognize increased lease costs of a nursing home operator to the extent the lessor has incurred increased costs related to the ownership of the facility, the increased costs are charged to the lessee, and the increased costs would be allowable had they been incurred directly by the lessee.

g. Recognize any mandated costs, fees, or other moneys paid to the attorney general through transactions under sections 10-33-144 through 10-33-149.

2. For rate years beginning after December 31, 2003, the limitations of paragraph 3 of subdivision a of subsection 1 do not apply to the valuation basis of assets purchased between July 1, 1985, and July 1, 2000. The provisions of this subsection may not be applied retroactively to any rate year before July 1, 2005.

3. For rate years beginning after December 31, 2007, the limitations of paragraph 3(e) do not apply to the valuation basis of assets acquired as a result of a natural disaster prior to December 31, 2006. The provisions of this subsection may not be applied retroactively to any rate year before January 1, 2008.

428463-v1

IMPACT OF PROPERTY LIMITATION
WOODSIDE VILLAGE, GRAND FORKS, ND

Woodside Village was constructed after the flood to replace the Almonte Living Center. Due to the post-flood environment in Grand Forks, the cost of construction exceeded the per bed property limit imposed on building and fixed equipment costs. This has resulted in significant property expenses (depreciation, amortization and interest) that have not been reimbursed (or factored into the facility's rates); approximately 16% of building and fixed equipment expenses are not allowed. Annually the non-allowed costs/lost reimbursement relating the bed limit averages in the $90,000's; and from 2000-2007 bed limit adjustments have exceeded $700,000. Over the life of the building lost reimbursement will exceed $2 million dollars.

Nursing Facility Data
Effective January 1, 2007

Provider Name	Town	Region	Licensed Capacity	Rate weight of 1
Kenmare Community Hospital	Kenmare	1	12	$176.24
Trinity Homes	Minot	1	292	$172.80
Heart of America Nursing Facility	Rugby	1	80	$167.49
Mountrail Bethel Home	Stanley	1	57	$165.45
Bottineau Good Samaritan Center	Bottineau	1	81	$162.81
Bethel Lutheran Home	Williston	1	161	$155.94
Westhope Home	Westhope	1	32	$155.83
Rock View Good Samaritan Center	Parshall	1	42	$151.83
Presentation Medical Center	Rolette	1	46	$149.48
North Central Good Samaritan Center	Mohall	1	61	$149.35
Tioga Medical Center	Tioga	1	30	$147.72
Crosby Good Samaritan Center	Crosby	1	55	$146.47
Dunseith Community Nursing Home	Dunseith	1	42	$140.18
Souris Valley Care Center	Velva	1	50	$138.66
Manorcare Health Service	Minot	1	106	$128.26
Northwood Deaconess Health Center	Northwood	2	77	$181.18
Woodside Village	Grand Forks	2	118	$179.35
Lutheran Sunset Home	Grafton	2	104	$169.18
Valley Eldercare Center	Grand Forks	2	164	$167.65
Heartland Care Center	Devils Lake	2	103	$164.98
Devils Lake Good Samaritan Center	Devils Lake	2	66	$164.26
Parkview Health Center	Aneta	2	39	$161.84
Towner County Medical Center	Cando	2	54	$157.86
Lutheran Home of the Good Shepherd	New Rockford	2	80	$157.74
Larimore Good Samaritan Center	Larimore	2	45	$153.05
Wedgewood Manor	Cavalier	2	60	$152.64
Nelson County Health System Care Center	McVille	2	39	$149.62
Lakota Good Samaritan Nursing Home	Lakota	2	54	$146.25
Park River Good Samaritan Center	Park River	2	74	$139.92
Osnabrock Good Samaritan Center	Osnabrock	2	31	$138.79
Maple Manor Care Center	Langdon	2	63	$137.04
Pembilier Nursing Center	Walhalla	2	37	$135.48
Hill Top Home of Comfort, Inc.	Killdeer	3	50	$169.71
St. Luke's Home	Dickinson	3	84	$168.43
Southwest Healthcare Services	Bowman	3	62	$164.02
Jacobson Memorial Hospital Care Center	Elgin	3	25	$160.54
Elm Crest Manor	New Salem	3	61	$154.72
Marian Manor Healthcare Center	Glen Ullin	3	86	$154.39
Knife River Care Center	Beulah	3	85	$154.14
McKenzie County Healthcare System	Watford City	3	47	$147.46
St. Benedict's Health Center	Dickinson	3	164	$142.63
Hillcrest Care Center	Hettinger	3	82	$132.61
Mott Good Samaritan Nursing Center	Mott	3	54	$128.49
Dacotah Alpha	Mandan	4	11	$185.23
Missouri Slope Lutheran Care Center, Inc.	Bismarck	4	250	$174.35
Garrison Memorial Hospital	Garrison	4	26	$167.37
Medcenter One St. Vincent's Care Center	Bismarck	4	101	$166.20
Baptist Home	Bismarck	4	141	$165.08
St. Aloisius Medical Center	Harvey	4	106	$157.02
Medcenter One Care Center	Mandan	4	120	$152.89
Medcenter One Golden Manor	Steele	4	50	$148.84
Prairieview Home-Medcenter One	Underwood	4	60	$147.61
Benedictine Living Center of Garrison	Garrison	4	63	$147.17
Napoleon Care Center	Napoleon	4	44	$143.13
Strasburg Care Center	Strasburg	4	68	$141.88
Sheyenne Care Center	Valley City	5	16	$200.96
Central Dakota Village	Jamestown	5	100	$175.11
Cooperstown Medical Center	Cooperstown	5	52	$165.86
Hi-Acres Manor Nursing Center	Jamestown	5	142	$165.29
Wishek Home for the Aged	Wishek	5	90	$156.79
Sheyenne Care Center	Valley City	5	154	$156.24
Ashley Medical Center	Ashley	5	44	$151.44
St. Rose Care Center	LaMoure	5	46	$147.45
Golden Acres Manor	Carrington	5	60	$145.04
Prince of Peace Care Center	Ellendale	5	60	$136.41
Oakes Manor Good Samaritan Center	Oakes	5	102	$133.64
North Dakota Veterans Home	Lisbon	6	38	$176.79
Rosewood on Broadway	Fargo	6	111	$172.82
Hillsboro Medical Center	Hillsboro	6	42	$170.19
Bethany Home	Fargo	6	192	$168.39
Villa Maria Health Care	Fargo	6	138	$161.10
Luther Memorial Home	Mayville	6	99	$159.70
Elim Home	Fargo	6	136	$159.67
Tri-County Nursing Home	Hatton	6	55	$157.46
Maryhill Manor	Enderlin	6	54	$156.71
St. Catherine's Living Center	Wahpeton	6	110	$152.65
Arthur Good Samaritan Center	Arthur	6	47	$149.99
Parkside Lutheran Home	Lisbon	6	40	$146.97
St. Gerard's Nursing Home	Hankinson	6	37	$146.57
Manorcare Health Services	Fargo	6	109	$138.78
Four Seasons Health Care Center, Inc.	Forman	6	35	$131.02
TOTAL			6,304	$159.96

Nursing Facility

Occupancy for cost report year June 30, 2006

Facility	City	Licensed Capacity	Census 6/30/06	Medicaid	Occupancy Percentage	Medicaid Percent of Occupancy	Region
Dunseith Community Nursing Home	Dunseith	42	12,422	11,694	81.0%	94.1%	1
Rock View Good Samaritan Center	Parshall	42	12,507	8,544	81.6%	68.3%	1
Presentation Care Center	Rolette	46	13,913	11,420	82.9%	82.1%	1
Souris Valley Care Center	Velva	50	16,456	10,200	90.2%	62.0%	1
Crosby Good Samaritan Center	Crosby	55	18,331	7,989	91.3%	43.6%	1
Heart of America Nursing Facility	Rugby	80	27,031	16,408	92.6%	60.7%	1
Trinity Nursing Home	Minot	292	99,429	62,666	93.3%	63.0%	1
Bethel Lutheran Home	Williston	161	54,993	29,223	93.6%	53.1%	1
North Central Good Samaritan Center	Mohall	61	21,628	11,189	97.1%	51.7%	1
Manor Care Health Services Minot	Minot	106	37,612	10,793	97.2%	28.7%	1
Bottineau Good Samaritan Center	Bottineau	81	28,904	18,604	97.8%	64.4%	1
Mountrail Bethel Home	Stanley	57	20,495	12,604	98.5%	61.5%	1
Tioga Medical Center	Tioga	30	10,820	4,334	98.8%	40.1%	1
Westhope Home	Westhope	32	11,602	6,556	99.3%	56.5%	1
Kenmare Community Nursing Facility	Kenmare	12	4,370	3,606	99.8%	82.5%	1
Region 1 Total		*1,147*	*390,513*	*225,830*	*93.3%*	*57.8%*	
Osnabrock Good Samaritan Center	Osnabrock	31	6,883	3,089	60.8%	44.9%	2
Aneta Parkview Health Center	Aneta	39	11,782	7,414	82.8%	62.9%	2
Friendship Healthcare Center	McVille	39	12,097	6,044	85.0%	50.0%	2
Wedgewood Manor	Cavalier	60	19,311	10,438	88.2%	54.1%	2
Lake Region Lutheran Home	Devils Lake	103	33,488	18,289	89.1%	54.6%	2
Park River Good Samaritan Center	Park River	74	24,137	13,684	89.4%	56.7%	2
Northwood Deaconess Home	Northwood	77	25,181	14,204	89.6%	56.4%	2
Devils Lake Good Samaritan Center	Devils Lake	66	21,588	13,734	89.6%	63.6%	2
Pembilier Nursing Center	Walhalla	37	12,180	7,644	90.2%	62.8%	2
Lutheran Sunset Home	Grafton	104	34,277	18,185	90.3%	53.1%	2
Lakota Good Samaritan Center	Lakota	54	17,818	9,003	90.4%	50.5%	2
Larimore Good Samaritan Center	Larimore	45	14,963	7,578	91.1%	50.6%	2
Resthaven Healthcare Center, Inc.	Cando	54	18,399	11,453	93.3%	62.2%	2
Valley Eldercare Center Med Park	Grand Forks	164	57,778	32,032	96.5%	55.4%	2
Maple Manor Nursing Home	Langdon	63	22,233	8,427	96.7%	37.9%	2
Lutheran Home of the Good Shepherd	New Rockford	80	28,442	20,422	97.4%	71.8%	2
Woodside Village	Grand Forks	118	42,649	24,027	99.0%	56.3%	2
Region 2 Total		*1,208*	*403,206*	*225,667*	*91.4%*	*56.0%*	
Hillcrest Care Center	Hettinger	82	22,113	10,413	73.9%	47.1%	3
Jacobson Mem. Hospital Care Center	Elgin	25	8,115	4,022	88.9%	49.6%	3
St. Luke's Home	Dickinson	84	28,600	17,676	93.3%	61.8%	3
Mott Good Samaritan Nursing Center	Mott	54	18,661	10,585	94.7%	56.7%	3
Hill Top Home of Comfort, Inc.	Killdeer	50	17,295	11,924	94.8%	68.9%	3
Sunset Care Corporation	Bowman	62	21,732	11,605	96.0%	53.4%	3
St Benedicts	Dickinson	164	57,505	39,380	96.1%	68.5%	3
Marian Manor Nursing Home	Glen Ullin	86	30,382	17,247	96.8%	56.8%	3
Knife River Care Center	Beulah	85	30,234	17,768	97.5%	58.8%	3
Good Shepherd Home	Watford City	47	16,959	7,067	98.9%	41.7%	3
Elm Crest Manor	New Salem	61	22,028	15,001	98.9%	68.1%	3
Region 3 Total		*800*	*273,624*	*162,688*	*93.7%*	*59.5%*	
Dacotah Alpha	Mandan	11	3,704	3,042	92.3%	82.1%	4
Strasburg Nursing Home	Strasburg	68	23,396	15,329	94.3%	65.5%	4
Napoleon Care Center	Napoleon	44	15,203	9,854	94.7%	64.8%	4
Benedictine Living Center Garrison	Garrison	63	22,013	14,041	95.7%	63.8%	4
St. Aloisius Nursing Home	Harvey	106	37,994	25,091	98.2%	66.0%	4
Prairieview Home	Underwood	60	21,674	13,870	99.0%	64.0%	4
Baptist Home	Bismarck	141	50,943	34,474	99.0%	67.7%	4
Golden Manor Inc.	Steele	50	18,086	12,296	99.1%	68.0%	4
Medcenter One Care Center	Mandan	120	43,466	29,421	99.2%	67.7%	4
Garrison Memorial Hospital	Garrison	26	9,458	6,815	99.7%	72.1%	4
St. Vincent's Nursing Home	Bismarck	101	36,765	28,260	99.7%	76.9%	4
Missouri Slope Lutheran Care Center	Bismarck	250	91,037	53,831	99.8%	59.1%	4
Region 4 Total		*1,040*	*373,739*	*246,324*	*98.5%*	*65.9%*	
LaMoure Healthcare Manor	LaMoure	46	14,639	8,289	87.2%	56.6%	5
Prince of Peace Ellendale	Ellendale	60	19,556	11,608	89.3%	59.4%	5
Hi-Acres Manor Nursing Center	Jamestown	142	48,240	28,844	93.1%	59.8%	5
Wishek Home for the Aged	Wishek	90	30,624	17,917	93.2%	58.5%	5
Central Dakota Village	Jamestown	100	34,640	21,652	94.9%	62.5%	5
Sheyenne Care Center	Valley City	170	59,129	38,316	95.3%	64.8%	5
Oakes Good Samaritan Center	Oakes	102	35,486	21,226	95.3%	59.8%	5
Ashley Medical Center	Ashley	44	15,323	8,824	95.4%	57.6%	5
Golden Acres Manor	Carrington	60	21,513	11,743	98.2%	54.6%	5
Griggs County Nursing Home	Cooperstown	52	18,765	9,442	98.9%	50.3%	5
Region 5 Total		*866*	*297,915*	*177,861*	*94.3%*	*59.7%*	
Tri-County Retirement & Nursing Home	Hatton	55	16,284	8,822	81.1%	54.2%	6
St. Catherines Health Care Center	Wahpeton	110	35,091	17,312	87.4%	49.3%	6
Luther Memorial Home	Mayville	99	31,961	17,606	88.4%	55.1%	6
Sargent Manor Health Care Center	Forman	35	11,421	5,595	89.4%	49.0%	6
Arthur Good Samaritan	Arthur	47	16,167	8,206	94.2%	50.8%	6
Manor Care Health Services Fargo	Fargo	109	37,950	18,161	95.4%	47.9%	6
Elim Home	Fargo	136	47,842	26,538	96.4%	55.5%	6
North Dakota Veterans Home	Lisbon	38	13,414	7,162	96.7%	53.4%	6
Villa Maria	Fargo	138	48,722	30,236	96.7%	62.1%	6
St. Gerards Nursing Home	Hankinson	37	13,136	8,126	97.3%	61.9%	6
Community Nursing Home	Hillsboro	42	14,938	5,509	97.4%	36.9%	6
Enderlin Hillcrest Manor	Enderlin	54	19,290	13,068	97.9%	67.7%	6
Rosewood on Broadway	Fargo	111	40,091	21,876	99.0%	54.6%	6
Parkside Lutheran Home	Lisbon	40	14,467	9,169	99.1%	63.4%	6
Bethany Home	Fargo	192	69,523	35,073	99.2%	50.4%	6
Region 6 Total		*1,243*	*430,297*	*232,459*	*94.8%*	*54.0%*	
Statewide Total		*6,304*	*2,169,294*	*1,270,829*	*94.3%*	*58.6%*	

Testimony
Senate Bill 2012 – Department of Human Services
Aging Services Budget
Human Resources Division
House Appropriations Committee
February 27, 2007

Chairman Pollert and members of the committee, my name is Brian Arett. I am the executive Director of Fargo Senior Services and a representative of the 26 agencies that are members of the North Dakota Senior Service Providers (NDSSP) that provide Older American Act Services to the senior population of this state. I am here to testify in support of the Aging Services Budget, in particular the $280,000 increase proposed for State Funds to Providers of Older Americans Act Services.

Older Americans Act services such as Home Delivered and Congregate Meals, Outreach, Health and Senior Companion services are an important part of the continuum of care that helps our seniors to remain in their homes for as late in life as possible. In Federal Fiscal Year (FFY) 2006 services were provided to 30,819 older persons, an increase of 1,442 clients over the 29,377 unduplicated persons served in FFY 2005. You have heard previously from members of the Department of Human Services about the projected growth in the numbers of older people in the state in the next 15-20 years. This increase in the number of seniors in our state will certainly lead to further growth in the demand for the services we provide.

At the beginning of 2006, the Department of Human Services held Stakeholder Meetings throughout the state. The Executive Summary distributed by the department following these meetings highlighted a number of common themes and concerns expressed at the meetings. Senior Funding (Older Americans Act Funding) NOT keeping up with local needs for meals and outreach services was the third highest issue/concern raised out of a list of more than one hundred different concerns.

The member agencies of the NDSSP are the organizations providing services to older people in the most rural parts of our state. Meal services are provided in 198 communities of all sizes in all corners of the state. Thirty-one percent of our service sites (61 communities) are in towns with total populations of 200 people or less. In 59 of the communities served, the meals are provided through a contract with a local restaurant, nursing home or hospital.

Both Brenda Weisz and Linda Wright of the Department of Human Services have previously discussed the $280,000 increase contained in the budget for State Funds to Providers. To our knowledge, this budget represents the first increase in this funding source in the history of this program.

I have talked about services statewide. I would like to talk a little about the services provided by Fargo Senior Services. We serve 6 counties and 33 communities in Region 5. In 13 of these communities we contract with a local restaurant for meal services. Our agency has 25 full time and 65 part time employees with a total annual payroll of $1.4 million. We spend just under $1 million annually on food purchased from wholesale vendors and restaurants.

The increase being requested in the DHS budget will help us to keep up with the inflationary increases we are experiencing in these two areas. In particular, it will help us to maintain an adequate reimbursement rate for the many rural restaurants we work with. I know I speak on behalf of my colleagues throughout the state in highlighting this area.

We ask for your support for the $280,000 increase in State Funds to Providers contained in the Aging Services Budget in SB 2012. A list of the agencies that are members of the North Dakota Senior Services Providers is attached.

Thank you for your time. I would be happy to answer any questions you might have.

Organizations that are members of North Dakota Senior Service Providers:

1. Williston/Region I Senior Services
2. Minot Commission on Aging
3. Kenmare Wheels and Meals
4. Tri County Meals and Services, Rugby
5. Souris Basin Transportation, Minot
6. Cavalier County Meals and Services, Langdon
7. Nutrition United, Rolla
8. Benson County Transportation, Maddock
9. Senior Meals and Services, Devils Lake
10. Walsh County Nutrition Program, Park River
11. Pembina County Meals and Services, Drayton
12. Greater Grand Forks Senior Citizens Association
13. Fargo Senior Commission
14. Dickey County Senior Citizens, Ellendale
15. James River Senior Services, Jamestown
16. South Central Adult Services, Valley City
17. Central Valley Health Unit, Jamestown
18. West River Transportation, Bismarck
19. Mandan Golden Age Services
20. Burleigh County Senior Adults, Bismarck
21. Kidder/Emmons Senior Services, Steele
22. Mercer McLean Counties Commission on Aging, Hazen
23. Elder Care, Dickinson
24. Southwest District Health Unit, Dickinson
25. Southwest Transportation, Bowman
26. Legal Assistance of North Dakota, Bismarck

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert Chairman
February 28, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Holly Mawby, Director of the Northeast Workforce Training Partnership. I am writing to provide testimony in regards to the Aging Services Division budget.

The Northeast Workforce Training Partnership has worked under contract with the Division of Aging Services to deliver a training program for Qualified Service Providers since 2001. This program is delivered statewide with the aid of 62 Registered Nurses as trainers. To date, the program has provided training to 263 care givers in 57 different locations. Some of the training locations, such as Tuttle, Oakes, Moffit, Forbes, and Grenora are rural areas where no other source of training is available. This program is vitally important for the people in those rural areas who wish to stay in their homes but need additional care or assistance to do so.

The intent of Qualified Service Provider Program is to: provide training at the location where training is needed, to ensure the care givers have mastered and can demonstrate the skills necessary to care for individuals in their homes, to provide a standard of quality of care, and to deliver the training on a one-to-one, face-to-face basis to ensure the highest level of learning.

As rural areas struggle with declining health care services, it is more important than ever that quality in home care be available. Before this program, no comprehensive training or monitoring of skills was available statewide. Training for in home care providers was sporadic and training locations were geographically challenging. This program, utilizing experienced, skilled, Registered Nurses who have completed the Partnerships' Train the Trainer course as faculty, requires that care providers demonstrate the necessary skills before being listed as a Qualified Service Provider with the Division of Aging Services.

Without Qualified Service Providers, many more elderly or disabled North Dakotans would be forced out of their independence and into resident care. Available resident care is often not in their community of choice, where they have friends, family, and civic ties. The Qualified Service Provider training program offers them the chance to receive quality care and remain in their homes and home communities.

The current budget for the Qualified Service Provider Program of $30,000 coupled with $11,000 from Minot State University has already been expended. Additional funding of $10,000 from SPED funding will allow the training program to continue to meet demand for the remainder of the current biennium. I urge you to continue the funding for this program at the level of $40,000 per biennium. Clearly the need and the positive outcomes of this program have been witnessed in its successes since 2001.

Respectfully Submitted,
Holly Rose Mawby
Director, Northeast Workforce Training Partnership
Lake Region State College, Devils Lake, ND

Senate Appropriations Committee
SB 2012
January 10, 2007

AARP Vision Statement: A society in which everyone ages with dignity and purpose, and in which AARP helps people fulfill their goals and dreams.

Independence, Dignity, and Choice

Linda Johnson Wurtz
Associate State Director for Advocacy
AARP North Dakota, membership 79,600

While North Dakotans express their preference for aging at home as long as possible, our proposed budget does not support that goal.

- Our members and other North Dakotans prefer to live in their homes as long as possible. (Attachment A)

- Proposed budget reductions to Service Payments for the Elderly and Disabled (SPED) (Attachment B) North Dakota's primary funding mechanism for in-home care.

- Increased physical eligibility for SPED to include one ADL to further limit the number of people using the program.

North Dakota is losing those individuals who provide in-home care.

- Qualified Service Providers (QSP) In 2003, North Dakota had over 2400. At last count, there were approximately 1500.

- The average reimbursement for an independent QSP is about $8 an hour.

- AARP North Dakota is advocating for reimbursing independent QSPs at a minimum of $13 an hour. (Attachment C)

- Increased home and community-based services work well in other states.

    - Early in-home or community care helps keep people who are older or have encountered a disability stay healthier longer.
    - Cost-effective, alternative forms of care helps individuals use their own resources longer, delaying or perhaps eliminating the need for public funding.

AARP North Dakota requests changes to the proposed budget.

- Redirect unused long-term care dollars to enhancement of home and community-based services.
- Minimum reimbursement for independent QSPs at equivalent of $13 per hour.

Thank you for your consideration.

Timeline of North Dakota Continuum of Care Reports

1987	Long Term Care: Issues and Recommendations, 1987 ND Interagency Task Force on Long Term Care
1996	Report of the Task Force on Long term Care Planning 1996
1998	Report of the Task Force on Long term Care Planning 1998
2000	Report of the Task Force on Long term Care Planning 2000
	White Paper: Olmstead Workgroup November 6, 2000
	Report of the ND Governor's Task Force on Long term Care Planning Expanded Case Management, June 30, 2000
2002	Needs Assessment of Long Term Care, North Dakota: 2002, Initial Report & Policy Recommendations, November 2002
	Cost Containment Alternatives for ND Medicaid, November 1, 2002
2003	Informal Caregivers: 2002 Outreach Survey, 2003
	Community of Care Baseline Survey, 2003
	National Family Caregiver Support Program: ND American Indian Caregivers, June 2003
2004	2004 AARP ND Member Survey: Support Services, June 2004
	Senate Bill 2330 Workgroup Final Report, December 2004
2005	Community of Care Olmstead Grant, August 2003 - 2005 Final Report
	Final Report Real Choice Systems Change Grant Cultural Model, May 2005-2006
2006	Home and Community Based Services Planning Project Survey Results, June
	North Dakota Real Choice Systems Change Grant-Rebalancing Initiative: Focus Groups and Personal Interviews- Research Report One, June 2006
	North Dakota Real Choice Systems Change Grant-Rebalancing Initiative: Hospital Discharge Planner Questionnaire – Research Report Two, August 2006
	Resident and Family Satisfaction Survey Summary, prepared for the ND Long Term Care Association, 2006
	North Dakota Real Choice Systems Change Grant- Rebalancing Initiative: North Dakota Consumers of Continuum of Care Services Questionnaire – Research Report Three, December 2006
	Final Olmstead Plan and Recommendations **(Pending)**

Department [illegible] Services
Summary of the Long Term Ca[illegible]umn with Funding Sources
2007-200[illegible] Budget

Program	Fund	2003-2005 Expenditures	Current Budget 2005-2007	Total Budget Changes	Request to OMB 2007-2009	Changes Made by OMB		2007-2009 Budget "To Senate"	Optional Adjustment Request *Expansion / Enhancement***	Optional Adjustment · Request *Provider Requested Enhancements****
						3% Inflation	$0.60 Hourly Increase/ and Nursing Home Bldg Limits			
Nursing Homes	**Budget**	**$308,262,033**	**$343,013,040**	**$25,246,293**	**$368,259,333**	**$9,652,045**	**$543,998**	**$378,455,376**		
	General	$94,300,780	$120,807,641	$11,877,528	$132,685,169	$3,479,535	$195,948	$136,360,652		
	Special	$213,961,253	$222,205,399	$13,368,765	$235,574,164	$6,172,510	$348,050	$242,094,724	$0	$0
Basic Care	**Budget**	**$10,892,535**	**$13,301,971**	**$777,848**	**$14,079,819**	**$321,427**		**$14,401,246**		
	General	$2,482,192	$5,374,918	$721,551	$6,096,469	$226,903		$6,323,372		
Includes Personal Care & Room & Board Portions	Special	$8,410,343	$7,927,053	$56,297	$7,983,350	$94,524	$0	$8,077,874	$0	$0
SPED	**Budget**	**$11,665,339**	**$13,021,263**	**($4,308,171)**	**$8,713,092**	**$388,426**		**$9,101,518**	**$433,508**	**$2,978,231**
	General	$10,856,366	$12,015,332	($3,737,896)	$8,277,436	$369,009		$8,646,445	$416,539	$2,829,321
	Special	$808,973	$1,005,931	($570,275)	$435,656	$19,417	$0	$455,073	$16,969	$148,910
Expanded SPED	**Budget**	**$1,041,091**	**$838,037**	**($199,061)**	**$638,976**	**$29,016**		**$667,992**		**$329,184**
	General	$1,041,091	$823,837	($184,861)	$638,976	$29,016		$667,992		$329,184
	Special	$0	$14,200	($14,200)	$0	$0	$0	$0	$0	$0
Waiver - TBI	**Budget**	**$1,633,486**	**$2,865,642**	**($1,167,698)**	**$1,697,944**	**$50,937**		**$1,748,881**		
	General	$499,081	$1,008,021	($396,203)	$611,818	$18,349		$630,167		
	Special	$1,134,405	$1,857,621	($771,495)	$1,086,126	$32,588	$0	$1,118,714	$0	$0
Waiver - Aged & Disabled	**Budget**	**$11,150,411**	**$3,399,903**	**$1,461,442**	**$4,861,345**	**$145,834**		**$5,007,179**	**$144,530**	**$1,984,797**
	General	$3,400,182	$1,161,726	$589,958	$1,751,684	$5,391		$1,757,075	$51,645	$724,324
	Special	$7,750,229	$2,238,177	$871,484	$3,109,661	$140,443	$0	$3,250,104	$92,885	$1,260,473
Targeted Case Management	**Budget**	**$604,516**	**$2,064,693**	**($1,198,128)**	**$866,565**	**$26,037**		**$892,602**		
	General	$188,405	$725,191	($412,950)	$312,241	$9,391		$321,632		
	Special	$416,111	$1,339,502	($785,178)	$554,324	$16,646	$0	$570,970	$0	$0
Personal Care Services	**Budget**	**$367,651**	**$15,508,384**	**$3,285,251**	**$18,793,635**	**$563,733**		**$19,357,368**		**$353,979**
	General	$119,523	$5,446,358	$1,325,202	$6,771,560	$203,116		$6,974,676		$129,161
	Special	$248,128	$10,062,026	$1,960,049	$12,022,075	$360,617	$0	$12,382,692	$0	$224,818
Developmental Disabilities	**Budget**	**$188,350,744**	**$211,379,320**	**$33,873,777**	**$245,253,097**	**$11,185,877**	**$10,689,403**	**$267,128,377**		**$29,376,554**
	General	$58,282,865	$74,552,161	$14,318,341	$88,870,502	$4,057,735	$3,884,529	$96,812,766		$10,650,802
Inlcudes $50,000 Developmental Center Transition Funds for 05-07	Special	$130,067,879	$136,827,159	$19,555,436	$156,382,595	$7,128,142	$6,804,874	$170,315,611	$0	$18,725,752
Total	**Budget**	**$533,967,806**	**$605,392,253**	**$57,771,553**	**$663,163,806**	**$22,363,332**	**$11,233,401**	**$696,760,539**	**$578,038**	**$35,022,745**
	General	$171,170,485	$221,915,185	$24,100,670	$246,015,855	$8,398,445	$4,080,477	$258,494,777	$468,184	$14,662,792
	Special	$362,797,321	$383,477,068	$33,670,883	$417,147,951	$13,964,887	$7,152,924	$438,265,762	$109,854	$20,359,953

Expansion/Enhancement

** Non-Medical Transportation	348,648
Respite Care Vacation	229,390
	578,038

Provider Requests

*** QSP Rate Increase	5,646,191
Staff Enhance, ISLA & IHS Undermet	5,030,688
$1.50 Hourly Wage Inc. DD - (remaining $.90)	16,034,080
Inc. Fringe Benefit multiplier - DD	5,003,955
Severely Medically Fragile Children	986,794
Behaviorally Challenging Children	2,321,037
	35,022,745

The power to make it better.®

House Appropriations (HR) Subcommittee
SB 2012
February 28, 2007

AARP Vision Statement: A society in which everyone ages with dignity and purpose, and in which AARP helps people fulfill their goals and dreams.

Independence, Dignity, and Choice

Our members and other North Dakotans express their preference for aging as independently as possible. (Attachment A)

Senate Concurrent Resolution 4018, adopted by the Senate: "Whereas, the public interest would best be served by a broad array of long-term care services that promote individual autonomy, dignity, and choice...." (Attachment B)

Efforts and encouragement to balance our systems of long-term care come from a variety of sources: Centers for Medicare and Medicaid, Administration on Aging, President Bush's New Freedom Initiative, and programs in every state.

Department of Human Services graphic representation of our long-term care spending. (Attachment C) Out of every dollar spent on long-term continuum, 90 cents goes to institutional care while 10 cents goes to alternative forms of care.

Senate Appropriations amendments provide appropriate reimbursements for home service providers (QSPs). Independent $3.16/ agency $4.50 plus 4% inflationary increase each year for <u>all</u> providers.

In 2003, there were 2449 QSPs registered with the department of human services. At last count there were approximately 1500.

Home service providers (QSPs) are independent contractors…self-employed individuals. They do not receive fringe benefits and pay their own Social Security, health care, mileage…and receive no vacation, sick leave, holidays, or pay for time spent on paperwork and billing. (Attachment D)

After home service providers are registered with the department of human services, the reimbursement increases only when appropriated by the legislature.

Service Payments for the Elderly and Disabled (SPED) program is a funding mechanism for in-home care. It has served as a safety net for those individuals who are not quite poor enough or sick enough to be eligible for Medicaid. Proposed budget reductions to SPED (Attachment E).

Increased physical eligibility for SPED to include one ADL which will further limit the number of people using the program.

Department of human services Quarterly Budget Insight (Attachment F) Chart on the lower left indicates "Monthly Average Cost per Person" for a snapshot comparison of our long-term care funding mechanisms.

- Early in-home or community care helps keep people who are older or have encountered a disability stay healthier longer.
- State programs help build the infrastructure. Providing cost-effective, alternative forms of care helps individuals use their own resources longer, delaying or perhaps eliminating the need for public funding.

How can we leverage in-home care to make better use of our resources?

Across the States: Profiles of Long-Term Care and Independent Living (Attachment G)

http://www.aarp.org/research/longtermcare/trends/d18763_2006_ats.html

North Dakota

#1 in percentage of 85+ population. (page 1)

#2 people age 75+ living alone (page 1)

#2 women age 75+ and live at or below poverty (page 2)

#2 residents 65+ who live in nursing homes (page 4)

#1 in percentage of Medicaid expenditures dedicated to long-term care (page 5)

#47 in percentage of long-term care Medicaid dollars spent on HCBS (page 5)

Service Payments for the Elderly and Disabled (SPED), properly funded and implemented, can move us toward greater balance in our system of long term services.

Thank you for your consideration.

Linda Johnson Wurtz, Associate State Director for Advocacy

AARP North Dakota membership: 79,700

ATTACHMENT A

North Dakota Real Choice Rebalancing Grant

Choice and Self-Directed Community Resource Delivery
for the Elderly and People with Disabilities

A Summary of Studies & Reports Related to North Dakota's Aging Population and People with Disabilities

This summary of studies and reports was developed by the North Dakota Real Choice Rebalancing Grant staff and was intended to be used as a resource guide for various Real Choice Rebalancing Grant activities.

by:

Amy B. Armstrong, Project Director
and
Kylene Kraft, Project Assistant
North Dakota Center for Persons with Disabilities
at Minot State University

January 6, 2007

This document is available in alternative formats upon request by calling: 1-800-233-1737

This summary was funded in part through the North Dakota Real Choice Systems Change Grant – Rebalancing Initiative, award #11-P-92442/8-01 from the U.S. Department of Health and Human Services Centers for Medicare and Medicaid Services received by the North Dakota Department of Human Services-Aging Services Division. This report does not necessarily represent the policy of the U.S. Department of Health and Human Services or the North Dakota Department of Human Services.

Preface

This document summarizes significant contributions of the information gathered over the last 20 years about continuum of care services (i.e. home and community based services (HCBS) and nursing facility services) in North Dakota (ND). Beginning with a summary of the *Long Term Care: Issues and Recommendations, 1987 ND Interagency Task Force on Long Term Care* report, also referred to as the *Drayton Study* and concluding with summaries of current reports written in 2006.

Following the 1987 *Drayton Study*, three North Dakota legislative interim committees (1996, 1998, and 2000) were assigned the task of also studying long term care or continuum of care services. In July 1999, the Supreme Court issued the Olmstead decision. The Supreme Court's decision in that case clearly challenges Federal, State, and Local governments to develop more opportunities for individuals with disabilities through more accessible systems of cost-effective community-based services. (Centers for Medicare and Medicaid Services website: www.cms.hhs.gov/olmstead/default.asp). The Olmstead decision interpreted Title II of the Americans with Disabilities Act (ADA) to require states to administer their services, programs, and activities in the most integrated setting appropriate to the needs of qualified individuals with disabilities. This applies to all qualified individuals with disabilities regardless of age. These services, programs, and activities include what are often called long term care services (i.e. nursing home and HCBS).

Since the Olmstead decision, many states, including ND, began to take a closer look at their systems of long term care for persons with disabilities, including those who are aging. This prompted the creation of ND's Olmstead Commission/Workgroup and its statewide public forums, and resulted in the report titled *White Paper: November 6, 2000* that gave recommendations for ND's long term care system. Since the publication of the *White Paper*, there have been several more recent studies which have looked at various components of the long term care system in ND.

The wealth of information included in this summary and in the full reports, provides a detailed picture of North Dakota's continuum of care system. This information is available to assist ND in the development, design, and implementation of a continuum of care system, its programs, and services that are provided, in the most integrated setting appropriate to the needs of qualified individuals with disabilities and provide choice and self-directed community resource delivery for the elderly and people with disabilities in ND.

Timeline of Reports

1987	Long Term Care: Issues and Recommendations, 1987 ND Interagency Task Force on Long Term Care
1996	Report of the Task Force on Long term Care Planning 1996
1998	Report of the Task Force on Long term Care Planning 1998
2000	Report of the Task Force on Long term Care Planning 2000
	White Paper: Olmstead Workgroup November 6, 2000
	Report of the ND Governor's Task Force on Long term Care Planning Expanded Case Management, June 30, 2000
2002	Needs Assessment of Long Term Care, North Dakota: 2002, Initial Report & Policy Recommendations, November 2002
	Cost Containment Alternatives for ND Medicaid, November 1, 2002
2003	Informal Caregivers: 2002 Outreach Survey, 2003
	Community of Care Baseline Survey, 2003
	National Family Caregiver Support Program: ND American Indian Caregivers, June 2003
2004	2004 AARP ND Member Survey: Support Services, June 2004
	Senate Bill 2330 Workgroup Final Report, December 2004
2005	Community of Care Olmstead Grant, August 2003 - 2005 Final Report
	Final Report Real Choice Systems Change Grant Cultural Model, May 05-06
2006	Home and Community Based Services Planning Project Survey Results, June
	North Dakota Real Choice Systems Change Grant-Rebalancing Initiative: Focus Groups and Personal Interviews- Research Report One, June 2006
	North Dakota Real Choice Systems Change Grant-Rebalancing Initiative: Hospital Discharge Planner Questionnaire – Research Report Two, August 2006
	Resident and Family Satisfaction Survey Summary, prepared for the ND Long Term Care Association, 2006
	North Dakota Real Choice Systems Change Grant- Rebalancing Initiative: North Dakota Consumers of Continuum of Care Services Questionnaire – Research Report Three, December 2006
	Final Olmstead Plan and Recommendations **(Pending)**

North Dakota Long Term Care: Issues and Recommendations, 1987

By: Interagency Task Force on Long Term Care
Targeted Population: Elderly and people with disabilities

Summary of Information

The ND Interagency Task Force on Long Term Care, which includes the Governor's Office, Department of Human Services, and Department of Health, conducted a study in Drayton, ND in 1986. This study established the need to look at the structural, functional, financial and social concerns regarding the long term care delivery system in ND and how it affects the needs of the aging population in our state. The report is not directly about the Drayton Study, but about the issues that the nation and ND is facing in regard to long term care.

The Task Force gave the following recommendations:

1. State policy be implemented to include: a) A balanced continuum of long term care services, b) The functional limitations and needs of the elderly will serve as the principal criterion for the use of long term care services or the development of additional long term care services, c) The financial and organizational structure of the long term care delivery system will be designed to assist older adults in obtaining appropriate long term care services, d) Access to appropriate long term care services for older adults will be improved through provided a central point of entry, e) Institutional services will be considered "alternative" services within the continuum of long term cares services, f) Families, as the principle caregivers to older adults, will be supported, and g) ND's certificate of need law will continue as a function of the State Health Council and the Council will make necessary changes in its review process that will further the development of a balanced continuum of long term cares services in ND.
2. Single point of entry to the system of long term care be recognized and used, and that a system of case management be established and used.
3. Federal and state dollars for long term care services be pooled in state government and dispersed on the basis of the functional needs of clients.
4. The Department of Health and DHS continue the ongoing consolidation of the inspection of care function with the certification survey for ICF/MRs.
5. Based upon the demonstrated efficiencies expected to be achieved under the ICF/MR consolidation pilot project, the task force recommends that the Department of Health and DHS consolidate the inspection of care, certification and licensure functions for all long term care facilities.
6. Consolidation of inspection of care with the certifications survey process should accompany the consolidation of authority for imposing graduated economic sanctions on those facilities that fail to meet the quality compliance standards.
7. The State Health Council, with the assistance of the Department of Health and DHS, should recommend to ND's Congressional delegation a series of changes in federal nursing requirements that would permit the state to reduce the burden of regulation for long term care facilities.
8. Passage of legislation to improve access to HCBS by a) Requiring all HCBS that are financed by the state be available in each county, b) Apply economic assistance on a sliding fee scale, c) extend eligibility standards through assessments of functional impairment rather than the likelihood of institutionalization, d) A system of case management within the communities and pre-admission assessment of all applicants for nursing home care.
9. Enact a bill that 1) Directs the DHS to develop a case-mix reimbursement system for nursing homes which will a) provide that the rates determined will be adequate to support the basic services, b) Assures that payment system will provide incentives for service to "heavy care patients", c) Require the payment system incorporate positive economic incentives for the efficient operation of nursing homes. 2) Provides that the rate of payment for the basic services required participation in the Medicaid program will apply to all residents equally.
10. The Health Department, the DHS, the Governor's Office and the Office of Management and Budget recommend an appropriated level of state funding of the health planning/certificate of need programs for the 1987-1989 biennium.

ND Report of the Task Force on Long Term Care Planning, 1996

By: ND Department of Health and ND Department of Human Services

Targeted Population: Native Americans, aging population, people with disabilities, veterans

Summary of Information

The Task Force gave the following recommendations:

1. Services inventory, distribution and alternatives
   - Service Inventory-Institutional Care: Economic incentives be established to encourage reduction of nursing facility bed capacity to 60 beds per thousand population over age 65 for all planning regions by the year 2002.
   - Hospital Swing Beds: Case management be available to all clients prior to admission to a swing bed.
   - Veterans' Service Capacity: A continuing study to quantify the veteran population in need of the services offered by the ND Veterans Home basic care facility in Lisbon and options for addressing this need.
   - Alzheimer's and Related Dementia (ARD): Existing institutional service capacity be re-focused or re-tailored to meet the needs of this population. Greater emphasis on social services may be more appropriate for clients without significant complicating medical conditions.
   - Definitions of Services and Housing Components: Consider establishing a pilot project in one planning region of ND, involving the pooling of service dollars to the maximum extent permitted by law, with innovative service delivery experiments initiated under the Alternative Services Program (NDCC 23-01-04.3).
   - Native American Long-Term Care Access: Continue studying Native American long term care needs and access to appropriate services appears to be indicated. Of particular interest is the functional relationship between various state subdivision service units and the individual reservation service systems.
   - Isolated Rural Elderly: The HCBS system can be highly effective when a QSP can be located in close proximity to the client. Because of distance between QSPs and clients, in most cases, service delivery in the very rural areas tends to be more expensive. QSPs are limited in rural areas. These factors contribute to rural elders facing relocation to access services or going without needed services. To enhance provider availability include expanding available training for QSPs, expand case management to facilitate better arrangement of services, and enhancement of reimbursement for QSPs.
   - Home and Community Based Service Provider Availability: QSPs are most frequently recruited by word of mouth by clients, family members, and other QSPs. Larger counties and agencies seem to achieve greater results in locating providers to fill the demand. Frequent turnover tends to be greater in rural areas due to over booking of QSPs resulting in burnout and lack of training opportunity.
   - Training of Qualified Service Providers: Continued study of the means of expanding service availability, including options for training additional QSPs.
   - Geropsychiatric Service Adequacy: Continued monitoring of this issue, with no further action recommended pending the completion of studies by the State Hospital.
   - Pooling of Service Reimbursement Sources: The pooling of service reimbursement payment sources. The object of such pooling is increased flexibility or portability of service payments to allow payment to flow to a broadened array of housing options. These services should be rendered pursuant to a service plan developed in an effort coordinated by a case manager and involving the client, the client's family, and the care providers (both formal and informal).
   - Payment system to ensure that appropriate incentives are developed and adequate time is available for nursing facilities to change to a different payment process.
2. Financing of long-term care
   - Nursing Facility payment Policy: In order to change the emphasis on institutional long term care, the payment system must undergo a change that will encourage nursing facilities to consider reducing the number of nursing facility beds currently in use and provide incentives to deliver alternative HCBS for the elderly and people with disabilities in our state. With the realization that any major change in the delivery system for long term care could create financial and other problems for nursing facilities. For that reason, it will be necessary to carefully plan for changes in the payment system to ensure that appropriate incentives are developed and that adequate time is available for nursing facilities to change to a different payment process.
   - Nursing Facility Bed Capacity: Current payment policy motivates nursing facilities to keep high occupancy rate in order to maximize reimbursement. This is counter-active to the goal of providing service in the least restrictive, most cost effective environment possible. If the number of nursing facility beds remains unchanged, it will be very difficult to divert funds to HCBS. Funds will need to be appropriated to maintain these beds while a t the same time try to provide additional funding for alternative service. A specific recommendation regarding the goal for reduction of current licensed bed capacity is include in the report from the Inventory, Distribution and Alternatives Committee.

ND Report of theTask Force on Long Term Care 1996 continued

- Long Term Care Insurance: Promote the purchase of long term care insurance in order to reduce reliance on the Medicaid Program for payment of long term care services. If successful, it should result in increasing the percentage of nursing facility revenues received from the insurance industry and should result in reducing the growth of Medicaid expenditures in the long term.
- Managed Care: May play a role in the delivery of long term care services that could result in the development of alternative care in a cost-efficient manner. However, due to limited experience and knowledge of the effects of managed care on long term care services, this issue must be approached cautiously and systematically.
- Transfer of Assets: It is recognized that it is prudent to plan for the orderly transition of assets, but such planning does not necessarily mean that individuals should impoverish themselves in order to qualify for a program that was originally designed to meet the needs of America's poorest citizens. The committee believes that a formalized educational effort is needed to discourage this activity.
- Spousal Impoverishment: Provisions do not apply to individuals who are receiving HCBS. This restriction may discourage married couples from choosing HCBS as an alternative to nursing facility care. In addition, this may deter individuals from returning home from a nursing facility because the spouse would lose the asset exemption and the family would no longer qualify for Medicaid coverage.

3. Case Management:
    - Case Management Definition: Amend all applicable administrative codes, policies and procedures, rules, handbooks, and other written materials to include and operationalize the revised definition of case management. Amending additional ND Century Code references to case management may also be required, based on input from legal staff.
    - Access & Standards: Statewide implementation of the expanded case management system based on the finding of the pilot project(s).
    - Client Assessment: Implementation of a uniform computerized assessment document with the ability to transfer client information to each agency involved with the client that is accepted and used by a variety of agencies.
    - Cost of Case Management: Implementation of an expanded, automated, comprehensive, case management system that would include the ability to tap or "broker" a number of funding sources to pay for clients' service needs in a cost-effective manner, in the least restrictive environment.

Report of the Task Force on Long term Care Planning, June 1998

By: ND Department of Health and Department of Human Services

Targeted Population: Residential providers, Geropsychiatric providers, Native American Long term care providers

The Task Force gave the following recommendations:

1. Basic Care Rate Equalization and Rate: Repeal basic care rate equalization.
2. Long term Care Financing and Incentives: a) Amend the definition of a private pay resident to include managed care entities as payers exempt from rate equalization, b) Consider incentives package to reduce bed capacity and provide alternative long term care to elderly, c) Study the use and effectiveness of the Senior Mill Levy match Funds as described under NDCC 57-15-56 to determine whether the program should be expanded as a means of enhancing in-home and community-based services availability.
3. Alternative Services: Enact enabling legislation that would direct the DHS and Department of Health, the long term care industry and consumer to develop the rules, policies and procedures necessary to implement the proposed changes in the current delivery system for alternative long term care service.
4. Case Management: a) Require that individuals eligible for Medicaid must, prior to entering a nursing facility or accessing other long term care services, obtain preadmission needs assessment to determine the type of services necessary to maintain each individual and what long term care alternatives, if any, could meet those care needs, b) Authorize DHS to implement a Targeted Case Management Program for the elderly and people with disabilities at risk of entering a nursing facility or needing other long term care services including the necessary general fund and federal spending authority to operate the service in the next biennium, c) Consider monitoring the results of this program to determine if the above policy should be extended to all individuals wishing to enter nursing facilities.
5. Moratorium on Nursing Facility and Basic Care Beds: a) Continue the current moratorium that prohibits an increase in the nursing facility bed capacity and basic care facility bed capacity in accordance with current law, b) Allow for an exception to the basic care facility moratorium that will permit the addition of one basic care facility specifically designed to meet the care needs of the TBI population not to exceed the greater of 10 beds or the number o available slots permitted in the waiver.
6. Pilot Projects: a) Authorize DHS to continue three approved ARD pilot projects into the 1999-2001 biennium, b) Require DHS to monitor the progress of the projects and prepare a final report for the legislature that provides conclusions and recommendations regarding the future of these pilot projects.
7. Funding Sources: Consider any restructuring of the DHS based on the ongoing study of the Department that was commissioned specifically for this purpose.
8. Swing Bed Facilities: Consider studying the swing bed process to determine if any changes are necessary in the current requirements for providing services to swing bed residents, including the need for a standard assessment process and whether any limits such as length of stay or number of available swing beds should be implemented.
9. Geropsychiatric Services: a) Consider a legislative study resolution to explore expansion of psychiatric and geropsychiatric training for general practice and family practice physicians at the UND School of Medicine, b) Provide a legislated exception to the case-mix system to allow establishment of a 14-bed geropsychiatric unit to serve clients that are elderly or physically disabled and severely mentally ill.
10. Expanded Case Management: The DHS will continue to monitor the progress of the pilot projects and prepare a final report on the results no later than June 30, 2000. Continued funding of these projects is planned to come from within the DHS budget.
11. Service Availability: A better understanding of the current services delivery system regarding private formal and voluntary informal services, as well as public and formal services including regional human service centers, county social services, service payments for elderly and disabled (SPED), expanded SPED programs, older Americans act Title III and Title IV services, and medical assistance, b) conduct the necessary assessment to determine the extent of the current and future service delivery systems for North Dakotans age 60 and older and fro persons with physical disabilities age 18 through 59 in ND.
12. Training of In-Home Care Providers: a) The DHS should coordinate with the State Board for Vocational and Technical Education to establish a statewide model curriculum of in-home care certification/competency, b) The Task Force on Long Term Care Planning should investigate the impact of a formalized in-home care training program on service availability and quality service delivery, c) In order to attract and retain in-home care providers, competitive reimbursement rates must be established. A market analysis should be commissioned to determine the financial resources needed to support the in-home care provider system.
13. Protection of Vulnerable Adults: Introduce legislation that amends the ND Century Code Chapter 50.25.3 to require implementation of the vulnerable adult protective service statute. The legislation should permit assignment within existing administrative structure with clear direction for cooperation and collaboration with other existing programs that serve adults in ND.

Report of the Task Force on Long-term Care Planning, June 2000
By: North Dakota Department of Health and North Dakota Department of Human Services
Targeted Population: Elderly and Persons with Disabilities

Summary of Information

1. Nursing Facility Rate Equalization
   - Rate equalization should be continued and funding should be consistent, fair and periodically reviewed.
2. Basic Care and Assisted Living
   - The following recommendations regarding assisted living and basic care should be implemented together: a) Retain basic care as it is currently defined and regulated. b) Require the Department of Human Services to register assisted living facilities and charge a registration fee. c) Require mandatory registration of assisted living facilities that meet the modified definition of the current definition, which would include meeting food and lodging licensing requirements under NDCC 23-09 if appropriate. d) Amend NDCC 23-09 as appropriate to allow the Department of Health to license assisted living facilities under the food and lodging regulations. e) Have the Department of Human Services receive complaints related to assisted living and forward them to the appropriate agency for investigation. f) Exclusive of units in nursing facilities, Alzheimer's (memory care or special needs) facilities and other pilot project facilities must be licensed and operated as basic care facilities.
   - Establish a rent subsidy program for assisted living. Rent should be subsidized to a maximum of $750. Thirty percent of the medically needy income level should be applied to rent when determining the rent subsidy. A maximum of $2.5 million not to exceed the amount of general fund dollars saved if the personal care option is added to the state plan and provided in basic care facilities. (See Exhibit 7 for Fiscal Impact Projections for the 2001-2003 Biennium)
   - Establish a licensing fee for basic care facilities.
   - Repeal the moratorium on basic care beds.
3. Personal Care Services
   - The State should add the Medicaid personal care service option to the State Plan.
   - Limit the personal care service option to certain provider types, such as basic care or assisted living.
4. Senior Mill Levy Match
   - The Task Force on Long Term Care Planning recognizes the importance of this funding source in the overall provision of services to the senior citizens of our state and recommends the legislature restore the Senior Mill Levy Match to a dollar-for-dollar match as included in the original appropriation.
5. Native American Long Term Care Needs
   - The unmet transportation needs of tribal elders be jointly addressed by local Tribal officials, the Department of Transportation, the Aging Service Division and Medical Services Division of the Department of Human Services, and the Regional office of the Administration on Aging.
   - The Indian Affairs Commission take the lead to facilitate development of elder councils on each reservation, to serve as a liaison to the Tribal Council and as an advocate for older persons.
   - Inter-agency communication at the local level be strengthened, and inter-agency meetings be held for the purpose of sharing information and addressing unmet needs of tribal elders.
   - Issues and needs identified as specific to either the federal government or the tribal government will be brought to their attention by the Task Force on Long Term Care Planning.
   - The Governor's Committee on Aging be expanded to include a representative from each of the Tribal Nations (possibly as a sub-group), rather than the current one representative. The role of the Governor's Committee be examined and strengthened to include greater authority in the areas of public policy and planning.
   - Public education efforts be increased, through workshops and other methods, to create greater awareness of the following: Senior Health Insurance Counseling Program; Older Americans Act outreach services; Home Extension Services; In Home and Community Based Services; Indian Health Service programs; Medicaid and Medicare; Public Health; County and Tribal Social Service programs, and others.
   - A template be developed outlining the structure and funding sources of various health services available to Tribal members. The template could be used as an educational document for higher education, the Legislature, and the public.
   - A request be sent to the Administration on Aging asking that additional resources be allocated to provide technical assistance and training to Title VI Older Americans Act service providers.
   - Diabetes Education efforts need to be coordinated among the various agencies and organizations dealing with diabetes to better serve the affected population.
   - Appropriate state agencies work with the Tribal Governments and agencies regarding a continuum of living arrangements, including tribal and public housing, assisted living and congregate living, nursing home and basic care services (including discussion on the moratorium on nursing homes) to ensure the safety, comfort, and preferences of the elders.
   - A follow-up meeting be held on each Reservation and Indian Service Area to discuss how the long-term care needs of Tribal elders, brought forward during the input meetings, have been addressed.

Report of the ND Task Force on Long Term Care, June 2000 continued

6. Care Coordination/Case Management
   - An optional Targeted Case Management service be added to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to SPED and Expanded SPED eligible recipients. (SPED – Service Payments for Elderly and Disabled)
   - Statewide funding for expanded case management.
   - As a matter of public policy, Information and Assistance/Referral should be available under case management service to older persons and persons with physical disabilities.
   - Funding from public/private resources be obtained to pay for a statewide education campaign geared to discharge health professionals, and the general public regarding service options and life planning for older persons and persons with physical disabilities. To accomplish this recommendation, a steering committee composed of the ND Long Term Care Association, ND Health Care Association, ND Department of Human Services, and the ND Health Department needs to take the lead in this education effort.
   - Core case management components for the elderly and persons with physical disabilities be consistent with the ND Department of Human Services Case Management Workgroup recommendations.
   - No formal mandatory pre-admission assessment; except for federally required pre-admission screening and resident review (PASRR). Emphasis will be placed on Information and Assistance/Referral, outreach, case management, and public education to address many of the same concerns as pre-admission assessment had previously intended to cover.
   - The Governor's Committee on Aging take the lead to facilitate agencies to coordinate and collaborate with each other in service delivery to common clients.
   - Case Management service be housed within the geographical area of the client and be provided by a neutral party who knows the core components of case management, knows the community resources and has the ability to network with those resources. A licensed social worker currently performs this function under current HCBS state statute funding sources within the County Social Service Board service delivery structure. It is recommended that this established practice continue. It is further recommended that this method be reviewed in the future.
7. Swing Bed Facilities
   - Do not mandate the use of the Minimum Data Set (MDS) by all hospitals providing swing bed services.
   - The North Dakota Long Term Care Association, the North Dakota Healthcare Association, and the Department of Health work together to provide training to hospitals with swing bed service related to federal Medicare Conditions of Participation and Quality of Care issues.
   - The swing bed occupancy survey be repeated in January 2001. If the Task Force on Long Term Care is not reconstituted, the report should go to the State Health Council.

North Dakota Department of Human Services
White Paper: Olmstead Workgroup November 6, 2000

By: ND Department of Human Services

Targeted Population: mental health, elderly, developmental disabilities, and physical disabilities

Summary of Information

An internal workgroup was formed within the DHS to review the Olmstead Decision and make recommendations on any further action. The workgroup conducted regional meetings and surveys to gather information from consumers, families, advocates, and providers. This study is broken into the following categories: Legal Background, Institutional-Based Services, Community-Based Services, Survey Results, and Recommendations.

The following are recommendations given:

1. Request to the Governor to appoint a commission to provide the North Dakota definitions inherent to the Olmstead decision and to develop a comprehensive State Plan. This commission would consist of a representative from the Governor's Office, legislators, family members, consumers, advocates, providers, and State agency heads. Federal agencies will be available for consultation as appropriate (See Appendix II – Letter of Support).
2. The Department of Human Services should schedule regular information/discussion sessions with regional stakeholders surrounding community-based services for persons with disabilities.
3. The Department of Human Services should take the lead to develop a pre-assessment screening process that must be completed prior to admission to a nursing facility. This screening process would determine care needs and identify where the services necessary to meet those needs could be obtained. This would help to ensure that persons in need of long-term care services and their families can make informed decisions regarding where they wish to obtain needed services.
4. The Department should continue to encourage and support the development of alternatives to nursing facility services.

Report of the North Dakota Governor's Task Force On Long Term Care Planning Expanded Case Management (ECM) June 30, 2000

By: Governor's Task Force on Long Term Care Planning

Targeted Population: Individuals in need of long term care services and their families

Summary of Information

ECM Pilot Projects were administered in three different areas of ND. These are the recommendations based on the findings gained during the pilot project effort of ECM.

1. Access to Services: a) For urban areas referrals from hospitals has generated the greatest single referral source to ECM. In rural areas, word of mouth and public health nursing have provided for the greatest single referral sources to ECM. Although limited numbers of contacts to ECM have actually come from the various methods tested to generate self-referrals, it has been determined critical that routine and regular 'advertising' is required to assure the general public is continuously made aware of the availability of a service like ECM for purposes of long term care service access, planning, and implementation. b) ECM service is not generally perceived to be an emergency response service delivery system. Therefore, 24-hour access to ECM can be adequately served through the availability of a voicemail system that is accessible 24 hours a day, 365 days per year. The entity providing a service like ECM will have an established procedure for routinely and regularly responding to after hours, weekend, and holiday ECM inquires. c) The concept of "one-stop" access to answers, solutions, and guidance to all your needs is currently being promoted by many different types of businesses and organizations. Through appropriate public education ECM can serve the general public as a "one-stop" FIRST contact for accessing long term care services. Critical to the success of "one-stop" concept will be the establishment of a publicly recognized entity within each community or county that people will know to contact for their long term care questions.
2. Interagency Collaboration and Coordination: The ECM pilots have concluded it is essential to the success of a service like ECM to establish formal interagency collaborative and coordination agreements. Without such agreements, it is very difficult to fully give credence to a person in need of long term care service(s), the least intrusive and most uniformly consistent access to their choices within the long-term care service delivery system.
3. Affect on Demographics of Institutional Persons: Individuals in need of long term care service(s) and their families have consistently requested the opportunity to remain in their own home and community for as long as reasonably possible. A publicly recognized service like ECM can make this a reality for a certain percentage of the population requiring long-term care service(s).
4. Screening for Every Person to Measure Nursing Home Eligibility: ECM pilot results are consistent with national studies which have concluded that very few people in the general public actually require nursing home care. However there continues to be the general public perception that all older people, who require long term care service(s) must be in a nursing home to receive such support care. It is essential that public education efforts be made to inform the general public of the availability of options to meet their long-term care needs.
5. Client Satisfaction: The overwhelming satisfaction survey results suggest strong support for a service like ECM in both the rural and urban counties.
6. Additional Persons Served: The rural ECM pilot has identified between 1 and 5 "additional persons served" during the course of their quarterly reporting periods. The urban ECM pilot has averaged between 25 and 30 "additional persons served" during their quarterly reporting periods.
7. Impact on Other Agencies in the Community: It is essential that well-established lines of communication be established with community resources. Positive reflective contact results in substantial trust and a continued service support base for persons seeking long term care services.
8. Single Computer Intake (Assessment) Instrument: The computerized ASIF document is a valuable generic tool for use in the provision of a service like ECM. The use of the ASIF instrument should continue and be improved over time based on actual use and experience by providers. It is not feasible, at this time, to expect to require all agencies/organizations of common clients to use exclusively the ASIF instrument. However, whenever and wherever possible information captured by more than one agency/organization on a common client should not have to be repeatedly captured from the client by numerous different provider representatives. This lends to the potential for considerable confusion and unnecessary repetition for the client.
9. Termination of Expanded Case Management Service: Terminations are appropriate under the following circumstances: a) upon request of the client, b) death of the client, c) after the client has entered an institutional setting and there is not probability of discharge, d) at such time when it has been concluded that the case is determined "stable" and there is no anticipation of immediate additional long term care service intervention required, and e) the client moved out of the service area.

Summary of Information

Report of the North Dakota Governor's Task Force On Long Term Care Planning Expanded Case Management June 30, 2000 (continued)

10. Initial Referral Impact on Client: The findings under this category conclude it is preferable to reach or have initial contact with the client in their home setting with a high preference that the contact is well ahead of the time when critical or crisis type intervention for long term care is required.
11. Client's Right to Self-Determination and Least Restrictive Environment: It has been well documented through the ECM pilots that it is critical for individuals to have the opportunity to learn of ALL options and choices available to them for their specific situation. In addition it is critical that each individual be allowed to make their own decision without undue influence of others. As a society, we tend to want to "over protect people", thus reducing one's ultimate preference of reasonable choice.
12. Barriers: Uniform efforts must be taken to educate the general public about the importance of planning and learning about long term care options and services in North Dakota. The education needs to start at a very young age and most certainly well before an individual or loved one faces a crisis scenario often forcing a more restrictive service delivery option than is actually required to meet the client care needs.
13. Other Report Recommendations and Considerations: a) Avenues must be sought to assure that Information & Assistance/Referral (I & A/R) Service is included in reimbursement sources for case management service or that I & A/R is a recognized "stand alone" service advertised and readily available to the general public via toll free telephone number and/or the internet. b) Public education efforts must be supported and offered regularly at strategic geographical locations throughout the state. c) Public education efforts must be supported and offered regularly at strategic geographical locations throughout the state to encourage persons with personal financial means to prepare to "invest" in planning and utilization of their resources for long term care needs.

Needs Assessment Of Long Term Care, North Dakota: 2002, Initial Report & Policy Recommendations, November 2002

By: ND State Data Center, NDSU and Center for Rural Health, UND

Targeted Population: Residents in ND aged 50 and older

Summary of Information

4 different needs assessments in regards to the issues of long term care were conducted and they include: 1) Current and Future Elderly Population, 2) Elderly Needs Profile, 3) Availability and Demand for Elderly Services, and 4) Survey of Long Term Care (LTC) Administrators. These are the recommendations based on the findings gained during the 2002 ND Needs Assessment of Long Term Care:

1. Priority needs to be given to legislative efforts in the form of program initiatives and tax incentives for HCBS. Elderly who are in greatest need for services reside in the state's rural areas and small communities. These areas lack facilities, resources, and professional staff. The communities need to be empowered to take a more active role in caregiving. Program initiatives and tax incentives that create or enhance the care of elderly in the home or through community-based efforts will reduce the demand for institutional care and, in turn, the financial burden on the state.
2. The state has a very tight labor market with very limited labor available to serve the health and caregiving needs of communities. This is especially true in the rural areas of the state. In addition, statewide wages are low compared to regional averages. Therefore, legislative action needs to be taken to elevate economic development and employee training. Specific attention should be given to youth retention programs, public-private partnerships that advance apprenticeship training, and innovative skills training for those switching careers especially in rural areas. In addition, priority should be given to support and advancement of tele-medicine and distance-service delivery systems.
3. Research indicates that significant cost savings in elderly care can be gained through enhanced support of family caregiving. In 1998, the amount of Long Term Care (LTC) provided by informal caregivers in the U.S. was estimated to have a market value of $196 billion. In contrast, cost for home health was estimated at $32 billion and the cost for nursing home care was approximately $83 billion. The savings to the state for having an effective informal care system are obvious and compelling. Therefore, the legislature should sponsor a statewide informal caregivers system. Currently, an active informal caregiving program is being facilitated through the Aging Services Division of the Department of Human Services. Legislative support of this effort along with a challenge to create an integrated system will greatly advance informal caregiving in North Dakota.
4. Elderly care costs can be reduced through increased health promotion and wellness. Therefore, the state should direct its energies and resources into enhancing such programs through education and prevention efforts.

Cost Containment Alternatives for ND Medicaid, November 1, 2002
By: David Ricks, Peterson Consulting
Targeted Purpose: Identify initiatives that can help to achieve the DHS's goal of approximately $17 million in total annual savings (approximately $6 million in state funds).

Summary of Information

ND, like most states, is facing budget difficulties because of decreased revenues and increased demand for services in the current recession. Despite many efforts to control expenditures, Medicaid costs continue to increase. The reasons for increasing costs include: 1) Increases in the number of eligible persons, 2) Increases in utilization of services, and 3) Increases in the costs of services. Some of the findings from this study include:

1. ND spends much more than most states on institutional services, especially nursing homes and institutions for the developmentally disabled.
2. Expenditures are higher partly because ND has more elderly people in its population.
3. However, elderly ND residents are also more likely to enter nursing homes than are elderly residents of other states.
4. ND also pays higher daily rates to nursing homes than other states.
5. ND spends a great deal for one state facility for the developmentally disabled.
6. Opportunities for savings included: restructuring institutional reimbursement, expanding managed care, strengthening the managed care enrollment process, and expanding alternatives to nursing home care. The savings from these actions would not be as great as those from changing institutional reimbursement.
7. Overall, the Medicaid program faces extraordinary challenges. If funding for nursing homes and ICF-MRs is to be maintained at present levels, then the savings must come from other services, and mostly cutting fees.

Informal Caregivers: 2002 Outreach Survey, May 2003
By: ND State Data Center @ NDSU
Targeted Population: Residents in ND who serve as informal caregivers
(Outreach Survey was conducted face to face and by phone)

Summary of Information

1. Broad Policy Recommendations:
   - A sustainable initiative should be established that monitors the changing demand for caregiving in the state.
   - Priority needs to be given to providing support services that will enhance the abilities of current and potential informal caregivers.
   - Significant cost savings in elder care can be gained through enhanced support of family caregiving. Therefore, public and private incentive programs should be vigorously explored. peers, services, and health care professionals easy 24-hour access
2. Research Support of Policy Initiatives:
   - Volunteer Services: The legislature should promote community-based programs that tap the professional and volunteer services of local residents to assist in elderly caregiving.
   - Equipment Stipends: The legislature should fund equipment stipends which allow elderly or caregivers to purchase equipment that facilitates independence. These stipends promote caregiving by easing its financial burden. Greater use of informal caregivers reduces the long-term care cost both to the family and to the state. In addition, subsidies such as equipment stipends will assist middle-income families who are the hardest hit financially. These families cannot afford nursing home care or home health care, nor do they qualify for Medicaid or other public health programs because their incomes are too high.
   - Distance Education: North Dakota should focus resources on advancing distance education as a way to assist rural communities in providing support services to caregivers.
   - Incentives: The legislature should fund caregiver incentive programs.
   - On-line Computer Assistance: There should be ongoing support for an on-line resource assistance website for caregiving.

Community of Care Baseline Survey: 2003

By: Richard Rathge, Director, Jordyn Nikle, and Ramona Danielson - North Dakota State Data Center - North Dakota State University

Target Population: residents of rural Cass County.

Summary of Information

This study was designed to evaluate the knowledge and attitudes pertaining to the services, funding and perceptions of community responsibility for the care of seniors and people with disabilities located in rural Cass County. Below is a summary of the findings gained during the Community of Care Baseline Survey:

1. Level of Knowledge:
   - A majority of respondents do have at least some knowledge about senior and disabled services such as housing, outreach, wellness/health promotion, ambulatory care, home care, acute care, and extended care. Knowledge of all services are higher among respondents who are older. Respondents indicate higher levels of knowledge about housing, outreach, and funding options if they care for a disabled person or a senior.
   - Respondents who indicate no concern for their long-term care were more likely to indicate no current knowledge about the services of outreach, wellness/health promotion, ambulatory care, and acute care.
   - However, 40 percent of respondents have no current knowledge about funding options for services for seniors and disabled persons.
   - The top four funding options the majority of respondents perceive as important for most senior and disabled services are government aid, private assets, insurance, and social services.
   - At least one in five respondents are unsure whether acute care, ambulatory care, outreach, and wellness/health promotion services are available in rural Cass County.
   - More than three-fourths of respondents consider services offered in urban Cass County, namely Fargo and West Fargo, as feasible and convenient.
2. Perceptions of Care:
   - Nearly two-thirds of respondents are concerned about the long-term care of family and friends. On a scale of one to five, with five being "very concerned," the average level of concern respondents have about the long-term care of others is 3.79, indicating much concern. Respondents indicate less concern about their own long-term care with a mean of 3.10, which still suggests a moderate amount of concern.
   - The majority of respondents who are concerned for the long-term care of others are between the ages of 20 to 69 years of age. The majority of respondents with an income of less than $20,000 indicate they are not concerned about others' long-term care.
   - Concerning their own long-term care, respondents are less likely to be concerned if they are between the ages of 20 to 29, while those 50 to 79 indicate higher concern.
   - More than half of respondents indicate that when the time comes they would like their long-term care needs to be met by professional home care. One in five respondents also prefers an informal means of caregiving. Approximately16 percent indicate a nursing home.
   - Forty percent of respondents indicate ensuring access to services for seniors and disabled persons to be a community responsibility, one-third believe it to be a private responsibility, and one in five respondents perceives it to be both.
   - Approximately 71 percent of respondents perceive that rural communities in their area are at least somewhat willing to embrace a shared responsibility concept of senior and disabled care.
3. Characteristics of Rural Residents:
   - Approximately 83 percent of respondents spend some time participating in community activities. One in five spends 11 hours or more each month. Of those who do not participate, almost half of respondents indicate an annual household income of less than $20,000.
   - Nearly two-thirds of respondents indicate they have lived in rural Cass County for more than 15years, and 85 percent say they do not plan to move out of rural Cass County in the next five years.
   - Thirteen percent of respondents care for a senior or disabled person and 41 percent are responsible for a child under the age of 18.One-third of respondents report an annual household income between $30,001 and $60,000.
   - One-fourth of respondents did not report their income. Income varied by respondents' age, with those 30to 59 years of age indicating a household income of more than $40,000 per year. One-third of respondents 60 years of age and older indicate less than $20,000 per year.
   - Respondents are fairly evenly distributed by age. Half of respondents are 50 years or older and half are younger than 50 years of age.
   - Two-thirds of respondents are female.

National Family Caregiver Support Program: ND American Indian Caregivers, June 2003

By: Center for Rural Health, UND School of Medicine & Health Services

Targeted Population: Five reservations in ND, caregivers from the ND American Indian Population

Summary of Information

The following is a summary of finding as a result from North Dakota Native Americans as informal caregivers (those who serve as informal caregivers to individuals 60 years of age or older) survey.

1. Characteristics of Caregivers:
   - 25% retired
   - 33% work full-time
   - 69% female
   - 61% married
2. Intensity of Care:
   - The intensity of care is relatively low because of the age of the American Indian elders
   - Care is of short duration but is very time consuming.
3. Caregiver burden:
   - Low sense of burden – 13 items all scored below 2.0 on a 5 point scale where 5 indicated serious difficulty.
   - Highest concern reflected conflict between a sense of duty to provide care and accepting help.
   - Conclusion- Burden is not a major problem
4. Support from other caregivers:
   - 41% of the American Indian respondents had other caregivers compared to 51 % in the general population.
   - The cultural value of familism on reservations appears to assure informal care when needed, but does not extend to supporting the caregivers, especially for grandparent caregivers.
5. Availability of formal services
   - For Recipient of Care: a) Almost all services are less available to Indian elders than to the general population. b) Over half of the services were available to less than 50% of the Indian respondents.
   - For Caregivers: a) Caregiver education is more readily available to reservation respondents than others, but recall that informal care is the main local option. b) Respite care is less available. c) Information about services and assistance in accessing services were low reflecting the low volume of services locally available.
6. What they want- top priorities.
   - For recipients: a) visiting nurses, b) homemaker services, and c) outreach
   - For Caregivers: a) information, b) Caregiver training, and c) assistance in accessing services.
7. Use of Available Services.
   - Recipient Services: a) when services were available, Indian caregivers used them at high rates.
   - Caregiver Services: a) A1 ratings were at the positive end of a 5 point rating scale and b) Services were not rated as highly by American Indian caregivers when compared to the general population.
8. Services caregivers provide
   - They do it all! Especially socio-emotional support, household tasks and transportation
   - Legal assistance and help getting other family involved were lowest
9. Most valued information
   - Information generally was less valued by ND's American Indian respondents and services not locally available.
   - Top Categories: a) Information about conditions, b) Counseling/support programs, c) Financial support, and d) assistance in dealing with agencies.
10. The Impact on caregivers
    - Relatively low impacts were observed among American Indian caregivers, probably as a result of the relatively young ages of the caregivers and recipients.
    - Dementia is less of a problem in this population.
    - Work conflicts are the most common impacts.

2004 AARP ND Member Survey: Support Services, June 2004

By: David Cicero

Targeted Population: ND AARP members

Summary of Information

The purpose of the survey was to gather information from members regarding their personal concerns, views of AARP's role and activities at the state level, opinions of ND legislative issues, ideas concerning Social Security and unemployment benefits, and experiences with support services.

- 4 in 10 ND members have used support services or a family member or friend who has in the past 5 years.
- Of these, half lived at home while receiving visits from health professionals and the other half lived in a nursing home.
- 1 out of 7 indicated it is not easy to find needed support services.
- Information about personal care services was received from Health and Human Services and Senior Service providers.
- Half of the members are extremely concerned with having choices in long term care.
- More than 3 out of 4 members think it is very important to provide funding to make support services widely available, even if it means increasing taxes.

Summary of Information

1. Identify specific barriers to nursing homes providing home and community based services and pursue demonstration grants to eliminate the barriers. Action Steps:
   a) #1 barrier is an adequate payment system for individuals and agencies. The cost of providing services out of a facility is prohibitive for the current rate of reimbursement. b) Pilot projects to promote nursing facilities to expand their Mission to serve and care for individuals in need of support and health services wishing to remain at home are proposed as a joint effort between the North Dakota Long Term Care Association and the Department of Human Services. Pilot project concepts have been submitted by 3 facilities. A funding source for the pilot projects is being explored. c) The Department of Human Services/Aging Services Division, North Dakota Long Term Care Association, and North Dakota Association for Home Care should meet to further clarify whether home care health services are available statewide, or whether new providers would create duplication.
2. Identify legal barriers to "the money following the client". Action Steps: a) SB 2330 states "The individuals medical assistance funds must. Follow the individuals for whichever service option the individual selects". Because nursing home rates are set based on costs, a client moving out of a nursing home does not necessarily mean a savings has occurred and funds are available to be transferred. If there isn't a direct reduction to the nursing facility's costs (property costs, staff, etc?), when a resident moves out of the nursing home, the costs are included when calculating future rates for the nursing home and passed on to other residents through increased rates. b) The growth of the budget for institutional care could potentially be curbed through enhancement of home and community based services.
3. Explore the pros and cons of submitting an 1115 or 1915 Independence Plus Medicaid Waiver or modifying existing waivers and the experiences of other states. Research the needs of special population groups; who are underserved or unserved. (examples: younger persons not fitting aged & disabled waiver; T.B.I.;D.D. but not M.R.; behavioral issues; Native Americans. Action Steps
   a) Have developed a research document that will be distributed to Various social services types of agencies. The response was minimal.
   b) The Aging Services Division has researched Medicaid Waivers in other states and solicited input from agencies and individuals regarding a "Dream Waiver". Expansion of Waivers in North Dakota will be pursued and may focus on the following:
      - Limited funding for transitioning from institutional to in-home;
      - Include QSP rate increase and broaden the labor pool;
      - Single Entry Point integration
      - Consumer Choice and Consumer Direction
      - Service availability 24/7 with right to case mix
      - Socialization or therapeutic recreation services
      - Review of Robin's list of other State's Waivered services & include if applicable
   c) Develop a system that allows for a medical/social mix of services for persons with complex medical need;
   d) Review the Nurse Practice Act (to allow greater access to medication administration, similar to DD) while considering consumer safety and provider reimbursement. Review Nurse Delegation. In process of review by a subgroup of the SB2330 work group.
   e) Review the $2400 (current) cap on the Medicaid Waiver,
   f) Involve stakeholders in the expansion of the Waivers while considering mutual planning between various groups to evaluate group composition and avoid duplication of representation when the reviewing changes or when applying for waivers.
   g) Communicate with the Olmstead Commission
4. Pursue funding through the Real Choice Systems Change grants and New Freedom Initiative grant opportunities. Action steps:
   a) A grant for $323,067 for a Real Systems Change Grant: "Money Follows the Person, Rebalancing Initiative" in July 2003. The request was not funded. There were 146 proposals submitted and 9 requests were funded. In the request for proposals that were released by CMS in 2004, this category was not listed, therefore no proposal was developed. A weekly Internet search was made to review for federal grants available for this purpose. To date, none has been found.
   b) A second grant application for a Real Choice Systems Change Grant Rebalancing Initiative was submitted to CMS in July, 2004. The grant was funded by CMS in the amount of $315,000 for a 3 year time period beginning 9/30/2004. The grant application was a partnership between AARP, DHS, and the North Dakota Disabilities Advocacy Consortium.
5. Develop a prototype for counties to organize "Aging Services Coordinating Committees" Action steps:
   Cass County has had two meetings. Various agencies discussed their roles, shared plans, brain stormed about strategic planning, and did work in smaller groups. Bottineau County had 32 agencies appear for their initial meeting. The respective directors are asked to report on this model.

Community of Care Olmstead Grant August 2003/2005 Final Report
By: Good Samaritan Society and North Dakota Department of Human Services
Targeted Population: Elderly and Disabled persons

Summary of Information

Major accomplishments:

Outcome Objective 1 – Facilitate access and awareness of existing formal and informal support
- o The utilization of the Resource Center by community members and presentations to local civic groups has fostered increased awareness and education of long-term care services and support.

Outcome Objective 2 – Develop new and enhance existing needed formal and informal support services.
- o New services include the Resource Center (Resource Library and Care Coordination), Volunteer Program, and Caregiver Support Program.
- o Expanded services include the Care Companion Program, the Bereavement Program and BeFriender Ministry program.
- o The development and enhancement of these services have assisted in increased access to needed services.

Outcome Objective 3 – Mobilize formal and informal organizations to work together in new and innovative ways to support needs of elderly/disabled persons in the community.
- o Community of Care has worked to increase the awareness of the needs of rural elderly/disabled people through developing and implementing a communication plan to reach a variety of audiences.
- o Community of Care has established numerous new relationships and partnerships with local health and human service providers, churches, businesses, etc. for the purpose of promoting collaboration in meeting the needs of the elderly and disabled.

Outcome Objective 4 – Integrate private and public long-term care funding.
- o Preoperational work has been done on the feasibility of either a rural PACE program or a social cooperative as potential components of a permanent community-based model of care as the intent of this objective is to further research appropriate funding mechanisms in Phase II.

Unsuccessful initiatives:
- o The case management system, as defined in the grant application, is not fully developed to the level anticipated for several reasons. First, the Steering Committee planning process identified other issues as more critical than the case management system. Second, the planning activities and other service development work required the majority of time delineated in the Olmstead grant. Third, staff understanding of care coordination has changed and matured throughout the grant process and will be fully developed in Phase II of the project.

Lessons learned:
- o The long-term care system is truly fragmented and difficult to navigate, even for professionals.
- o Home and community-based services (HCBS) and institutional based professionals seem to all operate in silos and both of these groups are unaware of the value of integrating those services and collaborating with each other.
- o Many good projects, initiatives, and/or activities are taking place through the state and region, but there is not a system in place to disseminate the information to interested parties.
- o Community members are concerned about the welfare of their senior citizens and are willing to work to improve their quality of life, but they need a local leader to organize their efforts.
- o Building community awareness and local ownership is critical to the success of a rural program.
- o Many older and disabled persons living in the community lack the information and ability to advocate for themselves, especially in times of crisis. A care management model that encompasses health care and an interdisciplinary team seems to be an effective solution to improving both the quality of care and the quality of life for the frail elderly or those with long-term health care needs.
- o The need for information on long-term care issues is great. People do not seek out information until a traumatic event has occurred. They need immediate access to current and accurate information. Individuals prefer personal assistance rather than navigating through vast amounts of information on their own.

Final Report Real Choices Systems Change Grant Cultural Model
May - June 2004

By: North Dakota Olmstead Commission

Targeted Population: American Indian Elders and Native Disabled

Summary of Information

Major accomplishments:

- Good engagement from all tribal communities.
- The project was able to secure sincere and committed involvement of service providers from all communities and the state.
- Each tribal community now has plans focused on a continuum of care for their consumers.
- Project facilitated the movement toward the formation of an elder association on the Turtle Mountain reservation.
- Awareness that the way American Indian elders and people with disabilities receive services should be different.

Unsuccessful initiatives:

Initiative 1- To Expand HCBS Case Management to Tribal Entities: The need fro reservation-based HCBS case management became evident as information was gathered through focus groups. Initial focus group findings from all 5 tribal areas became available in year one. The Steering Committee drafted a bill which was submitted to the 59th Legislative Assembly. The bill would have allowed the ND DHS to contract with the Tribal entities to fulfill HCBS, presently performed by County Social Service agencies. The bill eventually became a part of a larger State-Tribal Relations Committee.

- The State-Tribal Relations Committee is to be comprised of legislators or their designees. A citizens' committee component is to be comprised of tribal chairpersons or designees, and the director of the ND Indian Affairs Commission or designee. The State-Tribal Relations Committee will examine this issue, among others, throughout the 2005-2007 interim. While not un-successful, HB 1524 will allow for further and continued dialogue between legislators, tribal leaders, consumers and providers prior to the next legislative assembly.

Initiative 2 – To Engage Certain Groups did not materialize: Greater involvement was desired. However, timing of invitations sent county social services representatives to attend meetings was too short, and while responses were sent, few attended. The project was unable to identify a core of American Indians with disabilities to attend and participate. While there was attendance by several individuals with disabilities, the project had to rely on the Tribal Vocational Rehabilitation V1-21 directors for recommendations, and for stakeholders with disabilities feedback.

Lessons learned:

- Program literature needs to be geared to various levels of literacy, and focused on age-related needs, e.g. larger print, use of native language where appropriate, geared toward non-English speaking consumers, non use of acronyms, more culturally-specific graphic images, and use of graphics in the place of text.
- The message needs to be consistent.
- Be prepared to offer financial accommodations and other social supports to encourage attendance, such as transportation assistance or reimburse expenses to attend meetings.
- Be mindful of the schedules of the elders, when do they prefer to meet and how long can they meet.
- Gear the transmission of information toward more traditional methods of teaching older learners, e.g. use of easy to read language, more visual graphics versus text, use of observation, anecdotal information, etc.
- Support by policy makers, legislators and agencies are crucial to effect systems change.
- The support of the Governor and Tribal leadership is also crucial to effect change.
- Importance of creating opportunities to establish personal interactions and relationships between consumers and providers.
- Take into consideration community norms of experience and protocols when planning work in Native communities.
- Consumers and mid-level providers were missed in the planning. Counties came late to the dialogue and should have been engaged sooner.
- Notices for meetings and other communications needed to be more timely.
- The process facilitated greater personal interaction and cultural understanding.
- Cultural nuances became evident through interaction – such as the use of humor, ability of making light fun of each other, teasing each other, important protocol for relationship building. These may need to be identified or explained to capture their importance.
- Incorporating cultural values into meetings such as starting and ending with a prayer (usually requested of an elder) and serving of food are important social protocols.
- Small groups should choose their own spokespersons.

Final Report Real Choice Systems Change Grant Cultural Model continued

Lessons Learned about Tribal Communities: When proposing to work with Tribal Communities, it is important to:

- Recognize that each community is different and that one size does not fit all.
- Recognize that each community may be at a different stage of development with more or t less of the following resources: Human Resources, skills, intellectual property, experience and expertise and more programs and individuals within programs to support people with disabilities and the elderly; fiscal resources- i.e. funded programs from which to draw upon, i.e. Meals-On-Wheels, Elder protection teams, Community Health Representative Programs, for profit, and private-sector providers to build a continuum of care.
- Physical infrastructures, e.g. hospitals versus clinics, congregate elder facilities, assisted living centers and nursing homes within close proximity to the reservation. Some had less and some had none.
- Policy infrastructure developed, e.g. tribal regulatory laws, Elder abuse codes.

Home and Community Based Services Planning Project Survey Results, June 2006

By: Elizabeth Cunningham, North Dakota Department of Human Services

Targeted Population: Elderly and people with Disabilities

Summary of Information

Periodically, the North Dakota Department of Human Services, Medical Services Division conducts a Home and Community Based Services Planning Project survey in order to plan for services that will assist older persons and persons with disabilities to remain at home. The survey consisted of twenty-four questions, each referring to a different type of task or service that the respondents felt would be important for them to remain in their own homes.

- The majority of respondents to the survey fell into the "Consumer" category, with 72%.
- Five respondents reported that they were both a Provider and Advocate, while six reported being both a Consumer and Advocate.
- Approximately half of all respondents (52.5%) were between 65 and 84 years old, the highest percentage of any age group.
- There were no respondents under the age of 18.
- The ten out of twenty-four questions that received the highest percentage of responses were Homemaker with 76.5%, Home Delivered Meals with 73.7%, Medical Transportation with 71.3%, Lifeline/Call System with 62.1%, Chore Services with 61.3%, Non-medical Transportation with 60.0%, Personal Care with 48.9%, General transportation with 48.1%, Medication Management and Administration with 41.7%, and Meal Preparation with 35.9%.
- The question that received the lowest percentage was Supported Employment with 12.2%.

North Dakota Real Choice Systems Change Grant – Rebalancing Initiative:
Focus Groups and Personal Interviews - Research Report One, June 2006

By: Amy B. Armstrong, North Dakota Center for Persons with Disabilities

Targeted Population: Consumers of Home and Community Based Services (HCBS), Elderly Nursing Home Residents, Younger Nursing Home Residents, Family members of continuum of care services, and Providers of continuum of care services

Summary of Information

This research was conducted to identify current perceptions, patterns, themes, and suggestions for improving the choice and self-direction, quality and access to long term care supports, (i.e. home and community based services and nursing home care) for the elderly and persons with disabilities, as well as to identify ways to develop a mechanism to balance state resources for services, and to identify elements for the design and structure of a single point of entry mechanism for all long term care supports for the elderly and people with disabilities in North Dakota. Based on the results of this research the following conclusions and recommendations have been identified:

1. The current 2005-2007 biennium funding for long term care services (i.e. continuum of care services) includes $343,013,040 appropriated to nursing homes and $37,697,922 appropriated to home and community based services. Since 1999, funding for nursing home services has increased by approximately $90,600,000 while funding for HCBS has only increased by approximately $16,700,000. This funding does not reflect the needs and preferences identified by the focus group participants for additional home and community based service options and the importance of the opportunity for consumers to remain in their own homes. It is important to note that data from all five groups (including providers) supports the desire of people to remain in their homes. There must be a concerted effort to implement change that will help to balance the funding for providing continuum of care services. Without such change, a certain crisis in providing care for North Dakota's growing population of aging citizens may occur.
2. In order to implement systems change in North Dakota, Medicaid and state funded services, the people using those services, and also those who are privately paying for continuum of care services need to be considered. This is necessary to build a proactive and fiscally responsible system that wisely spends and appropriately uses its funds for the services that North Dakotans prefer, and those services that are most effective at helping people maintain independence and self reliance.
3. There needs to be support and funding for pilot projects for a single point of entry (SPE) concept, which can serve as an effective tool and step to improving choice and access to continuum of care services. The SPE projects should focus specifically upon the need for a consistent "go to" person, financial and functional assessment, case management type services, access to comprehensive timely information about services, access to increased HCBS options including access in rural communities, and availability to various income populations.
4. The shortage of workers available to provide continuum of care services and particularly home and community based services should be addressed. A system that will support and equitably reimburse providers of home and community based services, both individuals and agencies should be funded.
5. The need for unbiased functional and financial assessment and case management services should be addressed in order to ensure consumers have access to choices and services that are most appropriate to their needs. Exploration of how other states have used the idea of different levels of case management, such as options counselors and care coordinators, and streamlined assessment processes should occur.
6. Federal and state initiatives that allow flexible use of funds to pay for the services that consumers choose, such as Money Follows the Person, Cash and Counseling, home and community based services in the Medicaid State Plan, and items of the Deficit Reduction Act should be explored and implemented when appropriate.

North Dakota Real Choice Systems Change Grant – Rebalancing Initiative: Hospital Discharge Planner Questionnaire – Research Report Two, Sept. 2006

By: Amy B. Armstrong and Kylene Kraft, North Dakota Center for Persons with Disabilities

Targeted Population: North Dakota Hospital Discharge Planners/Social Workers

Summary of Information

RCR Grant gathered input from HDPs regarding their awareness of and recommendations for improving choice and access to all types of continuum of care services. Based on the results of this research the following conclusions and recommendations have been identified:

1. HDPs, physicians, hospitals and clinics should be targeted with training and on-going education and updates regarding locally available options for continuum of care services for the elderly and people with disabilities.
2. Resources should be provided to HDPs to help them save time, stream line the discharge planning process, and effectively provide an array of appropriate options for patients and their families.
3. Develop a SPE that may be accessed by HDPs, physicians, families and patients and to be used as a tool to provide a full array of continuum of care options for patients. The SPE should have available a streamlined assessment process, eligibility assistance, case management, benefit and financial information, and service availability information. This system should provide up-to-date information about long term care support services and be a user friendly place that can be accessed daily.
4. The SPE should be strategically targeted and marketed to HDPs, physicians and hospital and clinic staff. The SPE should be marketed as a resource tool to assist HDPs, physicians, families, and consumers to help individuals stay as independent as possible.
5. Availability, resources, support, and marketing for a variety of continuum of care services should be expanded emphasizing HCBS. Resources, support, and marketing should focus on HCBS with particular attention to those indicated by HDPs as lacking such as: Adult Day Care, Adult Family Foster Care, Family Home Care, Senior Companion Program, Personal Care Services, and others. Expansion of HCBS services and marketing of them will work to increase usage and decrease reliance on institutional forms of care.
6. Pressure felt by HDPs to fill nursing home beds should be eliminated, especially in rural/frontier communities. A continuum of care system should be in place to ensure that HDPs are able to focus discharge planning on the consumer and his/her needs.

Resident and Family Satisfaction Survey Summary Prepared for the ND Long Term Care Association, Dec. 2006

By: InnerView Management Intelligence for Healthcare

Targeted Population: Resident, families and caregivers of nursing facility residents

Summary of Information

The purpose of the surveys is twofold: (1) to assess the level of satisfaction among residents and their family/caregivers; and (2) to collect information about family/caregiver decisions related to the placement of current residents in nursing homes or in alternative community settings.

Conclusions

1. Long-term care services should be provided in the least restrictive environment within the constraints imposed by current public payment systems.
2. It is widely acknowledged that 80% of long-term care services in the United States is provided informally by unpaid caregivers.
3. A major challenge to discharging current nursing home residents will be finding family/caregivers or others who are willing and able to take on additional caregiving responsibilities. This challenge is especially acute after nursing home placement has occurred because family/caregivers have already made an adjustment to their new role as a caregiver for a relative in the nursing home.
4. A potentially greater challenge exists for nursing home residents who have lived in a facility for more than a few months.
5. Except for those residents who are discharged after a successful rehabilitative short stay, few long-stayers are likely to have the social, psychological or economic resources necessary to make an easy transition back into the community setting.
6. As residents grow older and more frail, the stress of relocation becomes a significant concern. Research shows that relocating older persons increases their risk of morbidity and mortality.
7. The risk of death or injury increases when an individual has less control over the decision to relocate or the relocation is involuntary.

Recommendations

1. The decision to relocate a current nursing home resident to an "alternative" setting should be based on voluntary and fully informed consent from the resident. This decision should be made in full consultation with the resident's family/caregivers or other responsible party.

North Dakota Real Choice Systems Change Grant – Rebalancing Initiative: Consumers of Continuum of Care Services Questionnaire Report – Research Report Three, Dec. 2006
By: Amy B. Armstrong and Kylene Kraft, North Dakota Center for Persons with Disabilities
Targeted Population: North Dakota Consumers of Continuum of Care Services

Summary of Information

The intent of the questionnaire was to gain information from consumers regarding what continuum of care services they are using, what services are needed, barriers encountered, how they are paying for services and choice of services given. Data was also gathered regarding how consumers learn about available continuum of care services and suggestions to guide the development of a **single point of entry (SPE)** system, also called an **Aging and Disability Resource Center (ADRC)**. Based on the results of this research the following conclusions and recommendations have been identified:

1. Due to lack of consistent knowledge and awareness of continuum of care services, particularly HCBS options; a public information and education campaign should occur targeting consumers and family members. This public information effort should also incorporate education about planning ahead for future care needs. All areas of the state are in need of this type of outreach; however, particular efforts should be made in rural and frontier communities.
2. Potential barriers to accessing continuum of care services; such as lack of funding, transportation, knowledge of and access to needed services, should be addressed and efforts should be made to remove or minimize those barriers. This report may be used to assist the RCR steering committee, policy makers, legislators, and various provider groups in further identifying potential barriers and making efforts to remove these barriers.
3. Efforts should be made to build on and support community resources, volunteers, and informal caregivers to expand HCBS availability in ND especially in smaller communities where formal resources might be limited.
4. Educate and provide support to adults with disabilities, seniors, and their families about ways to pay for continuum of care services, focus on education about long-term care insurance and wise use of private funds to help ease the burden on Medicaid and other state funds.
5. Regardless of the source of funds for continuum of care services (e.g. private pay, private insurance, Medicaid, Medicare, and other state funds), it is important to look at all of these areas collectively in order to implement systems change in ND. This is necessary to build a proactive and fiscally responsible long-term support system that wisely spends and appropriately uses funds fro the services that North Dakotans prefer and those services that are most effective at helping people maintain independence and self-reliance.
6. Support for the implementation and funding of a SPE also called an Aging and Disability Resource Center (ADRC), should occur in order to develop a streamlined, user friendly system for seniors, adults with disabilities, and their families to access continuum of care services. This system should provide a consistent person to provide the face-to-face contact that many consumers prefer, print materials, and information in other forms such as internet access to be accessible to many populations. The SPE/ADRC should be accessible to all income populations and provide access to comprehensive, timely information about services, financial and functional assessments, and case management type services.

For information about where to access copies of the full reports mentioned in this summary, please contact RCR Grant staff at:
1-800-233-1737 or email amy.armstrong@minotstateu.edu

73089.0100

Sixtieth
Legislative Assembly
of North Dakota

SENATE CONCURRENT RESOLUTION NO. 4018

Introduced by

Senator J. Lee

Representative Boucher

1 A concurrent resolution expressing support for long-term care choices, including home and
2 community-based services, for North Dakotans with disabilities and older adults.

3 **WHEREAS,** the public interest would best be served by a broad array of long-term care
4 services that promote individual autonomy, dignity, and choice for older adults and those with
5 disabilities, including more home and community-based services to give all North Dakotans who
6 are older adults or who have a disability, free choice in planning and managing their lives; and

7 **WHEREAS,** the Legislative Assembly recognizes that nursing home care is also a
8 critical part of the state's long-term care continuum and that such services should continue to
9 promote individual dignity, autonomy, and a homelike environment to the greatest extent
10 possible;

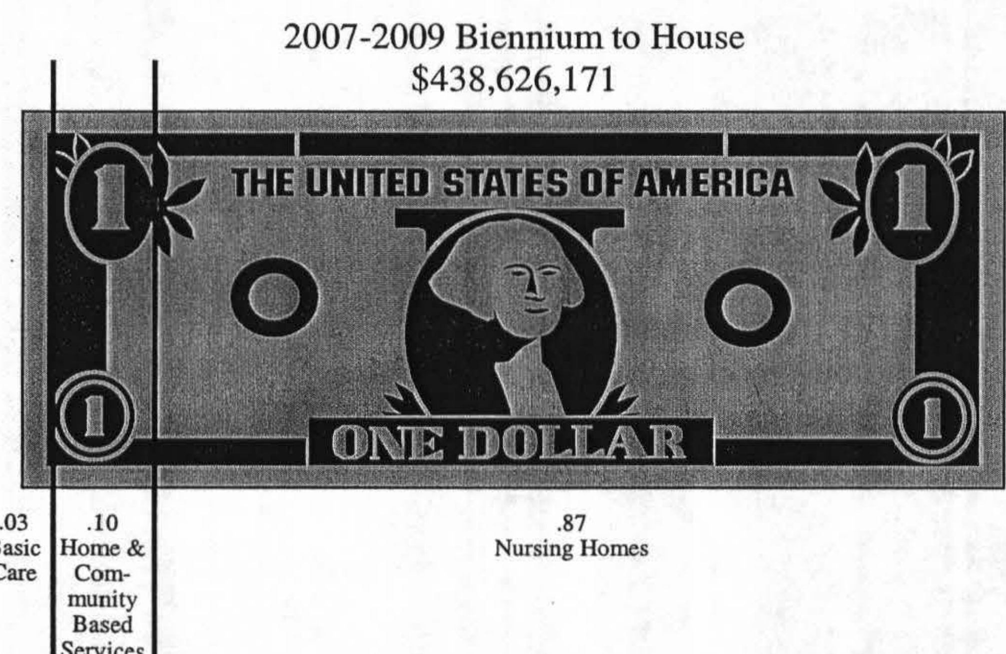
11 **NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE**
12 **HOUSE OF REPRESENTATIVES CONCURRING THEREIN:**

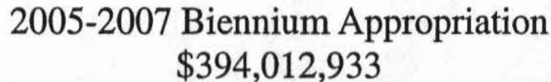
13 That the Sixtieth Legislative Assembly supports long-term care choices, including home
14 and community-based services, for North Dakotans with disabilities and older adults to:

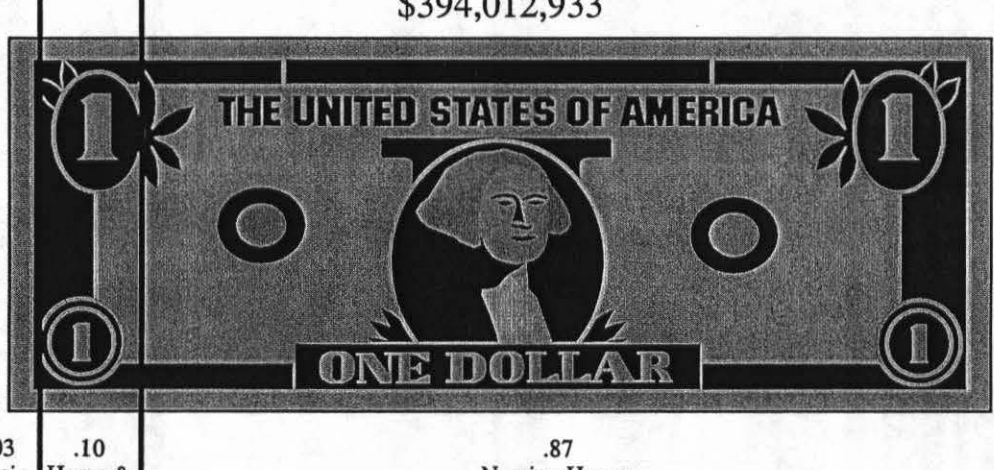
15 1. Plan and manage their own lives to the greatest extent possible;
16 2. Participate in the planning and operation of community-based services;
17 3. Receive information that will allow them to make informed care decisions;
18 4. Choose to remain in their communities and in their homes when appropriate to
19 their needs and when it can be reasonably accommodated taking into account the
20 resources available to the state and the needs of others with disabilities;
21 5. Meet their needs through a care system in a culturally sensitive way;
22 6. Support family members and other persons providing voluntary care; and
23 7. Make care choices from a long-term care continuum that is visible, trusted, and
24 easily accessed.

ATTACHMENT C

Department of Human Services
2007 - 2009 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Excluding DD Grants)
Comparison of 2007-2009 to 2005-2007 Biennium







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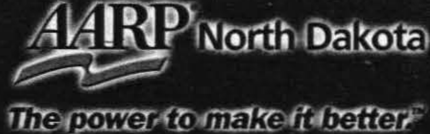
ATTACHMENT D

We're making in-home care a household word.

In-home care may be the key to independence for you or a family member.

Together we can make sure you have that option.

Call AARP North Dakota to find out how you can help.



1-866-554-5383

107 West Main Ave., Suite 125
Bismarck, ND 58501
www.aarp.org/nd

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce AARP The Magazine, published bimonthly; AARP Bulletin, our monthly newspaper; AARP Segunda Juventud, our bimonthly magazine in Spanish and English; NRTA Live & Learn, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Age with Independence

Your family... your future.

AARP North Dakota is advocating...

for adequate reimbursement for in-home care professionals. More people in the profession will ensure alternative choices of care for everyone.

What is an in-home care professional?

In-home care professionals are registered by the Department of Human Services as QSPs (Qualified Service Providers).

Two levels of QSPs

Independent Contractors: These individuals provide care for one or more clients.

Agency Employees: These in-home care professionals work for an umbrella agency, such as Easter Seals, County Social Services or a hospital.

What they do:

Bathing, dressing, housekeeping, cooking, shopping...the life tasks that allow people to remain in their homes as they age or encounter disability.

What a QSP is not:

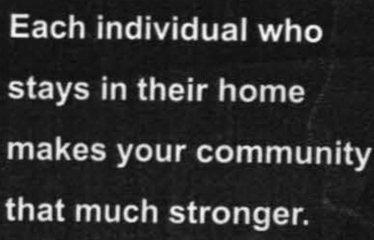
Even though a QSP may be certified as a CNA, the distinctions made by the Legislature, government officials and Century Code have them reimbursed differently than CNAs (certified nursing assistants who work in nursing homes) and DD providers (people who care for individuals with developmental disabilities).

To your community, an independent in-home care professional is:

- A small business
- An entrepreneur
- Economic development

They provide value to the community by helping citizens who are elderly or have disabilities remain in their homes.

People who remain in their communities continue to pay taxes, patronize local businesses and contribute to community life.

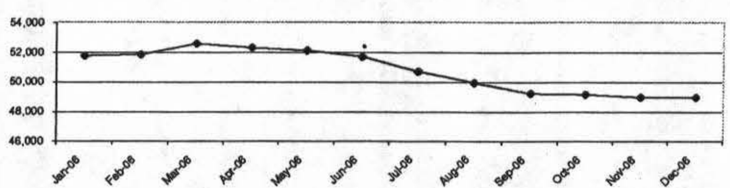


Each individual who stays in their home makes your community that much stronger.

ATTACHMENT F

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
QUARTERLY BUDGET INSIGHT
BIENNIUM TO DATE INFORMATION ON SELECTED DEPARTMENT PROGRAMS
JULY 2005 - DECEMBER 2006 (continued)

Section 7 - MEDICAID ELIGIBLES
2005 - 2007 BIENNIUM



Note: Eligibles include all Medical Assistance and Long Term Care Continuum Medicaid eligibles with the exception of SPED, Expanded SPED and Basic Care.

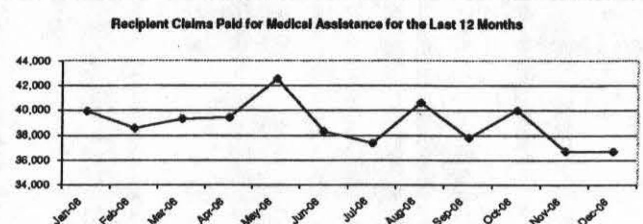
Approximately 51% of the above eligibles are under the age of 21, 16% are disabled and 12% are classified as Aged.

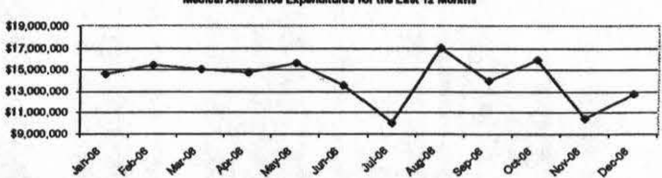
Section 8 - MEDICAL ASSISTANCE
APPROPRIATION 2005 - 2007 BIENNIUM $381,782,375

	Actual Paid (8/05-12/06)			
Service	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used to Date**
Inpatient Hospital	901	4,216	64,540,256	79.8%
Outpatient Hospital	5,983	312	31,699,764	78.5%
Physician	16,657	134	37,901,172	67.8%
Net Drugs (Includes Rebates)	18,632	116	36,884,214	59.6%
Dental	2,833	178	8,573,451	64.6%
Healthy Steps	3,465	179	10,564,460	87.5%
Other	--	--	65,257,729	51.5%
Total Medical Assistance [E]xpenditures to Date [1]			255,421,046	66.9%

[1] [Due] to system problems the Total Medical Assistance Expenditures to Date are understated.

[P]ROGRAM NOTES:



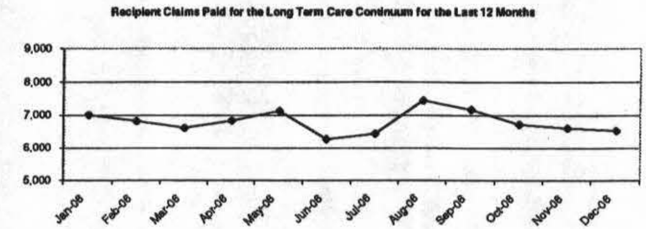


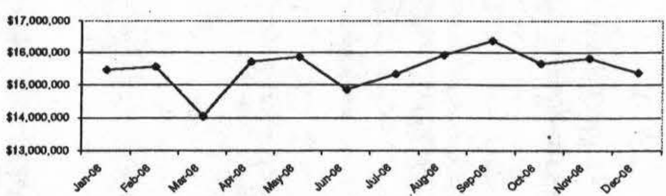
Section 9 - LONG TERM CARE CONTINUUM
APPROPRIATION 2005 - 2007 BIENNIUM $394,012,933

	Budget (8/05-12/06)		Actual Paid (8/05-12/06)			
Service	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used to Date**
Nursing Homes	3,600	3,859	See Below [1]	3,620	233,213,251	68.0%
Basic Care	457	1,157	460	1,077	8,430,734	63.4%
SPED	1,398	361	1,253	350	7,457,030	57.3%
Expanded SPED	186	169	125	175	370,904	44.3%
TBI - Waiver	46	2,370	25	2,636	1,141,349	39.8%
Aged & Disabled Waiver	405	319	242	425	1,743,325	51.3%
Targeted Case Management	487	167	343	107	620,308	30.0%
Personal Care Option	692	888	530	1,077	9,705,675	62.6%
Total Long-Term Care Continuum Expenditures to Date [2]					262,682,576	66.7%

[1] **Due to system problems the Monthly Average Number of People in Nursing Homes is currently not available.**
[2] **Due to system problems the Total Long-Term Care Continium Expenditures to Date are understated.**

PROGRAM NOTES:
The Nursing Home rates are adjusted on January 1st of each year.





[Per]cent of Biennium Expired 70.8% - Payments for Child Care, Medical Assistance, and Long Term Care are made when a billing for the previous month's services have been received. Therefore [appro]ximately 17 months of payments have been made or 70.8% (17/24) of the biennium has expired.

ATTACHMENT G

ACROSS THE STATES

PROFILES OF LONG-TERM CARE AND INDEPENDENT LIVING

by Ari Houser
Wendy Fox-Grage
Mary Jo Gibson

SEVENTH EDITION

©1994, 1996, 1998, 2000, 2002, 2004, 2006 AARP

Livable Communities & Need for Long-Term Care

Housing & Transportation	State	Rank	U.S.
Homeownership rate age 65+ (%), 2005	76	40	79
Homeowners age 65+ paying 30% of income or more for housing (%), 2005	23	31	26
Renters age 65+ paying 30% of income or more for housing (%), 2005	46	35	54
Persons age 65+ in housing built before 1960 (%), 2005	42	21	38
Persons age 65+ without a vehicle in household (%), 2005	11	14	12

Income & Poverty	State	Rank	U.S.
Median household income age 65+, 2005	$23,888	46	$28,722
At/below poverty level age 65+ (%), 2005	12.3	12	9.9
At/below 200% of poverty level age 65+ (%), 2005	40	7	34
At/below 300% of poverty level age 65+ (%), 2005	63	5	54
Women age 75+ at/below poverty level (%), 2005	20	2	14

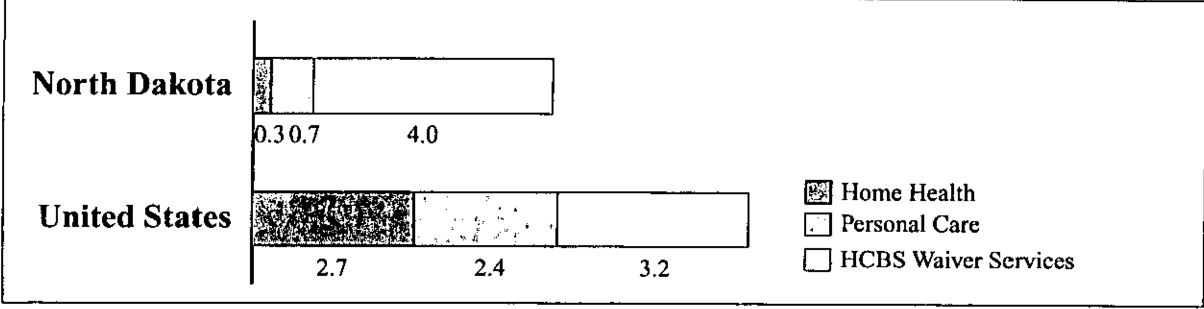
Disability Rates	State	Rank	U.S.
Persons age 65+ with disabilities (%), 2005			
Sensory disability	18	14	16
Physical disability	29	28	31
Mobility disability	14	35	17
Self-care disability	7	45	10
Cognitive/mental disability	10	30	11
Any disability (one or more of the five listed above)	41	19	40
Cognitive/mental disability + any other disability	9	25	10
Persons age 50-64 with disabilities (%), 2005			
Any disability	16	38	19
Cognitive/mental disability + any other disability (one or more of the other four listed above)	4	27	5
Projected change in disability rate age 65+ due to economic and demographic factors (%), 2005-2020	-0.9	45	-0.6
Persons with Alzheimer's disease, 2000	16,000	45	4,700,000
Projected increase in the number of persons with Alzheimer's disease (%), 2000-2025	+25	34	+38

North Dakota | 3

Home & Community-Based Services (HCBS)

Use of HCBS	State	Rank	U.S.
Medicare beneficiaries receiving home health services (%), 2005	5.6	33	7.3
Medicare home health visits per user, 2005	17	45	27
Medicaid HCBS participants, 2002	3,171	51	2,376,454
Medicaid HCBS participants per 1,000 population, 2002	5.0	40	8.3
Home health	0.3	49	2.7
Personal care*	0.7	25	2.4
HCBS waiver services	4.0	25	3.2
Aged/disabled waiver services	0.7	43	1.8
Medicaid aged/disabled waiver participants per 100 beneficiaries in nursing facilities, 2002	8	45	30
Persons in group residential care settings covered by Medicaid and state-funded public financing, 2004	31	39	122,421

Medicaid HCBS Participants per 1,000 Population, 2002



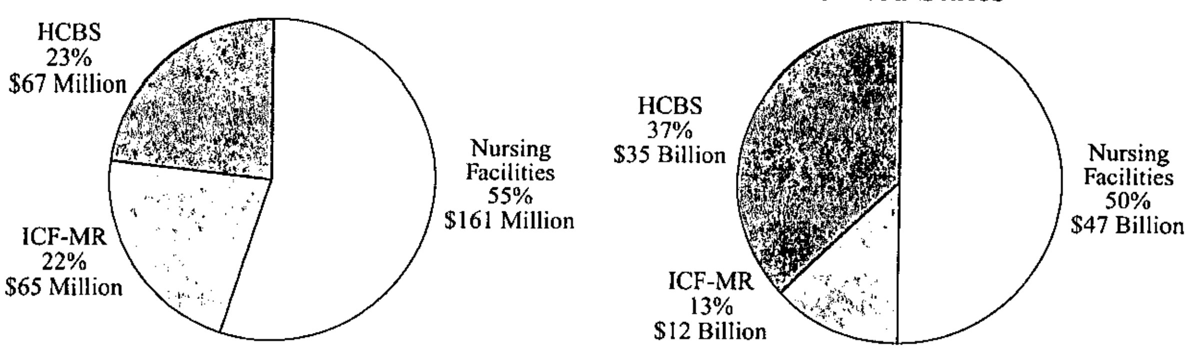
HCBS Resources	State	Rank	U.S.
Medicare-certified home health agencies per 100,000 age 65+, 2005	28	17	22
Adult day facilities per 100,000 age 65+, 2001-2002	23	4	10
Assisted living and residential care facilities, 2004	88	48	36,451
Assisted living and residential care beds, 2004	2,851	43	937,601
Assisted living and residential care beds per 1,000 age 65+, 2004	31	15	26
Personal and home care aides per 1,000 age 65+, 2005	21	11	15
Median hourly wage, 2005	$8.42	29	$8.34
Home health aides per 1,000 age 65+, 2005	17	21	18
Median hourly wage, 2005	$9.66	14	$9.04
HCBS aged/disabled waiver waiting list, 2004	0	23	129,735

Note: The highest data value within each ranking is indicated by a rank of "1"

*Only 30 states offered the optional personal care benefit in 2002. The lowest rank for this indicator is 30.

Nursing Facilities

Medicaid Spending on Long-Term Care Services, by Type of Service, 2005



Nursing Facility Resident Characteristics	State	Rank	U.S.
Total nursing facility residents, 2005	5,944	41	1,460,185
Total nursing facility stays, 2004	10,720	45	3,084,985
Nursing facility residents per 100 age 65+, 2005	6.3	2	4.0
Residents with Medicaid as primary payer (%), 2005	56	46	65
Residents with Medicare as primary payer (%), 2005	7	49	13
Residents with "other" as primary payer (%), 2005	37	4	22
Residents with dementia (%), 2005	51	9	45
Residents with other psychological diagnoses (%), 2005	20	14	20

Nursing Facility Resources	State	Rank	U.S.
Total nursing facilities, 2005	83	41	16,435
Nursing facility beds per 1,000 age 65+, 2005	70	4	47
Nursing facility occupancy rate (%), 2005	91	9	85

Quality & Oversight of Nursing Facilities	State	Rank	U.S.
Direct care nursing hours per patient day, 2005	4.1	6	3.7
RN hours	0.7	12	0.6
LPN hours/LVN hours	0.6	35	0.7
CNA hours	2.7	4	2.3
Nursing facilities with deficiency for actual harm or jeopardy of residents (%), 2005	26	7	17
Residents with physical restraints (%), 2005	2.4	49	6.9
Formal complaints filed with state per nursing facility, 2005	0.2	49	2.5
Long-term care facility beds per FTE ombudsman, 2004	2,071	25	2,388
Nursing facilities visited by ombudsman at least quarterly (%), 2004	83	35	80

North Dakota | 5

Long-Term Care Financing

Medicaid & State Expenditures	State	Rank	U.S.
Total Medicaid expenditures (millions), 2005	$519	50	$300,305
Medicaid long-term care expenditures (% of total Medicaid expenditures), 2005	56	1	31
Medicaid long-term care expenditures per person in the state, 2005	$461	9	$319
Nursing facilities	$252	8	$159
Intermediate care facilities-mental retardation (ICF-MR)	$102	3	$41
Home and community-based services (HCBS)	$106	24	$119
Home health	$3	37	$12
Personal care*	$2	28	$29
HCBS waiver services	$101	19	$77
Aged/disabled waiver services	$9	38	$17
Medicaid HCBS expenditures (% of Medicaid long-term care), 2005	23	47	37
Medicaid HCBS expenditures for age 65+ (% of Medicaid long-term care for age 65+), 2002	5	44	17
Medicaid nursing facility expenditures per person served, 2003	$24,624	18	$23,882
Medicaid HCBS expenditures per person served, 2002	$18,103	9	$10,531
Home health	$10,893	3	$3,514
Personal care*	$4,356	21	$7,859
HCBS waiver services	$21,156	21	$18,359
Aged/disabled waiver services	$10,437	13	$7,336
Federal Medicaid Assistance Percentage (%), 2005	67.49	14	57.05
Medicaid personal needs allowance for nursing facility residents (per month), 2006**	$50.00	15	$47.53
State-funded HCBS for older people (millions), FY2002	NA	NA	$1,412

Public & Private Payment Rates	State	Rank	U.S.
Medicaid payment rate per day for nursing facility care, 2002	$127	17	$118
Medicare payment rate per day for nursing facility care, 2004	$206	51	$270
Private pay rate per day in nursing facility (urban avg.), 2005	$188	17	$176
Private pay rate per day in assisted living facility (urban avg.), 2005	$55	50	$96
Medicare reimbursement per home health visit (avg.), 2005	$134	44	$152
Private pay hourly rate for home health aide (urban avg.), 2005	$16	42	$19

Note: The highest data value within each ranking is indicated by a rank of "1"

*Only 36 states offered the optional personal care benefit in 2005, and 30 states in 2002. The lowest ranks are 36 and 30.

**8 states used only the minimum personal needs allowance of $30 per month. The lowest rank for this indicator is 44.

Trends

Livable Communities & Need for Long-Term Care	Year	State	Rank	U.S.
Persons age 65+ at/below poverty level (%)	1999	11.1	15	9.9
	2005	12.3	12	9.9
	% change	+1.2	4	+0.1
Persons age 65+ with any disability (%)	2000	33	42	37
	2005	41	18	39
	% change	+7.8	1	+2.5
Home & Community-Based Services	**Year**	**State**	**Rank**	**U.S.**
Medicaid HCBS participants	1999	3,169	47	1,882,490
	2002	3,171	51	2,376,454
	% change	+0	41	+26
Medicaid aged/disabled waiver participants	1999	347	48	405,744
	2002	458	49	529,463
	% change	+32	26	+30
Medicare home health visits per user	2000	24	44	37
	2005	17	45	27
	% change	-30	26	-26
Nursing Facilities	**Year**	**State**	**Rank**	**U.S.**
Nursing facility residents	2000	6,343	40	1,436,571
	2005	5,944	41	1,460,185
	% change	-6	40	+2
Nursing facility beds	2000	6,954	42	1,671,295
	2005	6,514	43	1,714,022
	% change	-6	43	+3
Nursing facility occupancy rate (%)	2000	91	13	86
	2005	91	9	85
	% change	+0	18	-1
Long-Term Care Financing	**Year**	**State**	**Rank**	**U.S.**
Total Medicaid spending (millions)	2000	$433	49	$194,347
	2005	$519	50	$300,305
	% change	+20	51	+55
Medicaid long-term care spending (millions)	2000	$276	39	$68,568
	2005	$293	44	$94,500
	% change	+6	50	+38
Medicaid nursing facility spending (millions)	2000	$180	38	$39,583
	2005	$161	41	$47,238
	% change	-11	48	+19
Medicaid HCBS spending (millions)	2000	$46	46	$19,030
	2005	$67	49	$35,159
	% change	+45	40	+85
Medicaid aged/disabled waiver spending (millions)	2000	$4	45	$2,966
	2005	$6	47	$5,134
	% change	+49	30	+73

SPED Program Fact Sheet
Service Payments for Elderly and Disabled

2.07

HISTORY

1983: What is now known as the **SPED** program enacted into State law. HB 1309 was passed "to provide funding ... **to prevent or reduce institutional care**". A companion bill, HB 1314, was enacted "to provide funding for **community alternatives to institutional care** on behalf of elderly and disabled persons". The bills followed a study by Aging Services which projected that 514 residents of nursing homes could be discharged to their own home, or a lesser level of care, if appropriate in-home services were available.

1988: 1,058 individuals enrolled (83% ≥ age 65; 51% ≥ age 80) on 12/31/88.

1989: First "**freeze**" put into effect creating a waiting list or "SPED program pool" of individuals who were eligible but for whom funding was not available.

1994: Second "**freeze**" was put into effect for SPED. In June of 1995, it was documented that 131 individuals had been on the waiting list since 11/15/94. 29 of these individuals were found to longer need SPED. Some found family and friends to help them. 9 entered nursing facilities. 7 died.

1997: Number of individuals who used SPED services in calendar year - 1,946. 83.76% were ≥ age 65. 66.75% were ≥ age 75.

1999: 171 individuals ≥ age 90 using SPED services.

2002: Third "**freeze**" put on the SPED program.

2003: 2,007 individuals used SPED services in the fiscal year. 19.2% were under 65 years old. 331 were ages 65-74, 627 were between 75-84 years of age, 593 were between the ages of 85-94, and 70 individuals were 95 or older.

CURRENT BIENNIUM (July 2005-December 2006)

	SPED SERVICES	NURSING FACILITIES
• Monthly average # of people receiving services	1,398	3,600
• Monthly average cost/person	$ 350	$3,620

- **Steady increase in SPED Program participants** over the last 3 full quarters:
  4/1/06 – 6/30/06: **1,370** 7/1/06 – 9/30/06: **1,394** 10/1/06 - 12/31/06: **1,423**

07-09 BIENNIUM

- DHS testimony states that N.D. "still ranks among the top states in the nation regarding residents age 65 and over per 1,000 in nursing homes, and among the lowest in the nation regarding the percentage of the Medicaid budget spent on home and community based care (under 10%)". Testimony also shows that from 2000 to 2003, the number of N.D. residents $\geq$ 85 years old increased from 14,726 to 16,116. (House Appropriations/ Human Resources Division; 2/22/07)
- DHS's budget cuts SPED funds by $4,308,171
- DHS submitted budget tightening eligibility criteria for SPED, making it more difficult for individuals to qualify. Existing criteria require the applicant have a functional impairment in at least 4 activities of daily living (ADL's) <u>OR</u> in 5 instrumental activities of daily living (IADL's)... Proposed criteria require the applicant have a functional impairment in at least one ADL in addition to the 5 IADLs. The budget reflects a cut of $1.9 million as a result of the tightened eligibility criteria.
- DHS' budget presumes that existing individuals will be "grandfathered in" and will not have to be found eligible under the new criteria. If all of the 1,423 individuals were to go through eligibility under the new proposed criteria, the counties report that 489 (34%) would be found <u>NOT</u> eligible.

> **IADL**'s – "... tasks requiring cognitive ability or physical ability, or both. Tasks include preparing meals, shopping, managing money, housework, laundry, taking medicine, transportation, using the telephone, and mobility outside the home". **ADL**'s – "... the daily self-care personal activities that include bathing, dressing or undressing, eating or feeding, toileting, continence, transferring in and out of bed or chair or on and off the toilet, and getting around inside".

NOW WHAT?

1) Amend SB 2012 to **eliminate the added SPED eligibility criteria** so that...
   - SPED is available to ND's fastest growing segment – "the oldest of the old".
   - More people with disabilities and/or elderly individuals will have access to services **"to prevent or reduce institutional care"** or **"community alternatives to institutional care"**.
2) **Replace the dollars** that were removed from the budget.
3) Develop sufficient providers in the same location as (or near) the recipient. Without a provider it doesn't make any difference how many eligible recipients there are; both are essential "to prevent or reduce institutional care" or develop "community alternatives to institutional care". **QSP's needed to be adequately reimbursed.**

Presented by Sen Kilzer #8

SURVEY RESULTS OF DECEMBER 2006
HCBS COUNTY SURVEY
(Based upon the month of October 2006)

During a December 2006 county social service survey, counties were asked to identify how many cases would potentially be affected if the SPED program required that each case have at least one ADL. An ADL would be such things as bathing, dressing, eating, toileting, continence, transferring and mobility. Counties responded in the survey that 489 clients would be affected. Statistical data taken from the SAMS system for Quarter 10/1/06 to 12/31/06 stated that there are 1,423 SPED cases in the state. 489 divided by 1,423 equals 34% of the state's SPED cases would no longer exist.

County	Clients affected	County	Clients affected
Adams	13	McKenzie	1
Barnes	3	McLean	7
Benson	6	Mercer	16
Billings	3	Morton	21
Bottineau	4	Mountrail	10
Bowman	6	Nelson	2
Burke	6	Oliver	2
Burleigh	27	Pembina	9
Cass	38	Pierce	30
Cavalier	6	Ramsey	
Dickey	13	Ransom	15
Divide	1	Renville	2
Dunn	1	Richland	20
Eddy	2	Rolette	50
Emmons	7	Sargent	0
Foster	1	Sheridan	4
Golden Valley		Sioux	0
Grand Forks	14	Slope	
Grant	1	Stark	33
Griggs	7	Steele	1
Hettinger	4	Stutsman	5
Kidder	No comm	Towner	12
LaMoure	3	Traill	4
Logan	4	Walsh	13
McHenry	Most	Ward	52
McIntosh	4	Wells	2
McKenzie	1	Williams	4
		Totals	489

Testimony

SB 2012 – Department of Human Service

House Appropriations Committee

Chairman Pollet, and members of the Human Resources Division, my name is Diane Mortenson. I am a home and community based services case manager with Stark County Social Services, and a member of the Adult Services Committee.

I have attached a handout as part of my testimony with the differences in eligibility for the SPED program today, and what it would look like 07/07 if the current changes to the program are made.

Under the current eligibility for the SPED program, we are assisting many elderly individuals with meal preparation, housekeeping, laundry, and shopping, thus meeting their environmental and their nutritional needs. Without the basic need of nutrition and sanitary living conditions, these individuals would not be able to stay in their own homes.

Under the proposed eligibility, we would not be able to provide these basic needs to individuals, unless they needed additional help, like with bathing or dressing.

I'd like to tell you about Frank. He is a 77 year old man who lives in an apartment in a small town in North Dakota. He has no family that lives here. Frank's limitations are due to emphysema, asthma, chronic obstructive pulmonary disease, diabetes, and depression. He is using oxygen during the night hours. All of these conditions prevent him from being able to live at home without some assistance. Because he has no family capable of assisting him, he is in need of formal home and community based services. He receives assistance with housework, laundry, shopping, and meal preparation twice each week for about 11 hours each month. He does not need assistance with bathing, dressing, or other personal cares at this time, even though he has difficulty performing them. His nutritional needs and environmental needs are being met as a result of services

he is receiving through the SPED program with the current eligibility, thus allowing him to remain at home.

If Frank were to apply for services under the SPED program after 07/07, he would not be eligible for them due to the additional eligibility requirements. There are 30 other clients like Frank in Stark County who would not be eligible after 07/07 with the current proposed changes under this funding source.

Thank you for your time. I am willing to help you with any questions you may have.

SPED PROGRAM

CURRENT ELIGIBILTY (02/2007)

(Instrumental Activities of Daily Living)

~ Meal preparation
~ Housework
~ Laundry
~ Shopping
~ Taking medication
~ Mobility outside the home
~ Transportation
~ Money management
~ Telephone

Impaired / need assistance with at least 5 of these areas.

PROPOSED ELIGIBILITY (07/2007)

(Instrumental Activities Of Daily Living)

~ Meal preparation
~ Housework
~ Laundry
~ Shopping
~ Taking medication
~ Mobility outside the home
~ Transportation
~ Money management
~ Telephone

Impaired / need asstiance with at least 5 of these areas.

(Activities of Daily Living)

~ Bathing
~ Dress / undress
~ Eating
~ Toileting
~ Continence
~ Transferring
~ Mobility inside

Impaired / need assistance in at least 1 of these areas.

Testimony SB 2012

House Appropriations – Human Resources Division

Representative Pollert, Chairman

Wednesday, February 28, 2007

Chairman Pollert and members of the committee, my name is Marie Thompson. I work as a case manager with the Home and Community Based Services Program at Burleigh County Social Services and I am here to provide testimony on the proposed changes to the SPED (service payments for the elderly and disabled) Program.

As a case manager I work everyday with clients to assist them in remaining safely in their homes for as long as possible. SPED is a critical component in the long term care continuum. In Burleigh County, we have about 100 SPED clients of which, 27 currently do not have an ADL (activity of daily living which includes bathing, dressing, toileting, eating, transferring, mobility inside, continence) – this represents almost 30% of our SPED clients. Under the proposed changes to the DHS budget, SPED services will be further restricted by making eligibility dependent upon having at least one ADL.

I would like to share with you what this change will mean to clients. I understand it is proposed that current SPED clients will be grandfathered in, however, new clients coming into the program with the example I'm about to share, would not be eligible.

Myrtle is a 93 year old widow who lives alone in her own apartment. She has arthritis, heart problems and a pacemaker. Myrtle gets around with a walker or a cane. She receives Medicaid and food stamp benefits, so has minimal income and assets. The current services received are homemaker for cleaning assistance, and the emergency response system. The emergency response system is so critical in that it sends a message to a dispatch center that help may be needed and the dispatch center takes actions to assure help is provided. This system provides such a sense of security and peace of mind for our clients and their families. Myrtle does have some family in town that provides money management, shopping, transportation and laundry assistance. Without the help from her family, more services would have to be provided by SPED. Myrtle is fortunate because she does have family to help her. Not all clients have family in the area that can help.

If Myrtle were to apply for SPED under the proposed eligibility requirement change, she would not be eligible. Clients like Myrtle would be only one of hundreds of senior citizens in North Dakota who would be negatively impacted by the proposed change.

Thank you for your consideration. I would be happy to answer any questions you may have.

#13

Testimony
SB 2012- Department of Human Services
Senate Appropriations Committee
North Dakota Association for Home Care

Chairman Fischer and members of the Senate Appropriations Committee, my name is Tammy Theurer; I am the President of the North Dakota Association for Home Care. I am testifying on SB 2012.

The North Dakota Association for Home Care is a non-profit association dedicated to providing its membership with leadership, advocacy, and education. NDAHC represents 26 of the 28 licensed home health agencies in ND and their 12 branch agency locations.

North Dakota has an existing home care delivery model and infrastructure in place that covers the majority of the state. These services have been under funded through the Legislative budget for the Department of Human Services. Many providers find that it has not been cost effective to provide these services due to the lack of funding appropriated in the state.

In order to meet the needs of our aging and disabled population, we feel we must continue to address the preferred method of care and direction of state assistance in order to transition from an emphasis on institutionalization to a method of delivery of care in the least restrictive environment.

According to the 2005 Center for Medicaid Studies, North Dakota spends at a ratio of 34.6 to 1 (for every $34.60 spent toward nursing home care, $1.00 is spent in home and community based care). That ranks North Dakota 49th of the 50 states- only Tennessee's ratio is greater. For comparison, Minnesota's spending is 2.2 to 1; Montana is 3.5 to 1; and South Dakota is 14.4 to 1.

Historically, Nursing Facility Rates in January 1994 were $73.62 per day. By January 2006, this had increased to $152.33 per day, or a 107% increase. This is an average annual increase of 8.92%. In comparison, Personal Care Rates in January, 1994 were $2.23 per unit (15 minutes). From August 2005 through February 2006 this had increased to $3.09 per unit, or a 38.6% increase. This is an average annual increase of 3.21%.

Box 2175 • Bismarck, ND 58502-2175 • Phone: 701-224-1815 • Fax: 224-9824
E-mail: ndahc@aptnd.com • http://www.aptnd.com/ndahc

The services provided in nursing facilities must certainly be recognized as truly important to the people they serve. Additionally, the importance of these facilities in the rural communities in which they are situated is duly recognized.

It must be kept in mind that while researching how and where North Dakota's aging population prefers to receive care, they overwhelmingly choose their own homes whenever possible.

Much has been done by current providers of home and community based services to insure that persons receiving care in their home are safe, and in the appropriate setting. In addition, services must be of high quality and cost effective leading to good patient outcomes in the least restrictive environment.

Currently, fourteen licensed Home Health Agencies provide Quality Service Provider (QSP) services and receive reimbursement. Under the current payment structure, agencies are paid at varying rates to provide identical services. The NDAHC supports a standardized rate structure for reimbursement. Currently, agencies that have been QSP providers for a long period of time actually are paid at a lower rate than agencies that became QSP providers at a later date. With only inflationary adjustments, these agencies fall further and further behind with these payment rates.

NDAHC finds it critical that reimbursement for QSP services receive a significant change in payment rates this session. The current average payment rate for agencies providing this service is $3.77 per unit. However, the current average cost for our members providing QSP services is $5.73 per unit. Many agencies are not able to provide this service because actual costs far exceed the reimbursement. Even those agencies that have been providing these services at a loss are reevaluating if they will be able to continue. Service areas are limited because the payment rate does not cover travel time and mileage and the payment rate is insufficient to cover some of these costs.

If payment rates were increased to cover the cost to provide the QSP services, additional agencies would be interested in providing care, improving access to these services.

If payment rates continue to only receive inflationary adjustments, the agencies currently providing this service will be forced to consider withdrawing from the QSP program. If agencies cease participation in the QSP program, access to these services will continue to deteriorate.

Licensed Home Health Agencies are routinely surveyed for quality and compliance with licensing rules. In addition, our entire member agencies are also certified Home Health Agencies under Medicare and meet additional regulatory standards, including a significant focus on positive patient outcomes. The care provided by our members is of very high quality. The fact that so many agencies have provided QSP services while taking a loss speaks highly of our commitment to meet the needs of our clients in their own homes.

NDAHC respectfully requests payment rates for QSP services be adjusted to cover the cost of providing these services and that the rates be standardized for all agencies. We also request an annual inflation rate of at least 3.8% as in the Dept. of Human Services budget.

Chairman Fischer and members of the committee, thank you for the opportunity to testify. I'd be happy to answer any questions the committee may have.

CY

Home Services

1380 S. Columbia Rd.
Grand Forks ND 58206-6011

PHONE 701-780-5880

FAX 701-780-5849

E-MAIL tnelson@altru.org

COUNTIES SERVED Eddy, Foster, Grand Forks, Walsh, Pembina, Cavalier, Trail, Steele, Nelson, Griggs, Ramsey (Polk County MN)

SERVICES PROVIDED Skilled Nursing, Speech Therapy, Home Health Aide, Physical Therapy, Occupational Therapy, Medical Social Worker

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AGENCY

Ashley Home Health Agency

PO Box 450
Ashley ND 58413

PHONE 701-288-3433

FAX 701-288-3938

E-MAIL lschlabsz@primecare.org

COUNTIES SERVED Dickey, Emmons, LaMoure, Logan, McIntosh

ICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy

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AGENCY

Bismarck Burleigh Home Health

500 E. Front Ave. N
Bismarck ND 58501

PHONE 701-222-6525

FAX

E-MAIL

COUNTIES SERVED Burleigh

SERVICES PROVIDED Skilled Nursing, Home Health Aide

AGENCY
County Health & Home Care

230 4th St NW, Rm. #102
Valley City ND 58072

PHONE 701-845-8518

FAX 701-845-8542

E-MAIL pthomsen@co.barnes.nd.us

COUNTIES SERVED Barnes

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, Occupational Therapy, Speech Therapy, Self-Pay Nursing & Bath-aide, Homemaker, Respite

AGENCY
Good Samaritan Home Health

501 E. Front St.
Larimore ND 58251-0637

PHONE 701-343-6244

FAX 701-343-2153

E-MAIL jhaugen@good-sam.com

COUNTIES SERVED ND-Grand Forks, Steele, Trail, Nelson, Walsh, Cass, Barnes, Griggs, Ramsey, Cavalier, Pembina, Benson, Towner, Eddy, Foster, Ramson, Lamoure
MN-Normon, Polk, Red Lake, Pennington, Marshall, Kittson

SERVICES PROVIDED Medicare Certified

AGENCY
Hill Top Home Health

P.O. Box 780
Killdeer ND 58640

PHONE 701-764-5682

FAX 701-764-5749

E-MAIL tskaar@hthc.org

COUNTIES SERVED Billings, Dunn, Stark, Hettinger, Mckenzie
-50 miles out any direction

SERVICES PROVIDED Skilled Nursing, Aide Services, Chore Services, Homemaker

NDAHC Directory

AGENCY

Jamestown Hospital Home Health

419 5th St NE
Jamestown ND 58401

PHONE 701-952-4847

FAX 701-952-3269

E-MAIL aseitz@jamestownhospital.com

COUNTIES SERVED Stutsman, parts of Logan & LaMoure
-20 mile radius of Jamestown & of outreach staff
(Medina, Edgeley, Jud)
COMMUNITIES SERVED: See Membership Form

SERVICES PROVIDED Skilled Nursing, Home Care Aide, Physical Therapy, Occupational Therapy, Speech Therapy, Licensed Social Services, Dietary Consult

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AGENCY

Linton Hospital Home Health Care

518 N. Broadway
Linton ND 58552

PHONE 701-254-4511

FAX 701-254-4251

E-MAIL brjangula@lintonhospital.com

COUNTIES SERVED Emmons, Western Logan & Western McIntoksh, SE corner of Burleigh, (SD: Campbell)
-50 mile radius from Home Office in Linton

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy

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AGENCY

Lisbon Area Home Health Services

920 S. Main St., Suite #2
Lisbon ND 58054

PHONE 701-683-3095

FAX 701-683-3282

E-MAIL sharihenricks@catholichealth.net

COUNTIES SERVED Ransom, Sargent, portions of Cass, LaMoure, Barnes, Dickey

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, Occupational Therapy

AGENCY

[illegible]dcenter One Home Health & Hospice

[illegible]10 18th St. NW
Mandan ND 58554-1612

PHONE 701-323-8410

FAX 701-323-8409

E-MAIL ewiese@mohs.org

COUNTIES SERVED Burleigh, Morton, Western Kidder, Eastern Oliver and McLean
-25 mile radius

SERVICES PROVIDED Skilled Nursing, Hospice, Home Health Aide, Physical Therapy, Occupational Therapy, Medical Social Worker, Speech Therapist

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AGENCY

Mercy Home Care

1031 7th St. NE
Devils Lake ND 58301-2798

PHONE 701-662-2131

FAX 701-662-9681

E-MAIL

COUNTIES SERVED Benson, Cavalier, Eddy, Nelson, Ramsey, Towner, Walsh

[illegible]VICES PROVIDED Skilled Nursing, Speech Therapy, Certified Nurse's Assistant, Physical Therapy, Occupational Therapy

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AGENCY

Mercy Home Care & Hospice

1301 15th Ave W
Williston ND 58801

PHONE 701-774-7430

FAX 701-774-7465

E-MAIL trinaknibbs@catholichealth.net

COUNTIES SERVED Williams McKenzie
-45 mile radius from Williston(only to MT border)

SERVICES PROVIDED Skilled Nursing, Certified Nurse's Assistant, Physical Therapy, Occupational Therapy, Speech Therapy, Social Services

NCY

y Home Care Services

570 Chautauqua Blvd.
Valley City ND 58072

PHONE 701-845-6550

FAX 701-845-6552

E-MAIL vickipedersen@catholichealth.net

COUNTIES SERVED Barnes, Cass, Griggs, LaMoure, Ransom, Steele, Stutsman
- approximately 60 mile radius

SERVICES PROVIDED Skilled Nursing, Certified Nurse's Assistant/PCA, Physical Therapy, Occupational Therapy

AGENCY

MeritCare Home Care

1711 South University Drive, Route 327
Fargo ND 58103

PHONE 701-234-4900

FAX 701-234-4899

E-MAIL jo.burdick@meritcare.com marcia.sjulstad@meritcare.com

COUNTIES SERVED Barnes, Cass, Dickey, Griggs, LaMoure, Ransom, Richland, Sargeant, Steele, Stutsman, Traill (MN: Becker, Clay, Mahnomen, Norman, Ottertail, Wilken)

ICES PROVIDED Skilled Nursing, Home Health Aide, Speech Therapy, Physical Therapy, Occupational Therapy, Personal Care Aide, Medical Social Worker, Homemaker, Sitter/Companion, Pediatric and Psychiatry Programs, Infusion Therapy

AGENCY

Oakes Community Hospital Home Healt

314 S. 8th Street
Oakes ND 58474

PHONE 701-742-3609

FAX 701-742-2873

E-MAIL gwenhoffman@catholichealth.net

COUNTIES SERVED Dickey, LaMoure, Sargent, Barnes, & Ransom
-50 mile radius of Oakes

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, Occupational Therapy

[illegible]ENCY

[illegible]rieland Home Care

1102 Page Drive SW
Fargo ND 58103

PHONE 701-232-1245

FAX 701-232-0813

E-MAIL bruce.davidson@smphs.org, tjohnson@cableone.net

COUNTIES SERVED Cass, Traill, Barnes - 50 miles from Office
(Will extend beyond 50 mile radius on an exception basis but must be approved by CEO.)

SERVICES PROVIDED Skilled Nursing, Aide, PT, OT, ST, Social Services

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AGENCY

Professional Home Care, Inc.

309 N. Mandan St
Bismarck ND 58501

PHONE 701-255-7575

FAX 701-255-0699

E-MAIL phc@btinet.net

COUNTIES SERVED Burke, Burleigh, Divide, Dunn, Emmons, Grant,
Kidder, Logan, McClean, McIntosh, McKenzie,
Mercer, Morton, Mountrail, Oliver, Sioux, Stark, Williams

[illegible]VICES PROVIDED Skilled Nursing, Home Health Aide, Occupational Therapy, Physical Therapy, Speech, Daily Live-in
Attendant, Day Companion, Live-in Companion

AGENCY

Richland County Home Health Agency

413 3rd Avenue N
Wahpeton ND 58075

PHONE 701-642-7735

FAX 701-642-7746

E-MAIL pgiese@co.richland.nd.us

COUNTIES SERVED Richland
- within county borders; 60 mile radius

SERVICES PROVIDED Skilled Nursing, Home Health Aide

~~AGE~~NCY

~~Sak~~akawea Home Health

510 8th Ave NE
Hazen ND 58545

PHONE 701-748-7380

FAX 701-748-6004

E-MAIL sshhc@westriv.com

COUNTIES SERVED Mercer (all), Oliver & Dunn (Portions)
approx. 30 miles - distance served

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, Licensed Social Worker, Occupational Therapy, Speech

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AGENCY

St Joseph's Home Health Services

30 W 7th St.
Dickinson ND 58601

PHONE 701-456-4378

FAX 701-456-4809

E-MAIL teshajahner@catholichealth.net

COUNTIES SERVED Billings, Dunn, Golden Valley, Hettinger, Stark

~~SERV~~ICES PROVIDED Skilled Nursing, Speech Therapy, Certified Nurse Aide, Physical Therapy, Occupational Therapy, Licensed Social Worker

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AGENCY

St. Alexius Home Care & Hospice

1120 E. Main Ave
Bismarck ND 58501

PHONE 701-530-4500,

FAX 701-530-4572

E-MAIL ttheurer@primecare.org

COUNTIES SERVED Adams, Bowman, Burke, Burleigh, Divide,
Dunn,Emmons, Grant, Hettinger, Kidder, Logan,
McIntosh, McKenzie, McLean, Mercer, Morton, Mountrail, Oliver, Sioux, Sheridan, Stark, Stutsman, Ward,
Wells, Williams

SERVICES PROVIDED Skilled Nursing, Speech Therapy, Home Health Aide, Physical Therapy, Occupational Therapy, Social Services

AGENCY

[illegible]atherine's Home Care

1307 N. 7th St.
Wahpeton ND 58075

PHONE 701-642-8609

FAX 701-642-2485

E-MAIL sclchomecare@bhshealth.org

COUNTIES SERVED Dickey, LaMoure, Ransom, Richland, Sargent

SERVICES PROVIDED Skilled Nursing, Certified Nurse's Assistant, Personal Care, Homemaker, Respite Care, Physical Therapy, Speech Therapy, Infusion Therapy, Occupational Therapy, Medical Social Worker

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AGENCY

Tri-Care Home Health, Inc.

1104 Highway 5 W.
Rolla ND 58367

PHONE 701-477-6232

FAX 701-477-8063

E-MAIL tricare@utma.com

COUNTIES SERVED Bottineau, Rolette, Towner

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Personal Attendant Care

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AGENCY

Trinity Hospital Home Health

1015 S. Broadway
Minot ND 58701

PHONE 701-857-5082

FAX 701-857-5079

E-MAIL Liz.Johnson@trinityhealth.org

COUNTIES SERVED Benson, Burke, Bottineau, Cavalier, McHenry, McLean, Mountrail, Ramsey, Renville, Towner, Ward, Williams

SERVICES PROVIDED Skilled Nursing, Speech Therapy, Home Health Aide, Physical Therapy, Occupational Therapy, Social Worker

AGENCY (label partly obscured by punch hole: "…NCY")

…t River Nurse Corps

700 N 4th St.
Hettinger ND 58639

PHONE 701-567-6170,

FAX 701-567-6366

E-MAIL arlenej@wrhs.com

COUNTIES SERVED Adams, Grant, Hettinger, Bowman - N.D.
Corson, Perkins, Sioux - S.D.
(40 mile radius from office)

SERVICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, OT, Speech Therapy, Homemakers, Private Duty, Respite, Psych. Nurse

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AGENCY

Wishek Home Health Agency

1007 4th Ave. South
Wishek ND 58495-0647

PHONE 701-452-3110

FAX 701-452-2179

E-MAIL

COUNTIES SERVED NW 1/4 Dickey, E. 1/2 Emmons, W. 1/2 LaMoure, Logan, McIntosh, SW 1/4 Stutsman, Kidder

…VICES PROVIDED Skilled Nursing, Home Health Aide, Physical Therapy, OT, ST, Private Pay, QSP Provider

How to Find a Home Health Agency

- Visit our website at www.aptnd.com/ndahc
- Nursing home social workers, physicians, and hospitals can help find home health agencies in your area.
- Home health agencies may be posted in the Yellow pages under "home health services."
- The ND Department of Health, Division of Health Facilities, can provide information about state and federal requirements, a list of licensed home health agencies, and information about agency compliance history. Call (701)328-2352

By investing some time and following the steps outlined in this brochure, you will be able to make an informed decision in the selection of a home health agency.

North Dakota Association for Home Care

NDAHC
PO Box 2175
Bismarck, ND 58502-2175

Phone: 701-224-1815
Fax: 701-224-9827

Please visit us at:
www.aptnd.com/ndahc

E-mail: **ndahc@aptnd.com**

North Dakota Association for Home Care

Add Years to Your Independence - Choose Home Care

North Dakota Association for Home Care

What is NDAHC?

The North Dakota Association for Home Care is a non-profit association dedicated to providing its membership with leadership, advocacy and education.

Our Mission

NDAHC seeks to reverse the trend that places North Dakota citizens in institutions by fostering, developing, and promoting high standards of patient care in the home setting, while providing an organized and unified voice for home care provider organizations in North Dakota.

NDAHC accomplishes its mission by way of:

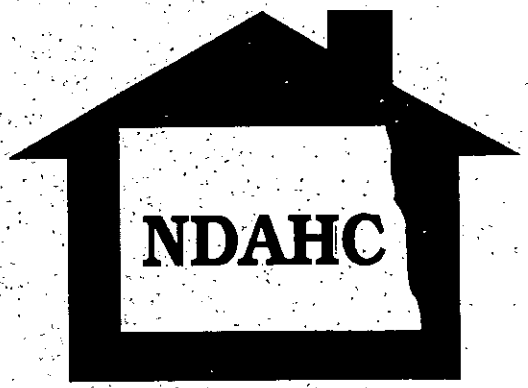
- Expanding membership's voice by developing coalitions and collaborations with other health care entities.
- Participating at state and national levels to influence legislation, regulation, and reimbursement.
- Identifying and advocating for common issues affecting the home care industry.
- Providing clinical education and networking opportunities for members as well as legislators, state committees, and health care providers.

How to Select the Right Home Health Agency

Before you decide on a Home Care Agency, gain knowledge of their services and reputation by asking the following questions:

- How long has the agency been established in the community and been providing care?
- What geographic area do they serve?
- Is the agency licensed, Medicare-certified, and accredited to provide home care?
- How does the agency handle medical emergencies?
- How does the agency select, train, and supervise its staff?
- Are the agency's caregivers available 24 hours a day, seven days a week?
- What does the client pay out of his/her pocket? What services and supplies are not covered by the third-party payers, such as Medicare and insurance?
- Will the client and significant other have a role in creating the plan of care?
- Will the agency make regular contact with the client's doctor?
- How is client confidentiality ensured?
- Investigate Medicare's Home Health Compare website: www.medicare.gov/HHCompare

Home is where caring for one's health has been provided throughout the centuries, and for good reason. There is significant evidence that home care keeps families together, promotes quicker healing, reduces stress, and keeps the elderly independent while allowing the maximum amount of freedom. This not only adds years to life, but life to years. In addition, home care costs about only one-tenth as much as hospitalization and approximately one-fourth as much as nursing home placement when dealing with comparable health problems. It is also the most satisfying form of health care available.



Home & Community-Based Services

Qualified Service Providers (QSPs)

Background:

North Dakota provides a home and community-based services program through which services are provided under various funding sources:

These services are provided by individuals and agencies that have been designated as a QSP

Service Payments for the Elderly and Disabled (SPED): SPED provides services for people who are older or physically disabled and who have difficulty completing tasks that enable them to live independently at home.

Expanded Service Payments for the Elderly and Disabled (Expanded-SPED): Expanded SPED was launched in 1994 to pay for in-home and community-based services for people who would otherwise receive care in a licensed basic care facility.

Medicaid Waivers for Home and Community Based Services (HCBS): The HCBS Medicaid waiver is an agreement between the Center for Medicare & Medicaid Services and the Department of Human Services to provide services not available under the Medicaid State Plan. Services are available to eligible individuals who would otherwise require services provided in a nursing home.

Medicaid State Plan: Personal Care Services and Targeted Case Management are provided under the Medicaid State Plan and are available to individuals who are eligible for Medicaid and meet the functional eligibility requirements. Services allow individuals to obtain services that will enable them to live independently.

Definitions:

Qualified Service Provider (QSP): A QSP is an **individual** or **agency** that has demonstrated **competency** in all of the **standards** for enrollment as a provider and has been designated by the Department of Human Services as a QSP. Designation as a QSP allows an individual or agency to bill for **services** that have been authorized by a Case Manager and are listed on the **authorization to provide services** form.

Individual Provider: A **self employed** person who has been designated by the Department of Human Services as a QSP which allows that person to bill the Department of Human Services for services authorized and provided.

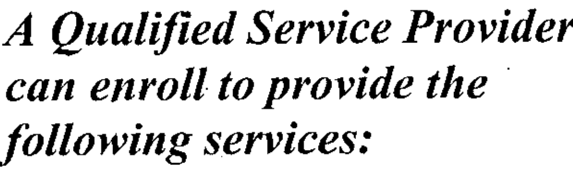
Agency Provider: An agency that enrolls with the Department of Human Services as a QSP, which allows that agency to **bill** the Department of Human Services for services authorized and provided.

Standard: A level of quality or excellence that is accepted as the norm for a specific task.

Competency Level: The skills and abilities required to do something well or to a required standard.

Service: Work done by a provider for payment.

Authorization to Provide Service (SFN 1699/663): A state form sent to the QSP by the Case Manager, authorizing the QSP to provide services. This form lists the authorization period in which the service can be provided; maximum amount of service authorized per month, and the tasks the QSP is authorized to provide which are checked on the form.



A Qualified Service Provider can enroll to provide the following services:

- **Case Management** - Assesses needs; helps with care planning, provider selection, referrals, and service monitoring.

- **Respite Care** – Provides temporary relief to the full-time caregiver.

- **Personal or Attendant Care Services** - Assistance with activities of daily living such as bathing, dressing, toileting, transferring, eating, mobility and incontinence care. Assistance with instrumental activities of daily living may also be provided in conjunction with the tasks for activities of daily living.

- **Adult Day Care** - A program of non-residential activities provided at least four (4) hours per day on a regularly scheduled basis one or more days per week and encompasses both health and social services needed to ensure the optimal functioning of the individual.

- **Adult Family Foster Care** - Provides a safe, supervised family living environment, 24-hours per day in a state-licensed setting.

- **Homemaker** - Provides house cleaning, laundry, and/or meal preparation services.

- **Chore Service** - Includes snow removal and heavy cleaning.

- **Emergency Response System** (Lifeline) - Provides telephone emergency response.

- **Family Home Care** - Reimburses a family caregiver who meets the relationship requirements defined by state law and resides in a client's home 24-hours per day.

- **Transitional Care Service** - Provision of training an individual to live with greater independence in the individual's home. This includes training, supervision, or assistance with activities to assist the individual with self-care, communication skills, etc.

- **Environmental Modifications:** Modifies the home to enhance client independence.

- **Adult Residential Service:** Service provided in a facility in which personal care, therapeutic, social and recreational programming is provided in conjunction with residing in the facility. This service includes 24-hour on-site response staff.

- **Non-Medical Transportation:** Transportation and escort that enables individuals to access essential community services such as grocery, pharmacy, banking, post office, etc.

- **Specialized Equipment and Supplies:** Includes devices, controls, or appliances specified in the plan of care, which enable recipients to increase their abilities to perform activities of daily living, or to perceive, control, or communicate with the environment in which they live.

To Obtain an Application for Enrollment as a Qualified Service Provider:

Contact a County Social Service Office

or

QSP Handbooks website:

http://www.nd.gov/humanservices/services/adultsaging/providers.html

Prepared January 2007
N.D. Dept. of Human Services,
Medical Services Division
600 E Boulevard Avenue Dept 325
Bismarck, ND 58505 Ph. (701)328-4602

FUNCTIONAL ELIGIBILITY REQUIREMENTS COMPARISON

North Dakota Department of Human Services

SB 2012

ExSPED	MSP-Personal Care Level 1	SPED	MSP-Personal Care Level 2	Waiver	Nursing Home
Services • Adult Day Care • Adult Foster Care • Chore • Emergency Response System • Environmental Modification • Family Home Care • HCBS Case Management • Homemaker • Respite	**Service** • Personal Care Services	**Service** • Adult Day Care • Adult Foster Care • Chore • Emergency Response System • Environmental Modification • Family Home Care • HCBS Case Management • Homemaker • Respite • Personal Care Services	**Service** • Personal Care Services	**Service** • Adult Day Care • Adult Foster Care • Adult/TBI Residential • Chore • Emergency Response System • Environmental Modification • HCBS Case Management • Homemaker • Non-Med Transportation • Specialized Equipment/Supplies • Supported Employment • Transitional Care • Nurse Management • Attendant Care Service	**Service** 24 hour all inclusive care. Including personal care, medical care, social activities etc.
	Personal Care Service: Assistance with activities of daily living such as bathing, dressing, toileting, transferring, eating, mobility and incontinence care. Assistance with instrumental activities of daily living may also be provided in conjunction with the tasks for activities of daily living. Personal Care Services allow individuals to live as independently as possible.				
Functional Eligibility Not severely impaired in ADLs: Toileting, Transferring, Eating **And** Impaired in 3 of the 4 following IADLs: • Meal Preparation • Housework • Laundry • Medication Assistance Or Have health, welfare, or safety needs, including requiring supervision or structured environment (Eligibility for Basic Care is the same)	**Functional Eligibility** Impaired in 1 ADL **Or** Impaired in 3 of the 4 following IADL's • Meal Preparation • Housework • Laundry • Medication Assistance	**Functional Eligibility** Impaired in 4 ADLs, OR in 1 ADL and 5 IADLs **Or** If under age 18, screened for nursing facility care **And** Impairments must have lasted or are expected to last 3 months or more	**Functional Eligibility** Impaired in 1 ADL **Or** Impaired in 3 of the following 4 IADL's • Meal Preparation • Housework • Laundry • Medication Assistance **And** Screened in need of nursing facility level of care **(LOC Screening)**	**Functional Eligibility** Screened in need of nursing facility level of care **(LOC Screening)**	**Functional Eligibility** Screened in need of nursing facility level of care **(LOC Screening)**
			Level of Care Screening- With a medical need, the individual may qualify. Examples: vent dependent, respiratory services needing the care of a nurse, unstable medical condition, dementia; or if there is no medical need an individual may qualify by having an impairment in 2 ADL's for which they must need constant care with each 60% or more of the time. Complete criteria for LOC Screening - NDAC 75-02-02-09.		
Financial Eligibility Medicaid Eligible	**Financial Eligibility** Medicaid Eligible	**Financial Eligibility** Income & Asset Based Sliding Fee Scale Resources $50,000 or less	**Financial Eligibility** Medicaid Eligible	**Financial Eligibility** Medicaid Eligible	**Financial Eligibility** Medicaid Eligible
Program Cap $1285.00 per month	**Program Cap** 480 units per month	**Program Cap** $1285.00 per month	**Program Cap** 960 units per month	**Program Cap** $2570.00 per month Exceptions-Attendant Care, Nurse Mgmt, Residential Care	**Program Cap** Average rate: $4865.00 per month. Range $97.31 to $323.07 per day

Swt 6

SB 2012

North Dakota Department of Human Services

List of ADLs and IADLs

ADL's (Activities of Daily Living)

- Bathing
- Dressing
- Eating
- Toileting
- Transferring
- Mobility (inside)
- Continence

IADL's (Instrumental Activities of Daily Living)

- Meal Preparation
- Housekeeping
- Laundry
- Shopping
- Medication Assistance
- Outside Mobility
- Transportation
- Money Management
- Communication / Telephone / Correspondence

STATE	PROGRAM	FUNDING SOURCE	FUNCTIONAL ELIGIBILITY
Alaska*	Care Coordination	Mental Health Trust Funds	Nursing home level of functionality
Arizona	Non-Medical Home and Community Based Services	General Funds and Federal Funds (OAA, Title III-B, Title XX)	Disability; if resources available 1 ADL and 2 or more IADLs
Arkansas*	IndependentChoices	General Funds	Functionally ineligible for Medicaid
California*	Linkages	General Funds	Some difficulty completing daily activities
Colorado*	Supportive Services	General Funds and Federal Funds (OAA, Title III)	Functionally ineligible for Medicaid
Connecticut*	Home Care Program → categories 1 and 2	General Funds and Federal Funds (SSBG)	Category 1: 1 to 2 critical needs and at risk of institutionalization Category 2: 3 or more critical needs but ineligible for Medicaid
Florida	Community Care for the Elderly	80% General Funds and 20% tobacco settlement funds (FY 00)	Limitations that restrict ability to perform normal activities of daily living and that impede capability to live alone
Georgia*	Community-Based Services Program	General Funds	Nursing home level of functionality
Hawaii	Kupuna Care	General Funds	2 or more ADLs or IADLs, or significantly reduced mental capacity
Illinois*	Community Care Program	General Funds	Nursing home level of functionality
Indiana	Community and Home Options to Institutional Care for the Elderly and Disabled	General Funds at $48.5 million per year	2 ADLs or more

* Kitchener, M., Willmott, M., & Harrington, C. (2006). Home and community-based services: State-only funded programs. Retrieved March 6, 2007 from http://www.pascenter.org/state_funded/.

Iowa*	Senior Living Program	Trust Funds and General Funds	Functionally ineligible for Medicaid
Kansas*	Senior Care Act Program	General Funds and local funds	2 ADLs, 3 or more IADLs, or combination of ADLs/IADLs
Kentucky	Personal Care Attendant Program	General Funds	Functional loss of two limbs
	State-Hart Supported Living	General Funds	Disability, defined as functional loss of two limbs
Louisiana	Long Term-Personal Care Services	State Plan Service	1 ADL
Maine*	Home Based Care	General Funds	1 ADL plus 2 other ADLs/IADLs
Maryland*	Senior Care Program	General Funds	65+ at risk of entering nursing home
Massachusetts*	Home Care Program	General Funds	4 ADLs and/or IADLs with critical unmet needs
Minnesota	Alternative Care Program	General Funds	Nursing home level of functionality
Nebraska	Care Management Program	General Funds	Any citizen 60+ in need
Nevada	Community Home-Based Initiative Program	General Funds	1 or more ADL
New Jersey*	Jersey Assistance for Community Caregiving	General Funds	Nursing home level of fucntionality
New Mexico*	Multi-Service Group	General Funds	Functionally ineligible for Medicaid
New York*	Expanded In-Home Services for the Elderly	General Funds and local funds	Functionally ineligible for Medicaid
North Carolina	Home and Community Care Block Grant	Approximately $30 million in General Funds, approximately 45% Federal Funds (OAA)	Four levels of in-home aide services ranging from 1 ADL to 3+ ADLs or 4+ IADLs
North Dakota	Service Payments for the Elderly and Disabled (SPED)	95% General Funds, 5% county funds	Impaired in 4 ADLs or in 5 IADLs

Oregon	Project Independence	General Funds	Individual assistance based on a scale of 1 (full assistance) to 18 (independent but requires structure living for supervision)
Pennsylvania	Options Program	State lottery funds, General Funds, and Federal Funds (OAA, Title III-E, Title XX)	2 to 6 ADLs
	Bridge Program	Tobacco settlement funds	Nursing home level of functionality
Rhode Island*	CoPay Program	General Funds	Functionally ineligible for Medicaid
South Dakota*	Long-Term Care Alternatives Program	General Funds	Nursing home level of functionality
Tennessee*	Options for Community Living Program	General Funds, Federal Funds (OAA), and Medicaid Waiver Funds	Functionally ineligible for Medicaid
Texas*	Multi-Service Group	General Funds	Functionally ineligible for Medicaid
Utah*	Home and Community-Based Alternatives Program	General Funds	Nursing home level of functionality
Vermont*	The Homemaker Program	General Funds and Federal Funds (SSBG)	1 or more ADLs and/or cognitive impairment
	Attendant Services Program	General Funds	2 or more ADLs
Washington D.C.*	Home Care Partners	General Funds	Functionally ineligible for Medicaid
Washington*	Chore Services Program	General Funds	1 ADL
	Residential Care Program	General Funds	1 ADL
Wisconsin*	Community Options Program – Regular	General Funds	Nursing home level of functionality
Wyoming	Community Based In-Home Services	100% General Funds	Unable to perform daily tasks independently

Testimony
North Dakota Disabilities Advocacy Consortium
SB 2012
Department of Human Services Budget
Senate Appropriations Subcommittee
January 23, 2007

Chairman Fischer, members of the Senate Appropriations Subcommittee, I am James M. Moench, Executive Director of the North Dakota Disabilities Advocacy Consortium (NDDAC). The Consortium is made up of 22 organizations concerned with addressing the issues that affect people with disabilities (see attached list). We are very interested in adding funding for support of home and community based (HCBS) care initiatives. Not only is home and community based care the right thing to do for people who require some assistance to manage their daily lives, it is the most cost-effective way to provide services. We applaud any efforts by the Legislature and the Department of Human Services to keep North Dakota citizens in their homes and communities as long as possible.

Therefore in the area of provider compensation, we support the Medicaid providers request for a five-percent increase for each year of the biennium. We also support the DD providers' request for the equity adjustment amount of $1.50. Lastly, on the subject of compensation, we are requesting that the Optional Adjustment Request (OAR) for a Qualified Service Provider (QSP) adjustments be included in SB 2012 at not less than $3.16 /unit or $12.64 per hour for the individual QSP plus any overall adjustment given to the other Medicaid service providers.

QSP training needs to be strengthened. The QSP training program Lake Region State College at Devils Lake ran out of money in November. I understand that an additional $10,000 has been provided to finish out that contract at a total cost of $50,000. The budget only provides for $30,000 for 2007-2009. Making sure that quality people are providing services in the homes of our elderly and disabled requires that we do more in the area of provider education.

It seems that everyone is in agreement that people wish to have long-term care services that keep them in their homes and community for as long as

possible. We all state that we support that goal. In many other states, the percentage of their long term budget that is being spent on HCBS is growing. Many are at 30% - some are at 50%. North Dakota was at .10% in the 2005-2007 biennium and the Governors budget is proposing .09% for 2007-2009. That, I submit, is not progress. The adoption of the Aging and Disability Resource Center (single point of contact) concept currently in SB 2070 is a small step in helping North Dakotans access services in the least restrictive environment.

DHS is proposing to make it more difficult to use the SPED program by requiring the addition of an ADL to the requirements. It has been estimated by some counties that the addition of the ADL requirement would make one quarter of their current SPED clients ineligible. Expanded-SPED would be capped at 141 slots. These requirements seem to be designed to increase the numbers fully funded by the counties and/or to move clients to the Personal Care Option under the Medicaid State Plan where the federal government through FMAP picks up part of the cost. The downside of personal care and/or medical assistance eligibility is Recipient Liability. Recipient Liability requires that an individual client pay everything over $500.00 after consideration of all appropriate deductions, disregards and the Medicaid income level that has been allowed as a premium up to cover up to the cost of his or her care. For a couple, the amount is $516.00. Potential clients are making the determination that they can not live on that meager amount, so they decline services until such time as a nursing home is their only option. If the Department is correct that SPED utilization is declining (why, we don't know) and that the requirements should be tightened, NDDAC would request that the threshold for incurring Recipient Liability (the medically needy income level) be raised to at least the Supplemental Security Income (SSI) "benefits levels" which are $623.00 for one person and 934.00 per month for "eligible couple" for 2007. In 2006 the amounts were for one person $603.00 and for "eligible couple" $904.00. This again is after allowable deductions and disregards.

This modest proposal would still require clients to try to subsist below the poverty level for an individual.

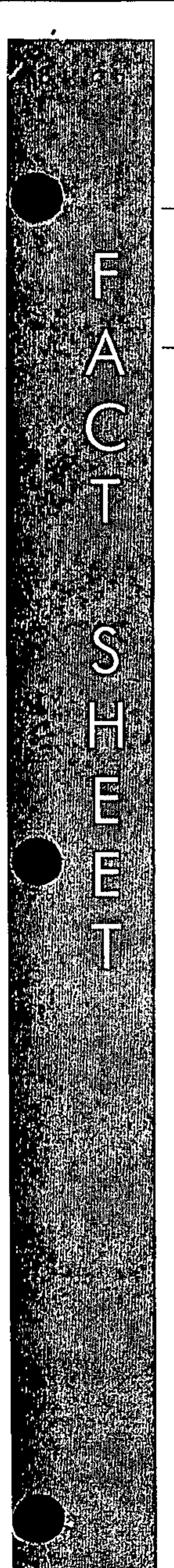
Thank you for your attention. Are there any questions that I can answer?

NORTH DAKOTA DISABILITIES ADVOCACY CONSORTIUM

2006 Membership

1. AARP
2. Dakota Center for Independent Living
3. Family Voices of North Dakota
4. Freedom Resource Center for Independent Living
5. Independence Center for Independent Living
6. ND APSE: The Network on Employment
7. ND Association of the Blind
8. ND Association of the Deaf
9. ND Association for the Disabled
10. ND Center for Persons with Disabilities (NDCPD)
11. ND Children's Caucus
12. Fair Housing of the Dakotas
13. ND Fed. of Families for Children's Mental Health
14. ND Human Rights Coalition
15. ND IPAT Consumer Advisory Committee
16. ND Mental Health Assn.
17. ND Statewide Living Council
18. Options Resource Center for Independent Living
19. Protection & Advocacy Project
20. The Arc of Bismarck
21. The Arc of Cass County
22. The Arc of North Dakota

Updated: July 10, 2006



U.S. Department of Health and Human Services
Administration on Aging

Aging and Disability Resource Centers

A Joint Program of the Administration on Aging and Centers for Medicare & Medicaid Services - Overview

BACKGROUND

The Aging and Disability Resource Center Program (ADRC) is a collaborative effort of the Administration on Aging (AoA) and the Centers for Medicare & Medicaid Services (CMS) designed to streamline access to long-term care.

The ADRC initiative supports state efforts to develop "one-stop shop" programs at the community level that will help people make informed decisions about their service and support options and serve as the entry point to the long-term support system. States are using ADRC funds to better coordinate and/or redesign their existing systems of information, assistance and access and are doing so by forming strong state and local partnerships.

Resource Center programs provide information and assistance to individuals needing either public or private resources, professionals seeking assistance on behalf of their clients, and individuals planning for their future long-term care needs. Resource Center programs also serve as the entry point to publicly administered long term supports including those funded under Medicaid, the Older Americans Act and state revenue programs.

ADRC grantee states target Resource Center services to the elderly and at least one additional population of people with disabilities (i.e., individuals with physical disabilities, serious mental illness, and/or mental retardation/developmental disabilities). ADRCs are working towards the goal of serving all individuals with long-term care needs regardless of their age or disability.

AOA & CMS VISION FOR RESOURCE CENTERS

The goal of the ADRC Program is to empower individuals to make informed choices and to streamline access to long-term support. Long-term support refers to a wide range of in-home, community-based, and institutional services and programs that are designed to help individuals with disabilities.

The vision is to have Resource Centers in every community serving as highly visible and trusted places where people can turn for information on the full range of long term support options.

In many communities, long-term support services are administered by multiple agencies and have complex, fragmented, and often duplicative intake, assessment, and eligibility functions. Figuring out how to obtain services is difficult. A single, coordinated system of information and access for all persons seeking long term support minimizes confusion, enhances individual choice and supports informed decision-making. It also improves the ability of state and local governments to manage resources and to monitor program quality through centralized data collection and evaluation.

ADRC GRANTEES

AoA and CMS launched the ADRC initiative in the fall of 2003 through the funding of 12 grants to states to develop pilot programs. Additional grants were awarded in 2004 and 2005 bringing the total number of states funded through the ADRC initiative to 43.

While grantees are only required to pilot their ADRC in at least one community, they are all striving to replicate the program across the entire state. The map on the reverse side of the Fact Sheet indicates states that have been awarded ADRC grants and the year they received their award.

TECHNICAL ASSISTANCE

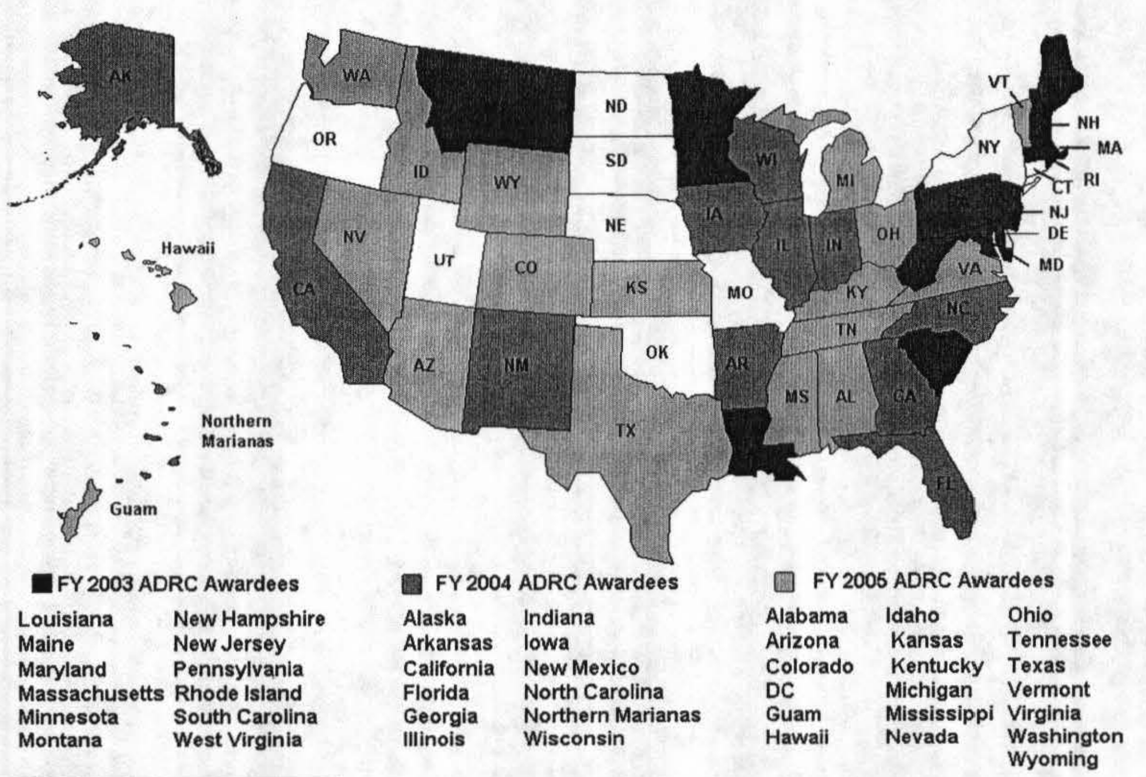
To support ADRC grant projects, AoA and CMS are each funding technical assistance providers. The AoA funded ADRC Technical Assistance Exchange (TAE) coordinates technical assistance efforts and collaborates closely with the CMS funded Community Living Exchange Collaborative. Technical assistance is provided through individual assistance to grantees, national meetings, monthly teleconferences, a weekly newsletter, the ADRC-TAE website and in other ways. Many of the technical assistance products developed for grantees are available to the public on the website.

ADDITIONAL INFORMATION

For additional information on the ADRC initiative, please visit The ADRC Technical Assistance Exchange website at www.adrc-tae.org. The website includes contact information for AoA and CMS ADRC project officers, summary information on each of the grantees, and a variety of resources related to this initiative.

You can also find additional ADRC information on the AoA website at http://www.aoa.gov/prof/aging_dis/aging_dis.asp or the CMS web site at http://www.cms.hhs.gov/newfreedom.

AGING AND DISABILITY RESOURCE CENTER AWARDEES



FOR MORE INFORMATION

AoA recognizes the importance of making information readily available to consumers, professionals, researchers, and students. Our website provides information for and about older persons, their families, and professionals involved in aging programs and services. For more information about AoA, please contact: US Dept of Health and Human Services, Administration on Aging, Washington, DC 20201; phone: (202) 401-4541; fax (202) 357-3560; Email: aoainfo@aoa.gov; or contact our website at: www.aoa.gov

Aging and Disability Resource Center (ADRC) Grants

A Joint Program of the Federal Administration on Aging and Centers for Medicare and Medicaid Services

Goals of the ADRC Grants:

- Empower individuals to make informed choices about their service and support options
- Streamline access to long term support services
- Support state efforts to develop "one-stop-shop" programs

ADRC Grant Requirements:

Awareness & Information
- Raise Public Awareness/Understanding of the Resource Center
- Provide Information about Long Term Support and Service Options

Assistance
- Provide Options Counseling
- Provide Benefits Counseling (various eligibility requirements)
- Provide Employment Options Counseling
- Make Referrals
- Provide Crisis Intervention (addressing emergency placement/service needs)

Access
- Conduct Eligibility Screening
- Include Private Pay Services
- Conduct Comprehensive Assessment
- Make Programmatic Eligibility Determinations *(can be provided by partnering organizations)*
- Conduct Medicaid Financial Eligibility Determination *(can be provided by partnering organizations)*
- Serve As One-Stop Access to All Public Programs *(co-location of services is an option)*
- Help Individuals Plan for Future Care Needs

Target Populations
- Must serve individuals age 60 and older and at least one other disability population – i.e. people with physical disabilities, people with severe mental illness, or people with developmental disabilities
- Must serve people of all income levels including the "private pay" population

Testimony

North Dakota Disabilities Advocacy Consortium

SB 2012

Department of Human Services Budget

House Appropriations Committee (Human Resources Division)

February 28, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am James M. Moench, Executive Director of the North Dakota Disabilities Advocacy Consortium (NDDAC). The Consortium is made up of 22 organizations concerned with addressing the issues that affect people with disabilities (see attached list). We are very interested in adding funding for support of home and community based (HCBS) care initiatives. Not only is home and community based care the right thing to do for people who require some assistance to manage their daily lives, it is the most cost-effective way to provide services. We applaud any efforts by the Legislature and the Department of Human Services to keep North Dakota citizens in their homes and communities as long as possible. We believe that the Governor's budget and the Senate amendments made a good start at providing services for our most vulnerable citizens and we support those amendments.

NDDAC would like to comment on a few areas that we feel could be strengthened. In the area of provider compensation, we support the Medicaid providers request for a five-percent increase for each year of the biennium. We also support the DD providers' request for an equity adjustment amount of $1.50. We support the Senate amendment adopting the Optional Adjustment Request (OAR) for Qualified Service Providers (QSP) setting a pay rate at $3.16 /unit or $12.64 per hour for the individual QSP plus any overall adjustment given to the other Medicaid service providers. (Currently QSP's are renamed Home Service Providers (HSP) in the Senate version of SB 2012.)

QSP training and qualifications need to be strengthened. The QSP training program at Lake Region State College at Devils Lake ran out of money in November. I understand that an additional $10,000 has been provided to finish out that contract at a total cost of $50,000. The Governor's budget only provides for $30,000 for 2007-2009. Making sure that qualified,

quality people are providing services in the homes of our elderly and people with disabilities requires that we do more in the area of provider education.

It seems that everyone is in agreement that people wish to have long-term care services that keep them in their homes and community for as long as possible. We all state that we support that goal. In many other states, the percentage of their long-term care budget that is being spent on HCBS is growing. Many are at 30% - some are at 50%. North Dakota was at 10% in the 2005-2007 biennium and the Governors budget is proposing 9% for 2007-2009. That, I submit, is not progress. The adoption of the Aging and Disability Resource Center (single point of contact) concept currently in SB 2070 is a small step in helping North Dakotans access services in the least restrictive environment.

DHS is proposing to make it more difficult to use the SPED program by requiring the addition of an ADL to the requirements. It has been estimated by some counties that the addition of the Activity of Daily Living (ADL) requirement would make one quarter of their current SPED clients ineligible. Expanded-SPED would be capped at 141 slots. Adding restrictive requirements appears to be designed to increase the clients fully funded by the counties and/or to move clients to the Personal Care Option under the Medicaid State Plan where the federal government through FMAP picks up part of the cost. The downside of personal care and/or medical assistance eligibility is "recipient liability". Recipient liability requires that an individual client pay everything over $500.00 after consideration of all appropriate deductions, disregards and the Medicaid income level that has been allowed as a premium to cover up to the cost of his or her care. For a couple, the amount is $516.00. Potential clients are making the determination that they can not live on that meager amount, so they decline services until such time as a nursing home is their only option. NDDAC strongly supports the Senate inclusion of the OAR that moves the threshold for incurring recipient liability (also known as the medically needy income level from 61 to 83 percent of the poverty level) to at least the Supplemental Security Income (SSI) "benefits levels" which are $623.00 for one person and $934.00 per month for "eligible couple" for 2007. In 2006 the amounts were for one person $603.00 and for "eligible couple" $904.00. This again is after allowable deductions and disregards. This modest proposal would still require clients to try to subsist below the poverty level for an individual.

NDDAC supports the funding for the provisions of HB 1463 which extends coverage of Medicaid and the Children's Health Insurance Program (CHIP) to more needy children.

We would encourage the committee to support more funds for the transition of selected Developmental Center residents to community programs.

Because it has not been raised in a long time, we support increasing the personal care allowance for residents of nursing homes and intermediate care facilities for persons with mental retardation (ICFMR) by $10 per month. The senate increased the amount that a person can retain for personal items by $5 per month.

The Interagency Project for Assistive Technology (IPAT) is an excellent program and has proven it worth time and time again. We support the addition of the OAR for $500,000 that will allow IPAT to continue to provide their much needed and appreciated services.

Lastly, we support the Senate amendments partial funding for the Center's for Independent Livings plans to expand their services statewide. We would urge additional funding if available to expand this valuable service.

Thank you for your attention. Are there any questions that I can answer?

STATE OF NORTH DAKOTA
OFFICE OF STATE TREASURER
STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT 120, BISMARCK, NORTH DAKOTA 58505-0600
701-328-2643 FAX 701-328-3002
http://www.state.nd.us/ndtreas

Kelly L. Schmidt
State Treasurer

Senior Mill Levy Payment To Counties 2006 and 2007

County	Paid 2006	To be Paid 2007	Dollar Change	Percentage Change
Adams	4,596.91	4,726.90	129.99	2.83%
Barnes	21,828.56	23,404.30	1,575.74	7.22%
Benson	8,242.23	8,590.75	348.52	4.23%
Billings	0.00	0.00	0.00	
Bottineau	15,944.37	17,011.48	1,067.11	6.69%
Bowman	0.00	6,443.43	6,443.43	100.00%
Burke	5,736.71	5,747.64	10.93	0.19%
Burleigh	103,794.62	114,099.23	10,304.61	9.93%
Cass	216,762.92	238,517.28	21,754.36	10.04%
Cavalier	12,881.83	13,460.05	578.22	4.49%
Dickey	10,277.69	10,900.12	622.43	6.06%
Divide	5,963.13	6,105.70	142.57	2.39%
Dunn	8,504.18	8,481.61	(22.57)	-0.27%
Eddy	4,228.88	4,204.10	(24.78)	-0.59%
Emmons	4,518.04	4,550.56	32.52	0.72%
Foster	8,139.75	8,336.32	196.57	2.41%
Golden Valley	3,654.00	3,670.13	16.13	0.44%
Grand Forks	88,996.77	98,615.94	9,619.17	10.81%
Grant	5,134.41	5,310.42	176.01	3.43%
Griggs	5,569.97	5,841.90	271.93	4.88%
Hettinger	5,910.49	6,175.96	265.47	4.49%
Kidder	6,223.59	6,329.93	106.34	1.71%
LaMoure	10,948.85	11,710.69	761.84	6.96%
Logan	4,278.53	4,324.54	46.01	1.08%
McHenry	13,687.46	14,288.22	600.76	4.39%
McIntosh	6,348.08	6,470.27	122.19	1.92%
McKenzie	0.00	0.00	0.00	
McLean	16,535.70	17,635.79	1,100.09	6.65%
Mercer	4,285.02	4,410.10	125.08	2.92%
Morton	36,546.14	38,863.27	2,317.13	6.34%
Mountrail	9,793.28	10,073.38	280.10	2.86%
Nelson	7,086.36	7,326.99	240.63	3.40%
Oliver	2,726.95	3,635.29	908.34	33.31%
Pembina	18,641.98	19,888.33	1,246.35	6.69%
Pierce	8,976.42	9,052.09	75.67	0.84%
Ramsey	16,187.55	16,991.81	804.26	4.97%
Ransom	10,235.67	10,890.80	655.13	6.40%
Renville	6,571.38	6,668.88	97.50	1.48%
Richland	31,757.44	32,736.62	979.18	3.08%
Rolette	6,405.84	6,493.85	88.01	1.37%
Sargent	9,229.03	10,029.68	800.65	8.68%
Sheridan	4,047.49	4,155.41	107.92	2.67%
Sioux	1,373.45	1,367.24	(6.21)	-0.45%
Slope	2,874.87	2,865.89	(8.98)	-0.31%
Stark	25,156.79	26,836.04	1,679.25	6.68%
Steele	6,717.55	7,041.63	324.08	4.82%
Stutsman	32,214.27	33,926.44	1,712.17	5.31%
Towner	7,635.84	7,625.69	(10.15)	-0.13%
Traill	16,374.60	17,181.49	806.89	4.93%
Walsh	20,394.46	20,840.37	445.91	2.19%
Ward	70,074.08	76,795.37	6,721.29	9.59%
Wells	11,205.61	11,701.09	495.48	4.42%
Williams	24,195.07	25,342.94	1,147.87	4.74%
State	989,414.81	1,067,693.95	78,279.14	7.91%

Decreases	5.00
Increases	46.00
No Mills	2.00

Cities in Mercer County that levied for Levy no. 1630			
Beulah	2,357.47	2,438.79	81.32
Hazen	1,927.56	1,971.31	43.75
Mercer Total	4,285.03	4,410.10	125.07

ND DEPARTMENT OF HUMAN SERVICES
Schedule of Aging Mill Levy Distributions

Actual Distributions 2003-2005	Increase	Projected Distributions 2005-2007 [1]	Increase	Projected Distributions 2007-2009 [1]
1,662,945	394,164	2,057,109	240,833	2,297,942

[1] As projected by the State Treasurers' Office